

CITY OF POMEROY
PUBLIC HEARINGS
MINUTES

August 5, 2024

OPENING OF PUBLIC HEARING: called to order at 5:30 P.M. by Mayor Cynthia Loots

Roll Call: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Absent: none.

Pledge of Allegiance

Public Hearing: Proposed sale of Community Building. Mayor Loots stated that everyone signed up to speak would have two minutes to talk. She stated that in a conversation with the city's lawyer, she was instructed that this is a hearing not a debate between the Council and the public. The public had a chance to speak and then the council would exchange dialogue amongst themselves. Anyone causing disruption would be removed from the room. Mayor Loots clarified incorrect / rumored comments made by citizens on Facebook regarding transparency and she reviewed the timeline of recent events. Mayor Loots stated that the Storm Lake Times newspaper, which printed an article about Byron's earlier the previous week, was printed BEFORE a Settlement Agreement was completed between the City's lawyer and Byron's lawyer. Therefore, what looked like a lack of transparency by the city of Pomeroy, was misconstrued. The agreement was not even agreed upon until several days AFTER the print. Mayor Loots stated the population of Pomeroy since the Community building was built in the 1970s has decreased 39% and that 90% of the users are non-profit organizations. Stating the non-profits do not pay for the use of the building and so 90% of the expenses for the community building and 100% of the Shelter House expenses are paid for by the taxpayers. In comparison, and using the data compiled from the scheduling books, Mayor Loots stated the use of the Community Building has decreased dramatically since the Shelter House was built. Mayor Loots contacted a couple church halls which can easily be utilized by the non-profit organizations and community groups, that the citizens are already paying for the upkeep on them. She also stated she is doing a lot of work "behind the scenes" but cannot reveal that at this time. The Council has heard the citizens say the building was built for the community by the community and they will listen to those comments tonight at the hearing. Mayor Loots read a letter from Don and Deb Green stating they support the sale of the Community Building to Byron Stuart to save his business in town and they believe there are other options in town for gatherings. Mayor Loots read a letter from Brian Charleston, Tyler Welander, Lamar Meusburger and Nick Hansen giving their support for the sale of the Community Building to Byron Stuart stating the building is not used very often and citizens continue to choose neighboring towns with updated amenities and bigger size. They stated if you are not changing you are dying and the people still using the building may be able to work with Byron to continue to utilize the space for gathering. There may be opportunities to look for a solution to a better Community center for Pomeroy. There is no right or wrong answer, but they are here in support of selling the Community building to Byron.

Public Comment: Scott Essing: I don't have a problem selling the building to Byron's and that the building was used 39 times and 20 of them were paying for the building (numbers derived using Judy's phone schedule for cleaning). He continued that there is a plan for Byron's, but he doesn't see a plan for the community. Where do we go? The other options are iffy and could cost a lot more. If the Council had a plan for the community, then the community would maybe be for the sale. Dustin Bales: thanked the Council for what they do and that Cindy answered a lot if things he was going to speak on tonight. He feels the size of this decision should have been made by a vote from the community not by five members on the Council. If the roof of the building needs repaired, then let's repair it with a fundraiser or whatever it needs otherwise we will be tearing that

building down too. One problem with Byron, is will he be able to maintain it financially and run it? He would rather see it given to the younger followers of Byron's that are planning on taking it over when he is done, than sell it to Byron's and expect things to change there. Dustin doesn't agree with the activities that go on there. It's been proven we don't have the population or the financials to support an upgraded rec center at a church or the school. Byron Stuart: opened up Byron's in 1996 and started live music. In 2016 the Iowa Rock and Roll Hall of Fame gave him a spirit award for the quality of music he brings to the town. I have brought a good name to this town; you wear a Byron's shirt in Nashville and people will come up to you and say I have heard of Pomeroy. In December 2023 you people gave me a liquor license for the year and on January 2nd, you hand me a letter saying my building is condemned--you have 30 days to get out. I feel I have cordially worked with you, and we have asked your opinion in all that. We looked at Vickie Holtapp's building which isn't big enough and costs too much to renovate. There was an option of the school cafeteria but heard someone else wanted to buy it and didn't want me in there. I wasn't necessarily interested in the community building. I was on the centennial pageant that made the money to build it, but when I found out how few people used it, well then that became an option. I would happily invite anyone in to use the building when I'm not using it. I have used it twice and my music sounds really good in it. I paid the full price for renting it. I don't want to cause a controversy I just want to keep my passion going of having live music in this town, bringing a little culture into this town. That's all I want to do. Thank you for your consideration. Brock Hinners: I'm not against Byron's but for someone that was going to retire in September why not grant him an extension until September and then have the community building for the community? Brock played a clip from an interview of Byron who said he was planning on retiring this year in September. I don't see a point selling the building, why not grant him an extension? Janelle Hinners: You said the shelter house is used more often than the community building, maybe that is because one costs to rent, and the other doesn't. You mentioned the taxpayers are paying for the community building but we're not getting a lot of use. The sidewalks cost \$40,000 so I'm just curious if you have got a cost for the demolition and who's going to pay for that. You also want the school. How much is it going to cost to renovate it to use it as a community building and who will end up paying for that cost? If the community building is sold, is it sold as is with everything in it? I'm bringing it up because not everyone was here the other night. We have nothing against Byron's we don't really go there, but we go to the community building because it's a centralized location. It's nice for the carnival and Christmas. If you are going to sell the community building what is the next plan and how much will it cost? Audra Rozenboom: Cindy went through my speech on Facebook so I'm not going to reiterate a lot of that, but the City need its community building. I may not live here in town anymore, but I have personally helped with winter garage sales, Homecoming and Trunk or Treat and that is the hub of all of our events. I'm not saying Byron's isn't going to open his doors, he has always opened his doors to this community, my self-included. When we started this process, when I was on the board, but is his license allowing that? We are planning events in there that are going to want to take alcohol and that will take revenue away from him and the group. I'm just asking can the City take this risk, do we have enough money for our roads repair, sidewalks, our lead pipe testing, sewer line project and now downtown project? Can the City afford to sell an asset the community uses, hoping we get the school and Catholic church? Unfortunately, it does not give us a fire station and we need to house our first responders and equipment before anything else is decided. Dave Hern: I'm the chair of Byron's committee. We have been working with the City for quite some time to try to complete this project. We've gone through two votes so far to move this project forward. I hope that the Council at this

