

REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

NOVEMBER 10, 2014

The Regular Meeting of the Ames City Council was called to order by Mayor Campbell at 7:00 p.m. on the 10th day of November, 2014, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Gloria Betcher, Tim Gartin, Matthew Goodman, Chris Nelson, and Peter Orazem. *Ex officio* Member Lissandra Villa was also present. Council Member Amber Corrieri arrived at 7:38 p.m.

PROCLAMATION FOR HUNGER AND HOMELESSNESS AWARENESS: Mayor Campbell proclaimed November 15 - 23, 2014, as Hunger and Homelessness Awareness Week. Accepting the Proclamation were City Housing Coordinator Vanessa Baker-Latimer and representatives from the Emergency Residence Project, Youth & Shelter Services, and ACCESS.

CONSENT AGENDA: Moved by Nelson, seconded by Orazem, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving minutes of Special Meetings of October 21, 2014, and November 5, 2014, and Regular Meeting of October 28, 2014
3. Motion approving certification of civil service applicants
4. Motion approving Report of Contract Change Orders for October 16 - 31, 2014
5. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class B Native Wine – Kitchen, Bath & Home, 201 Main Street
 - b. Class B Liquor – Country Inn & Suites, 2605 Southeast 16th Street
 - c. Class C Liquor – Fuji Japanese Steakhouse, 1614 South Kellogg Avenue
 - d. Class E Liquor - AJ's Liquor III, 2401 Chamberlain Street
6. Motion approving new Special Class C Liquor – Le's Restaurant, 113 Colorado Avenue
7. Motion approving 5-day licenses for Olde Main Brewing Company at ISU Alumni Center, 420 Beach Avenue:
 - a. Class C Liquor (November 18-22)
 - b. Class C Liquor (November 25-29)
8. RESOLUTION NO. 14-575 approving appointment of Michael Davis to fill vacancy on Zoning Board of Adjustment
9. RESOLUTION NO. 14-576 approving appointment of John Linch to fill vacancy on Library Board of Trustees
10. RESOLUTION NO. 14-577 approving Engineering Services Agreement with Bolten & Menk of Ames, Iowa, for 2014/15 Downtown Pavement Improvements Project
11. RESOLUTION NO. 14-578 approving preliminary plans and specifications for 2014/15 Asphalt Pavement Improvements (Ferndale Avenue and Coy Street) and 2014/15 Water System Improvements (South Franklin Avenue and Coy Street); setting December 3, 2014, as bid due date and December 9, 2014, as date of public hearing
12. RESOLUTION NO. 14-579 approving preliminary plans and specifications for 2014/15 Mortensen Road Improvements (South Dakota Avenue to Dotson Drive); setting December 3, 2014, as bid due date and December 9, 2014, as date of public hearing
13. RESOLUTION NO. 14-580 approving preliminary plans and specifications for 2014/15 Traffic Signal Program (Union Drive and Lincoln Way); setting December 3, 2014, as bid due date and December 9, 2014, as date of public hearing
14. RESOLUTION NO. 14-581 approving preliminary plans and specifications for 2014/15 Traffic Signal Program (13th Street and Stange Road); setting December 3, 2014, as bid due date and December 9, 2014, as date of public hearing

15. RESOLUTION NO. 14-582 awarding contract for Copper Cable for Electric Distribution to WESCO Distribution of Des Moines, Iowa, subject to reel length variances, at an estimated total cost of \$58,680, plus applicable sales taxes
16. RESOLUTION NO. 14-583 approving contract and bond for Natural Gas Conversion Equipment, including Burners, Igniters, Scanners, Thermal Analysis, and Computer Modeling
17. RESOLUTION NO. 14-584 approving contract and bond for Furnishing of 69kV SF6 Circuit Breakers for Electric Services
18. RESOLUTION NO. 14-585 approving Plat of Survey for 5500 and 5318-240th Street
Roll Call Vote: 5-0. Resolution/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a part of these Minutes.

