

NOTICE OF MEETING

Mid-Iowa Planning Alliance
Interim Board of Directors

10 a.m., Tuesday, March 1, 2022
420 Watson Powell Jr. Way Suite 200
Des Moines, IA 50309
[Virtual option via Zoom](#)
Meeting ID: 876 3355 9438
Passcode: 117443
+1 312 626 6799 US (Chicago)

TENTATIVE

1. **Call to Order**
2. **VOTE: Approval of Agenda**
3. **VOTE: Approval of Minutes**.....Page 2
4. **REPORT AND VOTE: FY2022 Budget**Page 7
Report on a budget for FY2022, covering April 1, 2022, to June 30, 2022.
Consider approval of FY2022 Budget.
5. **REPORT AND VOTE: Contract with MPO**.....Page 10
Report on draft contract for administrative and staffing services with Des Moines Area Metropolitan Planning Organization. Consider approval.
6. **REPORT AND VOTE: State Auditor's Opinion.** Page 11
Report on an opinion from the State Auditor's Office regarding the nonprofit status of MIPA. Consider approval of resolution stating public purpose.
7. **REPORT: Membership**Page 13
Report and discussion on outline of contract with Des Moines Area MPO for administrative and planning support.
8. **REPORT: Partnership Program**.....Page 14
Report on the status of MIPA's application to the Partnership Program of the Economic Development Administration to expand capacity.
9. **REPORT: Staffing**Page 15
Report on the process of hiring a Senior Planner for MIPA.
10. **REPORT: Board and Executive Committee**..... Page 16
Report on a plan to transition MIPA to a full-time board of directors and Executive Committee.
11. **REPORT: ARPA Grant Applications**..... .Page 17
Report on applications from MIPA region.
12. **Other Business**
13. **Adjournment**

ISSUE: Minutes

Minutes from the February 2022 MIPA board meeting are listed below.

BACKGROUND:

This was the fourth meeting of the interim board of directors for the Mid-Iowa Planning Alliance for Community Development.

RECOMMENDATION:

Staff recommends approval.

STAFF CONTACT:

Gunnar Olson
golson@dmampo.org
(515) 334-0075

MEETING MINUTES
Mid-Iowa Planning Alliance for Community Development
Interim Board of Directors

10 a.m. Tuesday, January 4, 2022
420 Watson Powell Jr. Way Suite 200
Des Moines, IA 50309

The interim Board of Directors (the "Board") of the Mid-Iowa Planning Alliance for Community Development ("MIPA") held a hybrid in-person/virtual meeting at 10 a.m. January 4, 2022. Board members were allowed to attend virtually via Zoom because it was determined to be impracticable to require in-person attendance due to the risks related to COVID-19. Notice of the meeting, including a meeting agenda, was delivered to the interim Board members in accordance with MIPA bylaws.

ATTENDANCE

MIPA Interim Board Members Present

Brenda Dryer, Chair
Don DeWaard
Mike Swesey
Deb Bengtson
Charlie Dissell, Secretary
Carrie Kruse, Treasurer
Clyde Evans, Vice Chair
Curtis Brown
Amanda Accola
Lorin Ditzler
Alex Lynch
Tanya Michener
Hollie Zajicek
Carla Eysink
Jeff Davidson
Derek Lord
Rachel Gocken
Wade Wagoner

MIPA Interim Board Members Absent

Deven Markley
Mike Hammond
Butch Ostrander
Kyle Michael
Brandon Talsma
Heather Ussery
Dylan Morse
Leanne Harter
Gerry Alt
John Norris
Joe Mrstik
Mark Jackson
Greg Pikelapp

Staff Present

Todd Ashby
Dylan Mullenix
Zach Young
Gunnar Olson



1. Call to Order

MIPA Chair Brenda Dryer called the meeting to order at 10:01 a.m. A quorum was present.

2. Approval of the Agenda

Staff asked to switch items 6 and 8. This item was passed by unanimous vote.

MOTION CARRIED.

3. Approval of Minutes

The item was moved Kruse, seconded by Michener, and passed by unanimous vote.

MOTION CARRIED.

4. EDD Designation Update & Signature Authority

Olson reported that MIPA had been officially designated as an Economic Development District by the U.S. Economic Development Administration. The notification letter was received January 26. Olson reported that, subsequently, the EDA invited MIPA to apply for the Partnership Program, which is the local match program for hiring staff capacity to support MIPA members with economic development activities.