time doesn't decides to kill the project because there are some people that would like to use the community center. It is our feeling that we have offered everything that we have got to the city for the community building. We have accepted everything that the City has offered expect for one small provision. By the way, there is a provision in the contract that says there is a five-year period in which the City can buy the building back if the business is not maintained. I think that the audience needs to know that because that is an integral part of the agreement. I also think that it is extremely important for the ability of small towns to keep their cultural heritage. To keep its cultural night life is a tricky thing to do and Byron's is nationally known, it's known statewide. We hope you see fit to continue this sale. Marie Farrell: I live by Sioux City, a place with several different music venues. For the past year in a half, every single Sunday, I come to Byron's. By the time I pay my gas, admission, buy a couple drinks, a pizza, a CD or t-shirt from the performers, that runs me about \$120 dollars. A lot of that money goes into the pockets of Byron's employees. I frequently stop at Dollar General and Casey's and am happy to do that because this place is so very unique. This place isn't a bar, it is a music venue. People are quiet and they go to listen. I have seen performers in tears, thanking us for what it is we give them. I have seen performers who are maybe too old to play anywhere else, but they have a home here. On the way here the words I keep thinking of was "A long, long, time ago, when I could still remember, how that music used to make me smile". The town of Clear Lake, Iowa, was not responsible for a thing on the day the music died. I haven't seen a lot of Pomeroy residents ever in Byron's, and that baffles me. This place is a treasure. What goes on there is a beautiful thing, where bits of souls are exchanged. So, I would hope that the town Pomeroy doesn't go down in the annals of music history, as Dave Hearn said, "This place is not only known and revered statewide, Nashville Joey Pafumi in Boston, has been on my side in this saying, "What can I do to help? This place matters and a lot of eyes are on the town of Pomeroy." We hope with all our hearts that the music continues. Kerstin Lyon: This is a list of facts gathered over the course of seven months of my attending City Council meetings, where I spent a lot of time alone up here. Over the seven months, most of which have been misconstrued over a community game of "telephone". Byron had been granted two 90-day extensions on his bar after receiving a 30-day notice to vacate the premises. He only mentioned retirement during that interview on TV after he was denied a year extension. He didn't think after the first of the year, when music was done, that, he could continue the business. That was the ONLY reason that was mentioned. A "Friends of Byron's" fundraising committee was then formed by VOLUNTEERS to fundraise, to keep his bar running in some capacity. Two options were looked into, as noted in the minutes, as K. Lyon. #1 existing building in town whose price exceeded the \$20,000 that everyone is talking about in town. It was way more than that. Two contractors gave estimates for over \$100,000 in repairs that are needed from all the way into the basement all the way to the roof. #2 a new building to be built on lots to be purchased through the City, two other contractors were contacted a gave estimates of over \$200,000. The city owned lots, in question, where not bid on by Byron or his interests, because to build would be more then what we have fundraised. I cannot give you money I do not have. Talking with the committee (this is probably in the minutes), when we discussed the building and the purchasing of the lots the City Council wanted a two-year guarantee that there was going to be a business built on community property. I can't guarantee that, if I do not have the funds to do that. That's why the lots were not bid on. When it comes to Byron renting the community building for music, a Council member offered a reduced price to Byron, and the Council agreed. You just heard that Byron did not do that. He is paying the full amount. At the July Council meeting a community member of your community brought up selling the community building to Byron--this is in the minutes. The City's