PUBLIC FORUM: Erv Klaas, 1405 Grand Avenue, Ames, identified himself as a scientist who has serious concerns for the long-term welfare of his grandchildren. His concerns are about the topic of climate change, which he said was the greatest threat that humanity has ever faced. According to Mr. Klaas, solutions to reduce the risk of climate disruption exist, but lack the political will to move an effective solution forward. Mr. Klaas said that he is a member of Volunteers and Citizen Climate Lobby; that group throughout the nation is working to build political will. According to Mr. Klaas, he was at this meeting to help educate and call for action to be taken. He stated that the United Nations Intergovernmental Panel on Climate Change recently warned that without a dramatic international effort on the part of nations to reduce greenhouse gas emissions, the Earth is on course to undergo irreversible detrimental impacts from global climate change. To avoid the worse effects of global warming, the report stated that the world must cut emissions by as much as 70% by the Year 2050 and stop emitting totally by the end of the end of the century. On behalf of a non-partisan organization, the Ames Chapter of Citizen Climate Life (CCL), Mr. Klaas recommended that governments pass a carbon fee and dividend legislation. He emphasized that bold changes in state and federal policies are needed and the City Council must work faster to save the Earth's climate for many generations to come.

Judith Lemish, 327 South Maple, Ames, stated that she was present to talk about flooding and affordable housing in Ames and a development that is being constructed west of Riverside Manor Care Facility and right next to Squaw Creek. The area is below street-level grade and often fills with water during minor and major rain events. According to Ms. Lemish, the buyer of the land west of Riverside Manor has filled in the lot with dirt and it is now slightly higher than Riverside Manor's parking lot. The buyer of the land has applied for a Conditional Use Permit to construct two apartment buildings to house 300+ people. Ms. Lemish said that she had expressed her concerns to the Planning staff and had been told that she should possibly buy flood insurance; however, her house is not in the flood plain, floodway fringe, or in the floodway. She was told that the apartment buildings would act as a kind of a levy. Pictures of past flood waters near Ms. Lemish's home were shown. It was pointed out by Ms. Lemish that the City had invested in flood mitigation efforts; however, she was now questioning what the City of Ames values: diverse strong neighborhoods or new development and the few who benefit from it.

No one else requested to speak, and the Mayor closed Public Forum.

HEARING ON 601 STATE AVENUE CHANGE TO LOW DENSITY RESIDENTIAL: Land Use Policy Plan. Planning and Housing Director Kelly Diekmann reminded the Council that it had, on September 23, 2014, directed staff to prepare a Land Use Policy Plan Map amendment to apply the Low Density Residential designation to the entire 29-acre parcel at 601 State Avenue. The proposed Map amendment would allow for the entire site to be zoned Residential

Low (RL) density, rather than a split-zoning of a Floating Suburban (FS) zoning district and RL zoning district. Mr. Diekmann told the Council that the site also has a split Land Use Policy Plan (LUPP) Future Land Use Map designation of Residential Low Density and Village/Suburban Residential depicted generally by the location of College Creek. A Greenway Overlay also exists over the site in support of the natural areas of College Creek and the City's bike/multi-use path through the property. He further stated that the separate proposed LUPP amendment, if approved, would include the entire site as Low Density Residential and keep the Greenway Overlay. Director Diekmann said that the Council had initiated the LUPP Amendment for this site to allow for a precise designation of the parcel rather than a general application of the land use designation boundary.

According to Mr. Diekmann, with RL zoning implementation of the low density designation, the site would be used for single-family residential dwellings at a maximum net density of 7.26 dwelling units per acre. Director Diekmann said that, with this site, the most relevant concerns for future development are integration of development into an infill area with an existing neighborhood, rather than the broad growth interests applied to the whole of the City. He highlighted LUPP Goal 2, Goal 5, and Goal 6 with their objectives as an issue of balancing future growth needs and neighborhood compatibility. The proposed LUPP Map amendment would create a precise expectation of the site as an infill area intended for low density residential use.

Director Diekmann said that the Council, on September 23, 2014, had also referred a corresponding RL zone change to the Planning and Zoning Commission for a recommendation to the Council.

Hearing on rezoning from Special Government/Airport (S-GA) to Residential Low Density (RL). Mayor Campbell opened the public hearing.

Joanne Pfeiffer, 3318 Morningside Street, Ames, thanked the Mayor and City Council for initiating RL zoning for the South Parcel. Sharon Stewart, 437 Hilltop Road, Ames, also thanked the Council for supporting RL zoning for the South Parcel.

