CITY COUNCIL STUDY SESSION

TO: Mayor and City Council
FROM: Mari E. Macomber, City Manager

SESSION DATE: July 10, 2007
TIME: 5:30 P.M.
PLACE: Second Floor Conference Room of City Hall

AGENDA:

Comp Plan Update
Code Update
Newsletter Review from July 6, 2007

COMPREHENSIVE PLAN UPDATE

In 2003, the City of Kirksville developed a comprehensive plan. A comprehensive plan is a plan that establishes a vision for Kirksville. It is a plan that addresses the significant aspects of business and support by the City of Kirksville. It is not a plan that addresses issues beyond the control of the City, for example health care issues or primary and secondary educational issues.

The City of Kirksville Comprehensive Plan was developed using a public process that included input from citizens, from representatives of various community organizations and from joint meetings with the City's Planning and Zoning Commission and City Council. The Plan was compiled and offered for review and display on the City's website. Comments and feedback were also solicited again from the community organizations. The final plan was completed and adopted by both the Planning and Zoning Commission and the City Council in December 2003.

Two of the most significant accomplishments of the Comprehensive Plan were the compilation of statistical and historical information about the City, and an agreed upon direction for the City with nine acknowledgements and established goals.

The following acknowledgements come straight from the Comprehensive Plan and are important in setting the foundation for the work that we are doing.

> The City of Kirksville will seek to improve the prosperity of its citizens by promoting job creation, job security, and improved compensation.
>
> The City of Kirksville will seek regional partnerships, open communication, enhance transportation, and share with other communities in order to reduce obstacles of isolation (such as economic, cultural, transportation, population or administrative isolation).

The City of Kirksville will utilize the Comprehensive Plan, and all related plans, as dynamic tools to guide future priorities and decision-making.

The City of Kirksville will work with neighborhoods to maintain a high level of quality and integrity.

The City of Kirksville will celebrate and promote the hometown atmosphere and diversity of its residents in the broadest sense.

The City of Kirksville acknowledges that the Comprehensive Plan is meant to be an optimistic route for working towards loftier goals, even goals not yet identified.

The City of Kirksville will promote and support citizen participation and engagement in the community and community issues by providing quality, responsive, and innovative citizen services.

The City of Kirksville acknowledges and supports the diversity of goals by business and neighborhoods'.

The City of Kirksville will seek to create, maintain, and improve infrastructure (e.g., sanitary sewer, water distribution systems, telecommunications, recreation and programming opportunities, streets and highways).

Following this cover transmittal is a summary report from Brad Selby, Code Administrator that explains more about the Comprehensive Plan and the balance of the document.

Copies of the Comprehensive Plan and the status of the goals will be distributed to the City Council during the Study Session. Staff will take some time to review the goals and answer questions about the Plan.

Recommended Action: The City Council will be asked to become familiar with the Comprehensive Plan and the direction in which the City is moving.

CODE UPDATE

At present the Codes Department is working on several projects that will impact development. The first is the pursuit of the recommendations found in the City's Downtown Redevelopment Plan. From the onset it was hoped that business develop and investment would occur within the downtown area as a result of the Downtown Redevelopment Plan. Preparing for and developing guidelines for future developments is one of the recommended actions found in the Plan. The bulleted item below explains what is expected from the Downtown Redevelopment Plan.

- Create a Plan Implementation Committee to oversee physical design improvements and coordinate development efforts with business recruitment, development, and marketing efforts. This could be the continuation of the current project Steering Committee. Such a committee can be used to monitor implementation of the plan and measure success. Success will need to be measured through qualitative and quantitative measures. Statistical measures may include tax revenue increase / stabilization, physical projects completed, vacant land and building square footage decreases, business retention and turnover rate, etc. Because such measures may be effected by influences

beyond the control of the community, qualitative measures through annual surveys of residents and property owners in the market area (including students, in-town and out-of-town residents and visitors to the area) can be used to capture a satisfaction rating for the area and measure the effectiveness of improvements or changes over time.

A copy of the entire Implementation Outline is included in this Study Session Packet.