Regarding the Partnership Program, staff recommended providing signature authority to MPO Executive Director Todd Ashby, giving staff the flexibility they need to get the Partnership Program application complete and submitted ahead of the Feb. 7 deadline.

The motion was moved by Brown, seconded by Gocken, and was approved by unanimous vote.

MOTION CARRIED

5. Membership Update & Local Match

Olson reported on the process of inviting members to join MIPA, noting that there was still two weeks before the February 15 deadline for jurisdictions to join. Olson reported that 33 jurisdictions had joined thus far, and that their membership dues accounted for \$99,701 of the \$87,500 required for the first 15 months of matching the Partnership Program. Eysink shared that Marion County would be discussion membership later this week; Lynch indicated that Dallas County would be covering dues for unincorporated

Dallas County; and Zajicek reported that the Norwalk City Council had recently voted to join.

Olson reported that the Partnership Program required a commitment of funds as a local match as part of the application process. Accordingly, staff recommended approval of a resolution committing local funds for the first 12 months of the Partnership Program.

The motion was moved by Evans, seconded by Zajicek, and was passed by unanimous vote.

MOTION CARRIED.

6. Contract with Des Moines Area MPO

Mullenix outlined the primary components of the planned contract between MIPA and the Des Moines Area MPO, which has provided the staff support for the creation of MIPA and the application for the designation. He reported how the contract would cover the executive director function being held by the MPO executive director; the administrative functions of human resources, employee supervision, and accounting and auditing; and planning support from MPO staff to augment MIPA staff. He further outlined the costs of the contract, totaling approximately \$59,000, including indirect costs (\$37K), planning support (\$13K), audit (\$3K), and admin support (\$6K).

7. Staffing

Mullenix reported on the plans for hiring a MIPA staff person. He outlined the compensation package and hiring process. The board discussed having involvement of board members in the hiring process, resulting in a plan for the board members to have the opportunity to review the job description. Further, the Chair will appoint a committee consisting of one representative from each county to assist in the hiring process.

8. Budget

Mullenix reported on a draft budget and reviewed projected revenues and expenses. The draft budget includes annual revenues of \$175,000 and costs of \$171,549. Mullenix also facilitated discussion about outside contracts and how many to consider in the first year. Additionally, he facilitated a discussion about membership dues and how to handle any dues above those required to meet the local match requirement of the Partnership Program. Board members agreed with a staff recommendation that a modest reserve fund would be wise, and that any additional steps showing fiscal responsibility would be appreciated by member jurisdictions.

Staff will be refining the budget in February and coming back to the board in March for possible approval.

9. Grants

Olson reported on staff efforts of assisting grant applications and reported that there are at least four applications seeking funding from the American Rescue Plan Act funding.

10. Other Business

Olson reported that future agenda items would include more action on the budget, the process for invoicing and collecting dues from members; and the process for soliciting appointments to the Board of Directors and the Executive Committee.

Olson also reported that several MPO staff members including Andrew Collings were engaged in training on Community Development Block Grants, which would be of value to MIPA. He further reported that staff had already secured \$2.3 million in grant funding for local jurisdictions.

11. Adjournment

Dryer adjourned the meeting of the Board at 10:43 a.m.

ISSUE: FY2022 Budget

REPORT: Staff will present an updated budget for FY2022.

BACKGROUND:

MIPA membership for the inaugural 15-month period is mostly finalized, and the Partnership Program is anticipated to be effective April 1.

Staff have prepared a budget in anticipation of acceptance into the Partnership Program, the hiring of a planner, and the launch of operations in April. A draft of the budget was shared with the interim board of directors in February, and the budget has been updated based on board feedback and final membership totals.

Staff has separated out the FY2022 budget to be voted on by the interim board of directors. The FY2023 budget will be voted on in May or June by the permanent board of directors.

RECOMMENDATION:

Staff recommends approval of the FY2022 budget.