Noting that a full Council was needed for this item and Council Member Corrieri was not yet present due to another commitment, Mayor Campbell announced that the Council would recess for a few minutes. She pointed out that due to a protest to the rezoning to RL that had been filed by Breckenridge, three-fourths of the Council (five votes) would be needed to vote in the affirmative to rezone the property to RL.

The meeting recessed at 7:27 p.m. and reconvened at 7:38 p.m.

Council Member Corrieri arrived at 7:38 p.m.

The hearing was closed when no one else came forward to speak.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 14-586 amending the LUPP Future Land Use Map to change the land use designation of the property located at 601 State Avenue to Low- Density Residential.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Orazem, to pass on first reading an ordinance rezoning 601 State Avenue from Special Government/Airport (S-GA) to Residential Low Density (RL).
Roll Call Vote: 6-0. Motion declared passed unanimously.

IOWA STATE UNIVERSITY RESEARCH PARK URBAN RENEWAL AREA: Planning and Housing Director Kelly Diekmann reminded the Council that it had, on October 14, 2014, directed staff to complete the necessary steps to adopt an Urban Renewal Area for the expansion of the Iowa State University Research Park. Mr. Diekmann reported that, on October 21, 2014, the City had invited the Ames Community School Board of Education and Story County Board of Supervisors to a consultation. One representative from the Supervisors had attended. The affected taxing entities had provided no written comments as they are allowed to do under the *Iowa Code*. Notice of the public hearing had been published in the *Ames Tribune* and mailed to other taxing entities.

Urban Renewal Plan. Director Diekmann advised that the necessary components of an urban renewal plan are defined by Chapter 403 of the Code of Iowa. It describes the project and its objectives, and includes a summary of the process of its preparation and adoption. The bulk of the Plan identifies those components of the Land Use Policy Plan that are supported by the proposed Urban Renewal Plan. The Plan includes the delineation of the geographic boundaries of the approximately 285-acre area that includes parts of the existing Research Park and its expansion area. All actions associated with the urban renewal project must occur within the broader boundaries of the Plan area. Because a portion of the Urban Renewal Area lies outside the city limits of Ames, the Story County Board of Supervisors were asked to approve the inclusion of that land (the west half of the University Boulevard right-of-way) in the urban renewal area' that approval was granted on October 28 and is included in the Plan.

Urban Renewal Project. Director Diekmann advised that this urban renewal project is intended to promote economic development for the Iowa State University Research Park, which will primarily be done with extensions of necessary public infrastructure (streets, water mains, sanitary sewer, storm sewer, and other public improvements). The Plan contemplates use of Tax Increment Financing (TIF) in multiple phases to fund the City infrastructure. The maximum dollar amount available for TIF is \$7,000,000.

Mr. Diekmann emphasized that new zoning will need to be adopted and applied to the Research Park in the future to allow for incorporation of supportive commercial uses with permitted research and development and industrial uses.

Tax Increment Financing. Director Diekmann stated that it was estimated that the City will contribute approximately \$2.8 million for the provision of utilities and streets for the Phase III expansion of the ISU Research Park. The City will rely on TIF to fund the infrastructure improvements. The increased incremental property tax revenue from industrial development will provide for repayment of bonds. It was noted by Director Diekmann that the proposed TIF district comprises just a portion of the proposed Urban Renewal Area, but funds generated from this smaller area may be spent anywhere within the broader boundaries of the Urban Renewal Plan area.

The public hearing was opened by Mayor Campbell. No one requested to speak, and the hearing was closed.

Director Diekmann stated that, since it will not be possible to incur expenses to begin the design of the required infrastructure in advance of the approval of the TIF Ordinance, staff was recommending that the TIF Ordinance be approved on its second and third readings and adopted at this meeting. According to Mr. Diekmann, it is staff's intention to bring the recommendation to contract for the needed engineering services for the Phase III expansion to the City Council for approval in the near future.

Moved by Nelson, seconded by Corrieri, to adopt RESOLUTION NO. 14-587 adopting the Urban Renewal Plan and establishing the Iowa State University Research Park Urban Renewal Area.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by corrieri, seconded by Betcher, to pass on first reading an ordinance creating the Iowa State University Research Park Tax Increment Financing District.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Corrieri, seconded by Betcher, to suspend the rules necessary for adoption of an ordinance.