The Codes Department has also put together a proposal on building permit fees. Today, a contractor/developer/owner can obtain a permit by providing an estimate of the cost of construction. The building permit fees are then based on that dollar amount.

Changing the method of calculation was discussed briefly during the budget review process. We are wishing to implement a new method of calculation using the square footage of the structure and the rates established by the International Codes Council. A staff report providing additional information is included and will be discussed at the Study Session.

One other item that will be introduced at the Study Session will be the concept of "Competency Testing." Today, anyone can obtain a business license as a tradesman. We have very little ability to reject these licensures. The idea of competency testing would be intended primarily to eliminate those individuals who are not trained to do the work.

Recommended Action – We will update the Council on where we are with the Downtown Implementation Committee and seek input from the Council. We want to determine if there is support on the part of the City Council to change the permit fee structure and whether there is interest in pursuing some sort of competency testing.

NEWSLETTER REVIEW – July 6, 2007

Attachments

Comprehensive Plan Summary Report – pg. 5
Downtown Improvement Implementation – pgs. 6-10
Building Permit Fee Summary Report – pg. 11
Building Valuation Data – pgs.12-13

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: 2003 Comprehensive Plan - 2006 Update

STUDY SESSION MEETING DATE: July 10, 2007

CITY DEPARTMENT: Codes

PREPARED BY: Brad Selby

The Comprehensive Plan for the City was drafted in 2003 and published in 2004. The purpose was to lay out the Master Plan for the City, to define projects and goals, to identify issues that faced the city, and to develop strategies for the next 10 years, that would provide continuing and improved services for the Citizens of Kirksville.

The Plan is divided into 7 major sections: General Administrative Goals and Strategies, Socioeconomics, Planning, Transportation, Community Facilities and Services, Cultural Preservation and Aesthetics, and Utilities and Communication.

These general areas are then divided into different projects that are assigned to the department heads for action and follow up. The projects assigned have completion dates that vary from 1 year to a 9-10 year range.

Each year, the department heads are required to update the Plan with the City Planner, showing progress that has been made on their assigned plans, and to identify plans that have been completed.

The annual update report done this year is to report on progress through the end of 2006. All department heads contributed to the effort. Most of the projects that were completed in 2005, have been removed from this update, except for some that are ongoing efforts. A copy of this report will be provided at the Study Session and reviewed by the City Manager. In the report, those projects highlighted in yellow are the current updated projects and results. Projects listed with nothing shown after them either have no progress to report, or are not due until later years.

Downtown Improvement Implementation

The Downtown Kirksville Improvement Plan identifies a variety of development and design improvements for the project area. These improvements will depend upon a rational approach and the cooperative efforts of a number of stakeholders in Downtown Kirksville. Both physical and programmatic improvements will require an incremental and strategic approach with top priorities being addressed first. Several of the physical improvements will require a phased implementation approach of a period of years. This phasing will be dependent on available monetary resources, existing commitments and the logical progression of construction and development. Some elements and recommendations of the plan are interdependent upon one another. For these reasons the following section was developed to outline key recommendations, potential timeframes, responsible parties, estimated costs and possible funding sources. If the Improvement Plan section of this report describes the characteristics of the vision for future improvements, then this section begins to outline some of the critical steps and methods for achieving that vision.

Policy / Program / Organization Recommendations

Throughout the Improvement Plan there are items that will require broad policy and / or program implementation. It is vitally important that administrative, regulatory and financial policies are in place in order to focus resources. Additionally, responsibilities need to be assigned to a number of entities that have the appropriate strengths and resources to effectively and cooperatively carry out programs and policies that are necessary for addressing the vision of this plan. The following recommendations are intended to assist with defining the policy, program and organization foundation for improvement actions.

This section is intended to serve as a general guide for implementing steps to achieve development of concepts outlined by this plan and if carried out, should lead to a higher degree of public and private cooperation and an increased awareness of the strength of downtown.

- A complete review of utility conditions and capacity in the planning area needs to be conducted to insure that sufficient utilities are available to provide necessary service for new development. Utilities may need to be upgraded and/or relocated or buried in order to accomplish certain projects within the area.