STAFF CONTACT:

Dylan Mullenix
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(515) 334-0075

MIPA Budget Summary

COST BREAKDOWN

	4th Quarter FY 22	FY 23	Total
(a) Salaries and Wages	<u>\$15,086</u>	<u>\$60,345</u>	<u>\$75,431</u>
(a1) Salaries (minus paid leave)	\$15,086	\$60,345	\$75,431
(a2) Wages	\$0	\$0	\$0
(b) Fringe Benefits	<u>\$13,412</u>	<u>\$53,649</u>	<u>\$67,061</u>
(b1) Paid Leave	\$2,414	\$9,655	\$12,069
(b2) Other	\$10,998	\$43,993	\$54,992
Fringe Rate	88.90%	88.90%	88.90%
 (c) Salaries and Wages + Fringe Benefits	 <u>\$28,498.36</u>	 <u>\$113,993.46</u>	 <u>\$142,491.82</u>
 (d) Indirect Costs	 <u>\$8,998</u>	 <u>\$35,992</u>	 <u>\$44,990</u>
Facilities	\$2,912	\$11,650	\$14,562
Professional Services	\$1,544	\$6,176	\$7,720
Computers	\$1,136	\$4,544	\$5,680
Telecommunications	\$475	\$1,900	\$2,375
Printing and Postage	\$211	\$843	\$1,053
Travel & Training	\$1,239	\$4,957	\$6,197
Dues/Memberships	\$293	\$1,171	\$1,463
Equipment	\$372	\$1,487	\$1,859
Office Supplies	\$248	\$991	\$1,239
Publications	\$103	\$413	\$516
Sponsorships	\$310	\$1,239	\$1,549
Food & Beverages	\$145	\$578	\$723
Meeting Rooms	\$10	\$41	\$52
 Indirect Rate	 31.57%	 31.57%	 31.57%
 (e) Other Direct Costs	 <u>\$6,252</u>	 <u>\$25,008</u>	 <u>\$31,260</u>
MPO Staff Support	\$3,883	\$15,531	\$19,414
Admin fee to MPO			
(5% of personnel costs)	\$1,619	\$6,476	\$8,095
Audit	\$750	\$3,000	\$3,750
 (e) Total Costs	 <u>\$43,748</u>	 <u>\$174,993</u>	 <u>\$218,741</u>

MIPA Budget Summary

DRAFT SUMMARY

	4th Quarter FY 22	FY 23	Total
REVENUES			
Membership Dues	<u>\$25,839</u>	<u>\$103,356</u>	<u>\$129,195</u>
EDD PP Match	\$17,500	\$70,000	\$87,500
Overage beyond match (for reserves)	\$8,339	\$33,356	\$41,695
 US Economic Development Administration Partnership Program	 <u>\$17,500</u>	 <u>\$70,000</u>	 <u>\$87,500</u>
 Contracts/Grants (TBD)	 <u>\$8,750</u>	 <u>\$35,000</u>	 <u>\$43,750</u>
 TOTAL REVENUES	 <u><u>\$52,089</u></u>	 <u><u>\$208,356</u></u>	 <u><u>\$260,445</u></u>
 COSTS			
Salaries, Wages, Benefits, and Indirect Costs	<u>\$37,496</u>	<u>\$149,985</u>	<u>\$187,482</u>
Salaries (minus PTO)	\$15,086	\$60,345	\$75,431
Benefits	\$13,412	\$53,649	\$67,061
Wages	\$0	\$0	\$0
Indirect	\$8,998	\$35,992	\$44,990
 Other Direct Costs	 <u>\$6,252</u>	 <u>\$25,008</u>	 <u>\$31,260</u>
 TOTAL COSTS	 <u><u>\$43,748</u></u>	 <u><u>\$174,993</u></u>	 <u><u>\$218,741</u></u>
 BALANCE	 <u><u>\$8,341</u></u>	 <u><u>\$33,363</u></u>	 <u><u>\$41,704</u></u>
Overage beyond EDA PP match (for reserves)	\$8,339	\$33,356	\$41,695
Other	\$2	\$7	\$9

ISSUE: Contract with MPO

REPORT: Staff and legal counsel will provide an overview of a proposed contract with the Des Moines Area Metropolitan Planning Organization (MPO) for administrative and staffing services for MIPA.