Roll Call Vote: 5-1. Voting aye: Betcher, Corrieri, Gartin, Nelson, Orazem. Voting nay: Goodman. Motion declared carried.

Moved by Corrieri, seconded by Nelson, to pass on second and third readings and adopt ORDINANCE NO. 4198 creating the Iowa State University Research Park Tax Increment Financing District.

Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

HEARING ON 2014/15 ARTERIAL STREET PAVEMENT IMPROVEMENTS (LINCOLN WAY): The public hearing was opened by the Mayor, who closed same after there was no one wishing to speak.

Moved by Betcher, seconded by Corrieri, to adopt RESOLUTION NO. 14-588 approving final plans and specifications and awarding a contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$659,854.40.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

HEARING ON 2013/14 CYRIDE ROUTE PAVEMENT IMPROVEMENTS PROGRAM #2 (GARDEN ROAD, GARNET DRIVE, VIOLA MAE AVENUE): Mayor Campbell opened the public hearing. She closed the hearing after no one asked to speak.

Moved by Goodman, seconded by Nelson, to adopt RESOLUTION NO. 14-589 final plans and specifications and awarding a contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$899,833.27.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

REQUESTS FROM MAIN STREET CULTURAL DISTRICT FOR SNOW MAGIC:

Management Analyst Brian Phillips explained that the Main Street Cultural District (MSCD) plans to host its Snow Magic Celebration in Downtown Ames from November 14 through January 3. The event will kick off on November 14 with the tree lighting ceremony, open houses, and horse and carriage rides. To facilitate this event, MSCD has made the following requests:

1. Use of electricity for holiday lighting along Main Street and waiver of electricity costs for the season
2. Use of Tom Evans Plaza from 4:00 p.m. to 7:00 p.m. on November 14 for the tree lighting ceremony
3. Closure of four parking spaces on Main Street and one parking space on Douglas Avenue from 4:00 p.m. to 7:00 p.m. on November 14 to facilitate the pick-up and drop off of passengers on free horse drawn carriage rides through the downtown
4. A Blanket Temporary Obstruction Permit for the Central Business District from November 14 to January 3 to allow stores to display merchandise and open house signage
5. A Blanket Vending License for the entire Central Business District for November 14, November 29, December 6, and December 13 to allow businesses to sell wares on the sidewalk, and waiver of the Vending Permit fee

Mr. Phillips stated that, in addition to these requests, MSCD has requested a Temporary Obstruction Permit to place a 4-foot by 6-foot sign on City property (Power Plant) east of the intersection of Main Street and Duff Avenue to advertise shopping downtown this holiday season. That request has not been made in previous years for the Snow Magic event. It was noted by Mr. Phillips that the *Municipal Code* allows for temporary signs of this size to be placed up to 90 days in one location. Mr. Phillips noted signs placed on City property typically advertise an event that has a specific date and time. The City cannot regulate the content of a particular sign placed on City property, but it can limit the use of signs on City property to only those that advertise a specific event. If the City Council approves the use of City property for a sign generally encouraging “shopping downtown,” the City would be obligated to approve requests in the future from any business or organization that wishes to use City property to advertise shopping at its stores.

Also, Mr. Phillips said that the MSCD has also requested suspension of parking regulations and enforcement to allow free parking in the entire Central Business District on all Saturdays from November 15 through January 3. He stated that 597 metered spaces for nine hours on eight Saturdays at \$0.20/hour would yield a maximum loss of \$8,600 to the Parking Fund. Similar requests have been made in prior years, but for fewer days of free parking; it would be a much larger parking fee waiver than in past years. If the City Council is uncomfortable waiving this amount of parking revenue, the MSCD has indicated that waiving parking on the four Saturdays with events (November 29, December 6, 13, and 20) would be appreciated; that would equate to approximately \$4,300 loss to the Parking Fund.

According to Mr. Phillips, the Parking Fund is currently breaking even. Although this and other parking meter fee waivers in the course of a year total only 2-3% of the current fund balance,

the fund balance is anticipated to continue to decline over time. He advised that, If the City Council plans to make substantial waivers of parking meter fees in the future, staff would recommend that parking meter rates be evaluated to ensure that the Fund maintains a healthy balance.