- The City of Kirksville should adopt a policy and procedures to prevent tearing up new improvements in public right-of-ways. This can be done to coordinate underground utility improvements with physical improvements on the surface completed by City and other service providers, as well as with private developers. If development or utility service needs change then work must be done in a

manner to avoid demolition of improvements. If newly constructed surface improvements are completed and tear up is necessary, then the demolition and reconstruction cost to return the improvements to the previous condition should be paid for by the service provider or developer.

- Create a Plan Implementation Committee to oversee physical design improvements and coordinate development efforts with business recruitment, development, and marketing efforts. This could be the continuation of the current project Steering Committee. Such a committee can be used to monitor implementation of the plan and measure success. Success will need to be measured through qualitative and quantitative measures. Statistical measures may include tax revenue increase / stabilization, physical projects completed, vacant land and building square footage decreases, business retention and turnover rate, etc. Because such measures may be effected by influences beyond the control of the community, qualitative measures through annual surveys of residents and property owners in the market area (including students, in-town and out-of-town residents and visitors to the area) can be used to capture a satisfaction rating for the area and measure the effectiveness of improvements or changes over time.

- Revise community, institutional and downtown marketing and business recruitment programs and materials to incorporate the improvement plan vision.

- Determine and clearly assign responsibilities for downtown improvements, maintenance, and business recruitment and retention efforts to appropriate groups (City of Kirksville, Downtown Improvement Committee, Chamber of Commerce, Business Association, etc.).

- Develop and codify detailed design and development guidelines for public and private improvements in downtown.

- Establish a Downtown Kirksville resource center in downtown. The resource center should facilitate marketing, business recruitment, development activities, and resources made available to business owners (business association meeting space, technical assistance information, etc.). The Downtown Improvement Committee or Chamber of Commerce could be responsible for this activity and at a later date possibly hire a full time downtown staff person.

- The Downtown Improvement Committee should encourage merchants to create a quality retail commercial experience. Sponsor guest speakers and workshops for business owners.

- The Plan Implementation Committee should sponsor façade workshops for merchants to provide information and technical assistance on appropriate methods of façade renovation and encourage merchants and property owners on façade maintenance. Workshops could focus on the economic relationship between façade and display area improvements and retail or business success.

- Make available appropriate financing tools (low interest loan pool or min-grants, etc.) for business and property owners to encourage fix-up and enhancement of facades, implement pedestrian oriented signage (front and back), awnings, and other amenities per downtown design guidelines.

- Continue business development and recruitment efforts to solidify block faces around the Town Square and the core area of the Downtown Commercial District (infill and rehabilitation of existing structures). Encourage the location and relocation of the highest and best uses on appropriate floors and sites in downtown per the improvement plan.

- Develop and establish a downtown overlay zoning district (to include commercial redevelopment on Franklin and Jefferson Streets). This district should set specific development parameters and design guidelines in the project area. The standards for development should be flexible enough to address unique adaptive reuse opportunities associated with vacant and underutilized structures and properties.
- Through the downtown overlay district and a landscape ordinance, new development should be required to provide appropriate streetscape enhancements based on the direction provided in the improvement plan, as well as buffering enhancements and more aesthetic parking areas.
- Adaptive reuse of existing structures should be fully investigated prior to demolition of structures.
- A site plan review process should be developed to ensure that development proposals meet all applicable codes and design guidelines.
- Utilize zoning performance standards in the overlay district and site plan review procedures to incorporate design guidelines provided for private surface and mixed-use parking facilities in the downtown.
- In addition to appropriately located public parking facilities, owners of private parking areas should be encouraged to make basic aesthetic and functional improvements, as well as enter into shared use agreements to maximize the use of these parking resources.
- Local lenders should form a consortium to develop a low interest loan pool for future commercial/business development in the downtown area.
- Target the use of CDBG and other funds in the adjacent neighborhoods to downtown in order to stabilize viable residential areas.
- Utilize Tax Increment Financing in a strategic manner to promote the needed redevelopment efforts indicated by the proposed activities. In each case the critical connection between the success of redevelopment efforts should be tied to not only improvements on the site but also to the necessary improvement of the adjacent areas. TIF is also applicable in the downtown to deter the deterioration of the physical environment and promote redevelopment.
- Explore the use of TEA 21 funds to make transportation facility and enhancement related improvements in downtown.
- Consider implementation of a minimum budget set aside to accommodate the development of public art and gateways in association with public improvement projects.