lawyer contacted Byron's Lawyer about the community building first. Byron's lawyer made an offer on behalf of Byron to buy the community building for \$75,000. The City then countered through the lawyers with \$100,000 and other stipulations to be met. Announcement of this in the paper plus both meetings, motion and resolution meetings were okayed by the City's lawyer who the City goes for for legal questions. You were given the okay for both meetings and it was in the paper. That's why we are here today. Those are the facts that I can set straight on behalf of this issue. Byron and his committee had no bad intentions when this was discussed as a viable option. We tried to look into all viable options. We tried to keep a small, almost three-decade old business in this town. Maybe that's why we are at fault. RK Welander: former Mayor, now retired citizen of Pomeroy these are only my thoughts, opinions, my observations, and my suggestions. Since I have attended the Friday night meeting and tonight's meeting, here's what I have observed. The attendees of these meetings are of the majority of those on one side of the issue, a few business owners, the only competing bar business in town, a few retirees, and a few rural families from the surrounding Pomeroy area. I have observed in those meetings that the citizens like Byron and his bar, the citizens do not want the City giving any special help to business owners, the citizens do not want the City giving an special discount for City services for facilities, the citizens want more transparency in the City business and procedures, and the citizens do not want the community building sold. In my opinion it would be advantages to table or put "on hold" the action on Resolution #416 for at least 30-days until more concrete negotiations, proposals and information can be finalized to be presented to the public for better transparency in these matters, that might have a bearing on Resolution #416. The City should timely post the articles of information on matters dealing with Resolution 416 along with the upcoming hearing dates and times in our local paper, City wide website, Facebook, and even possibly flyers the could possibly be delivered by volunteers.

Mayor Loots, with the agreement of Dave Hern, then read portions of the Settlement Agreement that was finalized on Thursday, August 4th. "1. Byron D. Stuart agrees to pay the City of Pomeroy the sum of One Hundred Thousand Dollars (\$100,000.00) in exchange for a Quit Claim Deed to the Community Building. 2. The City of Pomeroy agrees, after Closing, to replace the sidewalks in front of the Community Building at the City's cost, including sidewalks to the north and south of the Community Building on Ontario Street, in an amount not to exceed forty thousand dollars' worth of sidewalk repair. 3. The sale of the Community Building is contingent upon a public hearing being held and the City Council approving the sale after a public hearing. This contract is void ab initio absent City Council approval of the sale following a public hearing. 4. The City of Pomeroy will provide Byron D. Stuart the abstract that the City currently has pertaining to the Community Building; however, the abstract will not be updated by the City to the present time. 5. Byron D. Stuart agrees to cease active business operations at 112 Main Street before August 1, 2024. 6. At Closing on the Community Building, the City of Pomeroy agrees to accept a deed for 112 Main Street, Pomeroy, Iowa, for One Dollar and Other Valuable Consideration. 7. At Closing on the Community Building, Byron D. Stuart and his businesses agree to immediately vacate 112 Main Street and forfeit any rights whatsoever to 112 Main Street. 8. The deed to the Community Building will require that an operating business be on the real estate for a five-year period following execution of the deed. If this condition is not met, the deed shall provide a method for the City of Pomeroy to have an option to buy the property for \$50,000.00. 9. Closing on the Community Building shall not occur until Byron D. Stuart pays, in full, his delinquent water bill owed to the City of Pomeroy. 10. Prior to Closing on the Community Building, Byron D. Stuart shall have the right to inspect the Community Building for suitability purposes and, if the property

is not suitable, Byron D. Stuart can cancel this settlement agreement without penalty. The Community Building is being sold, “as is,” without any warranties, either express or implied.” Motion was made by B Hinners seconded by C Charleston to close public hearing: 6:21P.M. Roll call: Ayes: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Nays: None. Motion Carried.

CITY OF POMEROY
SPECIAL CITY COUNCIL MEETING
MINUTES
August 5, 2024

SPECIAL CITY COUNCIL MEETING:

Call to Order: called to order at 6:21 P.M. by Mayor C Loots.

Roll Call: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Absent: none.

APPROVAL OF AGENDA: D DeVore made a motion, seconded by M Becker, to approve the agenda. Roll call: Ayes: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Nays: None. Motion Carried.

Community Building: C Charleston stated she wished we had answers for the church and the school, but we don’t yet. She then stated that when the community building was built there was an active group that built it, the care center and the mini mall, which took time and commitment. B Hinners stated that the five Council members can’t do this alone and there needs to be community involvement. She also stated an option might be taking the \$100,000 and adding onto the Shelter House, but the community needs to put their heads together to help the community. A motion was made by C Charleston seconded by B Hinners to start the process over to sell the Community building to Byron Stuart. Roll call: Ayes: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Nays: None. Motion Carried. Dave Hearn asked where that leaves the agreement they made with the City. The Council stated that the agreement is still in place, but they will restart the resolution and public hearing notice. B Thoma stated he doesn’t want to rush this process, that he would like to listen to the community and do this legally. A motion was made by M Becker seconded by D DeVore to adjourn the meeting. Roll call: Ayes: B Hinners, B Thoma, C Charleston, D DeVore and M Becker. Nays: None. Motion Carried.

ADJOURNMENT: 6:39 P.M.

_____ Cynthia Loots, Mayor

_____ Sarah Juilfs, City Clerk