Mr. Phillips noted that it was the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the requests as stated by the applicant, but limiting free parking in the entire Central Business District to four Saturdays during the holiday season and denying the request for a Temporary Obstruction Permit for a sign on City property.

Moved by Goodman, seconded by Corrieri, to approve a Blanket Temporary Obstruction Permit in Central Business District for November 14 to January 3.

Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Corrieri, to adopt RESOLUTION NO. 14-590 approving a Blanket Vending Permit in Central Business District for November 14, November 29, December 6 and December 13, as well as waiver of fees for Permit.

Vote on Motion 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Corrieri, to adopt RESOLUTION NO. 14-591 approving a waiver of fees for electricity for holiday activities/lighting from November 14 through January 3.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Corrieri, to adopt RESOLUTION NO. 14-592 approving closure of four parking spaces along south side of Main Street just west of Burnett and one parking space on west side of Douglas Avenue between Main and 5th on Friday, November 14 from 4 to 7 p.m., as well as waiver of fees.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Hannah Friedrich and Sonya Stoltze identified themselves as members of the Main Street Cultural District Board. Ms. Friedrich addressed the request for the 4' x 6' sign. She said that the sign could include information on the Snow Magic event with specific dates; however, it would still say, "Shop Downtown."

City Attorney Judy Parks stated that what the City has typically allowed in its rights-of-way were signs that included specific information about a specific activity. She advised that the sign that is being requested by the MSCD would be characterized as advertising.

At the inquiry of Council Member Goodman, City Attorney Parks read the City's current Banner Policy listing the locations that are governed by that Policy.

Moved by Goodman, seconded by Nelson, to deny a Temporary Obstruction Permit for a temporary sign on City property east of the intersection of Main and Duff.

Vote on Motion: 6-0. Motion declared carried unanimously.

City Manager Schainker noted that the cost to the Parking Fund to grant the current request of the MSCD, i.e., \$8,000, is not in itself going to break the Parking Fund. However, due to the number of special activities when parking waivers are being requested, it might be a good idea for the City Council to evaluate the parking meter rates to ensure that the Fund maintains a healthy balance.

Council Member Goodman offered his opinion that he had no problem granting the parking/enforcement waiver for eight Saturdays over the holiday season; however, the MSCD needed to be aware that parking rates might have to be increased in order to continue to grant those types of waivers.

Ms. Friedrich and Ms. Stoltze stated that, instead of the eight Saturdays initially requested, the District would request that parking regulations and enforcement be waived on the dates of the major events in the MSCD, i.e., November 29, December 6, December 13, and December 20.

Terry Stark, President of the MSCD, noted that retailers had requested the eight Saturdays to benefit their shoppers. He reported that shoppers had complained that they had just spent money in a store and arrived at their vehicle a few minutes after the meter expired and found a parking ticket.

Moved by Goodman, seconded by Nelson, to adopt RESOLUTION NO. 14-593 approving suspension of parking regulations and enforcement for Central Business District for every Saturday from November 15 to January 3, as well as the waiver of fees.

Roll Call Vote: 4-2. Voting aye: Corrieri, Gartin, Goodman, Nelson. Voting nay: Betcher, Orazem. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

REQUEST FROM MAIN STREET CULTURAL DISTRICT REGARDING ANNUAL FUNDING PROCESS:

Management Analyst Phillips pointed out that the City Council had received a letter from the Main Street Cultural District (MSCD) dated October 17, 2014, requesting that MSCD no longer be required to annually submit a grant application to receive funding. The letter further requested that MSCD receive \$49,000 in City funds for FY 2015/16. According to Mr. Phillips, in 2011, the City Council had established an application process for outside funding requests for 2012/13 fiscal year and beyond. The Council now uses that application process to fund activities hosted by MSCD, Campustown Action Association, Ames International Partner Cities Association, Hunziker Youth Sports Complex, Ames Historical Society, and several other organizations. The information from the applications is used to generate scopes of services for contracts with each of the organizations, which are then brought to the City Council at one time for approval.

Mr. Phillips stated that, during the creation of the grant process in 2011, the City Council exempted the Ames Economic Development Commission and the ISU Sustainability Coordinator from the grant application process. The justification to exempt those organizations was that they both were acting in an official capacity on behalf of City government. It was emphasized by Mr. Phillips that contracts are still required between the City and these exempted organizations. The form of contract for both processes is largely identical; however, the scope of services for an exempted organization contract is determined through City Council discussion, rather than being developed from an application.