- Develop an effective transit loop system to serve the Town Square, KCOM and Truman State University. Initial efforts may focus on special events to establish an acceptance of use on a more frequent basis by the community.
- While retaining the existing roadway lighting standards a uniform fixture should be selected and applied throughout the downtown area.
- Select particular streetscape plant species, furniture/fixture styles and materials using the conceptual base of this plan and findings during the development of construction documents for roadway and intersection improvements. For the Jefferson and Franklin Street improvements a number of species should be considered as part of the design process. These are also adaptable to other streetscape locations throughout the project area.

  Street Trees: Linden, Honey Locust, Autumn Purple Ash, Sugar Maple, Japanese Zelkova

  Ornamental Trees: Red Bud, White Bud, Amur Maple, Golden Raintree

  Shrubs: Flowering Quince, Viburnum, Yews, Boxwood

  Groundcover: Baltic Ivy, English Ivy, Purple Leaf Winter Creeper Euonymus, Blue Rug Juniper

  In addition a ligthing fixture style that will complement the streetscape enhancements is the Lumec New Westminster Series on a 12 foot decorative pole or something similar.
- Specific design guidelines and criteria for signage, façade enhancement and building / property development should be developed and adopted as part of the land development policies and ordinances of the City as applied to this area. Such guidelines will impact the character of the various districts in the plan area and will need to be developed in a manner that reflects the development quality and desire for each district.
- The four partners should continue to work cooperatively to program and coordinate activities and events in and around downtown. This could be done through the Plan Implementation Committee.
- The Planning Commission, City Council, TIF Commission, KCOM and Truman State University Administration and Downtown Improvement Committee should periodically meet in joint sessions to monitor plan implementation progress and plan adjustments or changes that need to be made as implementation takes place.

Improvement Guidelines Matrix

The purpose of the Improvements Guidelines Matrix is to provide guidance regarding the timing and implementation characteristics (responsibilities and possible funding sources) of the various improvements identified in the Downtown Kirksville Improvement Plan.

In regard to timing the matrix outlines short (less than 3 years), medium (3 to 6 years) and long (more than 6 years) range improvements. The matrix also indicates opportunities for cooperative and effective implementation by project type. This is done by identifying if a project is:

- **Public** - most likely to be initiated and funded primarily by public resources.
- **Private** – most likely to be initiated and completed by the private sector with minimal or no public funding

- **Partnership** – a joint venture between a public agency and a non-profit or private developer. Some examples may include financial incentives or other tools used by the City to assist with defraying the cost of development (land provision or write down, parking improvements, aesthetic enhancements, etc.)

Finally, the matrix attempts to identify possible funding sources for each improvement project. The actual funding at the time of implementation may be different due to the development of new funding programs at the local, state or federal levels of government. Also, new techniques for generating funding may evolve and current methods may change or disappear. Therefore, the matrix provides an initial look at how the public and private sector in Kirksville may achieve the vision set forth in Section 2 of this plan.

Public / Private Investment

As with any community improvement plan, the Downtown Kirksville Plan is long-range and incremental in nature. The suggested improvements, both public and private have financial implications that must be considered throughout the implementation process and within the context of overall community improvement and investment.

The initial investigation of levels of public and private investment has revealed the following anticipated investment in Downtown Kirksville. The numbers identified below do not include design / engineering costs. They are rough estimates achieved through a conservative approach to over estimate public improvements and underestimate private improvements. For the purposes of this plan the overall magnitude of costs is important

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Building Permit Fees

STUDY SESSION MEETING DATE: July 10, 2007

CITY DEPARTMENT: Codes

PREPARED BY: Brad Selby

The permit fee for building a new structure in Kirksville is $4.25 per thousand $'s of construction cost. The codes department relies on the Contractor or owner applying for the permit to submit their estimated construction costs, for us to calculate their fee.