BACKGROUND:

The Des Moines Area MPO initiated the establishment of an Economic Development District, oversaw the creation of the Mid-Iowa Planning Alliance for Community Development, and has provided staffing throughout the incubation period. As has been the mutual understanding between the organizations, the plan has been for MIPA, once operational, to contract with the MPO for administrative and staffing services. These were outlined to the interim board of directors in previous meetings. These services will be spelled out in a contract. A copy of the draft contract will be shared with the interim board prior to the meeting.

RECOMMENDATION:

Staff recommends board action approving the contract with the Des Moines Area MPO.

STAFF CONTACT:

Gunnar Olson
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(515) 334-0075

ISSUE: State Auditor's Opinion

REPORT: Staff and legal counsel will provide an update on an opinion from the state auditor's office regarding MIPA's status as a 504 nonprofit.

BACKGROUND:

The Mid-Iowa Planning Alliance for Community Development was incorporated in the state of Iowa as a 504 nonprofit on the advice of legal counsel. Forming as a 28E was also considered.

The 504 nonprofit route was deemed preferable for three primary reasons. First, the legal structure was acceptable to the Economic Development Administration and is a common legal structure for other EDD organizations in the state of Iowa. Second, the 504 nonprofit makes it simpler for eligible jurisdictions to join the organization as members at any time. And third, the 504 nonprofit was easier and faster to start than a 28E would have been, mainly because the 28E would have required that membership be determined before its creation; this would have extended the process to the point that MIPA would have missed deadline for applying for EDD designation ahead of the FY2022 Federal Fiscal Year.

Recently, the state auditor shared an opinion with legal counsel and some prospective MIPA members that the 504 nonprofit status is legal but not best practice. (A letter from the auditor's office is included below.) The underlying issue is the need for nonprofits to serve a public purpose if they are supported with public dollars from local jurisdictions.

To assure the auditor's office, staff has developed a two-fold recommendation. The first is to pass a resolution stating MIPA's public purpose. The second is to update the template resolution of membership for jurisdictions to adopt in the next membership enrollment cycle.

RECOMMENDATION:

Staff recommends board action approving the resolution stating the public purpose of MIPA.

STAFF CONTACT:

Gunnar Olson
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Scott-

We've discussed the resolution you've provided, and we believe the agreement you've provided is acceptable under the law and our office's guidance. However, we continue to maintain that a 28E is the far better vehicle for this type of arrangement. I've attached our guidance on the government entities giving funds to non-profits.

This resolution does touch on the areas of concern in our guidance, namely documentation and public purpose. 15A.1(1) expressly defines Economic Development as a public purpose. Given that, and that 15A.1(2) specifically includes "grants," some of the issues applicable to other types of non-profits aren't in play here.

Putting those two things together, when the governmental subdivision sets out economic development as the public purpose, and adequately documents it, it can provide grants to private entities for that purpose. Our office would agree that if it is demonstrated the subdivision has considered all of the requirements of 15A and has documented and memorialized their consideration that a public purpose will reasonably be accomplished, a grant to a non-profit is permissible. Many times what is missing is the documentation of the consideration and jump right to approving the grant. Simply using the term economic development doesn't make it so. In order for the resolution to meet the minimum threshold necessary for compliance, we would look for wording like "whereas Chapter 15A of the Code of Iowa.....Whereas the City has determined, etc."

The existing resolution says MIPA will provide members with professional planning and technical assistance and seek funding but doesn't really go into how that will meet the criteria of 15A. Alternatively, as long as the official minutes documents the elements of 15A to bring the resident to an understanding of how this alliance has been determined to be for a public purpose to include new jobs or retaining existing jobs, that could be sufficient. Generally, auditors should not have to fill in the blanks for what is not in there- we think that is the responsibility is on the government

Our office notes the last paragraph of that resolution says the city will appoint members of the MIPA board on behalf of the City. Why not spell all of this out in a 28E with each member of the 28E rather than a bunch of individual documents between the governments and the nonprofit? A 28E would be far better to spell out the requirement for MIPA to properly spend and invest the \$ and provide periodic accounting back to the governments. This type of agreement provides the best opportunity for taxpayers to ensure there is accountability for public funds in a cooperative arrangement.

In other words, we think your approach works, but it is far from the best practice. Happy to discuss if necessary.

All the best,



John McCormally
Chief of Staff
Office of Auditor of State

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ISSUE: Membership Update

REPORT: Staff will provide an update on membership enrollment.

BACKGROUND:

In early December MIPA opened the enrollment period, inviting eligible members (89 cities and 7 counties) to join the organization. MIPA sent letters to the mayors of each city and the chairs of county boards of supervisors. Emails were also sent to each jurisdiction's executive officer. Since then, staff has been providing communications, answering follow-up questions, and presenting at meetings when requested. The deadline for response was February 15.

To date, 45 jurisdictions have joined; they are listed on the next page. A couple additional jurisdictions have indicated that they may join soon, as well.

The inaugural membership dues have been pro-rated to cover 15 months, starting April 1, 2022, and ending June 30, 2023. The start date reflects the anticipated beginning of the Partnership Program. In future enrollment periods, MIPA will ask for 12-month commitments that align with jurisdictions' fiscal years.

Local match of \$87,500 is required for the first 15 months of operation within the Partnership Program. To date, membership commitments total \$129,195.

RECOMMENDATION:

Staff recommends board action approving resolution stating MIPA's public purpose.

STAFF CONTACT:

Gunnar Olson
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(515) 334-0075

ISSUE: Partnership Program

REPORT: Staff will provide a report on process of applying to the Partnership Program of the U.S. Economic Development Administration.

BACKGROUND:

The interim board of directors in February voted to give signature authority to Todd Ashby of the Des Moines Area MPO, as well as to commit \$70,000 in local match money, in preparation for MIPA to apply to the Partnership Program of the U.S. Economic Development Administration. Since then, staff submitted completed the application and submitted it ahead of the February 7 deadline. Staff has responded to a few follow-up requests from EDA staff. Staff continues to await a definitive answer from the EDA, though EDA staff has indicated that the application is on track to be eligible starting April 1.

RECOMMENDATION:

None. Discussion only.

STAFF CONTACT:

Gunnar Olson
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(515) 334-0075

ISSUE: Staffing

REPORT: Staff will provide a report on the hiring of a senior planner to staff the Mid-Iowa Planning Alliance for Community Development.

BACKGROUND:

The Des Moines Area Metropolitan Planning Organization (MPO) has been providing temporary staffing to the effort to establish an Economic Development District for the Mid-Iowa region. The staffing plan for MIPA, once fully operational starting April 1, includes the hiring of a full-time staff member for MIPA.

Since then, a job description was developed, shared with the board for review and comment, and published on various sites. Applications are now being collected.

Meantime, a hiring committee has been established including one member from each county in Mid-Iowa. They include Greg Pikelapp from Boone County, Alex Lynch from Dallas County, Carla Eysink from Marion County, Wade Wagoner from Jasper County, Clyde Evans from Polk County, Brenda Dryer from Story County, and Charlie Dissell from Warren County. The process for the committee's involvement will be defined in early March and based on the quality and quantity of candidates.

RECOMMENDATION:

None. Discussion only.

STAFF CONTACT:

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(515) 334-0075

ISSUE: Board and Executive Committee

REPORT: Staff will report on a plan to transition to a full-time board of directors and executive committee.

BACKGROUND:

Stakeholders from around the Mid-Iowa region volunteered to serve on the steering committee for the development of the Mid-Iowa Comprehensive Economic Development Strategy. The steering committee was then named as the interim board of directors when MIPA was formed last summer. The plan was and continues to be for the interim board of directors to remain in place until MIPA membership has been established and member jurisdictions can name their representatives to the MIPA board of directors and the executive committee.

Staff will share a plan to transition to the permanent board of directors and executive committee and ask for feedback.

RECOMMENDATION:

None. Discussion only.

STAFF CONTACT:

Gunnar Olson
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(515) 334-0075

ISSUE: Grant Applications for American Rescue Plan Act

REPORT: Staff will report on activities to support grant applications from future MIPA members.

BACKGROUND:

Staff worked with local jurisdictions to match potential projects with funding opportunities being offered through the U.S. Economic Development Administration. Staff held an informational session on August 5, attended by approximately 30 people. Staff also met with multiple jurisdictions to discuss possible applications. Staff assisted multiple jurisdictions with their applications, and in the end, four jurisdictions submitted projects.

Staff will provide an update on the timeline and the region's prospects for receiving funding.

RECOMMENDATION:

None. Discussion only.

STAFF CONTACT:

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