The problem that has been known for some time, is that some people who are aware of the system we use, submit costs that are on the low side of an estimate, and even some that are less than the construction costs. This low cost can substantially reduce the cost of the permit, costing the city revenue dollars, and causing an unfair advantage against those who submit accurate estimates of construction costs.

One method to eliminate this abuse, we feel, is to charge a permit fee based on the square footage of the structure, and use a fee chart provided by the International Codes Council (ICC). The ICC provides a national average cost of construction for different structures with varying types of construction, that is based on square footage of the building. These ICC average costs are updated every six months.

By using this new calculation and maintaining our current $4.25 dollar amount for permits for new buildings, we feel that we can bring in more money for the city, with only a small increase in the overall fee, and provide more consistency with Contractors and owners, by "leveling" the field for permit fees.

This new calculation is: square footage of structure x square foot construction costs (from new chart) x fee multiplier ($4.25) = Permit Fee

The permit fees for remodeling ($3.25 per thousand) would have to continue to rely on the estimated costs of construction, due to the varying degrees of remodeling possible.

See the attached letter of explanation and comparison of old fees vs. the new fee that we propose.

If this proposal is approved, the Codes Department would mail out a letter to all current city developers and contractors, explaining the change, and what information would need to be provided to us, to calculate this fee, such as square footage, number of floors, basement/slab, residence, commercial building, industrial building, etc.

Building Valuation Data
to be used for
Permit Application Fees
in
Kirksville

Using the formula given by the International Codes Council, to use their fee estimates and charts, the following calculations were done:

The permit fee multiplier is calculated by :

$34,519 (permit fees for new construction last 12 months) ÷
$257,692 (dept budget for 2007) = 13.4%

$257,692 (dept. budget 2007) x 13.4% ÷ $5,246,600 (total annual new construction value for last 12 months) = .0066 (Permit Fee Multiplier)
Actually, this comes out as $6.60 per thousand dollars cost of construction.
This is far above what we are currently charging at $4.25 per thousand.

Square Footage of New Construction x $94.06 per sq. ft. (one and two family residential, from chart) x .0066 (Permit Fee Multiplier) = possible New Permit Fees

BUT - If we just input our current $4.25 per thousand cost in place of the "permit fee multiplier" in the formula, we are maintaining our fee structure and using a far simpler and fairer method for charging. The only increase would be a $15.00 per square foot fee for unfinished basements. This would add $ 159.00 to the fee for a 2500 sq ft house with an unfinished basement.

Recent examples from Kirksville:	Old Fee	ICC Fee (.0066)	New Fee (.00425)
1. Weatherstone (est. 2000 sq. ft.) (Cost of const. = $ 90,000)	$ 382	$ 1,242	$ 800
2. Marco (est. 2,800 sq. ft.) (Cost of const. = $ 210,000)	$ 892	$ 1,738	$ 1,119
3. Garrett Dr. (est. 4,388 sq. ft.) (Cost of const. = $ 248,000)	$ 1,054	$ 2,724	$ 1,754
4. College Park (est. 2,738 sq. ft.) (Cost of const. = $ 250,000)	$ 1,063	$ 1,699	$ 1,095

The City of Kirksville, in the past, and to-date, uses $ 4.25 per thousand dollars for the cost of construction. The problem with this is that Contractors or owners that understand the system

sometimes use the low side of construction costs or even understate their costs to obtain this permit, lowering their cost of construction. We know this takes place.

The codes department has contacted other cities to see what their new housing construction costs are. Columbia is running around $90.00 per square foot. Moberly is around $98.00. Ottumwa is around $93.00. This is very close to the $94.06 that is in the charts from the ICC, and is what we propose to use.

Use of the $4.25 number (.00425) for the permit fee multiplier, would let us tell owners or contractors that:

1. we have not increased our permit fees, other than the basement charge.
2. we have made the system simpler, based on square footage of construction
3. contractor or owner no longer has to supply estimated cost of construction

The City should be able to raise more money from permit fees, without actually raising costs, because the builders will have to show the square footage of their new construction, and they will be properly charged for that. Our fees will follow the up or down average cost of construction by the ICC.

Brad Selby