Mr. Phillips acknowledged that the City, MSCD, and Main Street Iowa (MSI) have a three-party agreement outlining the requirements of the MSI program. The agreement requires passage of a resolution of support by the City Council in order for MSCD to remain in compliance with the program. The City Council must also stipulate the sources of funding for MSCD. According to Mr. Phillips, Main Street Iowa staff has indicated to City staff that requiring a grant application for funding a Main Street organization is unusual. No other MSI community uses a grant application process; however, it is typical to have some sort of agreement outlining the scope of services the Main Street organization plans to pursue. Main Street Iowa staff was specifically asked by City staff whether “there is a risk to certification, funding, resources, or something else if the City continues to require this application process.” The response from MSI staff indicated that “it is only a risk if the ‘grant’ is not funded.”

It was emphasized by Mr. Phillips that, if it is the intent of the City Council to continue requiring other organizations to utilize the grant application process, it would be advisable for the City Council to identify what the basis is for exempting MSCD, and not the other organizations. If the Council allows the MSCD to be an “exempt” organization, like other exempt organizations, MSCD would be expected to submit a proposed scope of services along with its funding request, which staff will review and incorporate into a contract for the City Council to consider. Mr. Phillips also noted that the City Council can decide to require the Main Street Cultural District to participate in the existing grant process, and therefore, to submit an application through the Ames Fall Grant Program in order to receive funding for FY 2015/16. Under that option, the funding request and proposed services would be reviewed and a recommendation made to the City Council for a funding amount during budget approval in February. A contract would be prepared using information obtained from the application and approved by both parties.

Karen Youngberg, 3101 Ridgetop Road, Ames, identified herself as the Treasurer of the MSCD. She said that the main reason the request had been made was to eliminate one step. Ms. Youngberg noted that the MSCD is a member of MSI. She read some of the requirements of the MSI program. That Agreement is renewed every two years and requires passage of a resolution of support by the City Council in order for MSCD to remain in compliance with the program. The City Council must also stipulate the sources of funding for the MSCD. Ms. Youngberg believes that it would be more efficient to just have MSCD enter into a contract and not have to complete all the work of the Fall Grant application.

Terry Stark, also representing the MSCD, concurred with Ms. Youngberg that it is quite a bit more work for the MSCD to apply during the Fall Grant process. He noted that one difference between the MSCD and other agencies that apply through the Fall Grant process is that they are required to file many reports with MSI. Mr. Stark also emphasized that the MSCD is an affiliate of the Ames Chamber of Commerce.

City Manager Schainker advised that the immediate issue before the City Council was to determine which process that MSCD should follow to request City funding. He stated that the determination of the funding request of \$49,000, however, should be made during the Council's final budget deliberations in February.

Council Member Gartin asked if the process could be simplified and the administrative burden lessened on Ms. Youngberg and/or Mr. Stark. Mr. Phillips pointed out some of the changes that had already been made to the Fall Grant Application process. He stated that City staff would be happy to evaluate any further changes that the City Council might recommend.

City Manager Schainker clarified that information would still need to be provided to the City; therefore, to exempt the MSCD from the Fall Grant process would not necessarily lessen the amount of work on the MSCD representatives. Council Member Orazem pointed out that an Annual Report is required of those organizations not required to apply through the Fall Grant process; the same would be required of the MSCD, so it might actually amount to more work. Mr. Schainker again emphasized that an application still needs to be thoroughly prepared; the Council would not jump directly to a contract.

Council Member Corrieri pointed out that there was a reason why the Fall Grant process was created. In her opinion, part of that reason was that there would be a consistent process whereby similar groups would be evaluated on the same criteria.

At the request of Council Member Betcher, Mr. Phillips explained what the circumstances were last spring surrounding the Sesquicentennial celebration and what were to be the MSCD's responsibilities. Ms. Betcher said that she was specifically referring to the problems with the application. Mr. Phillips acknowledged that most of the questions were not answered on Main Street's application. There was an attached page that outlined Main Street's proposal, but it was not in the form that had been requested of all applicants. The recommendation was to fund the MSCD in the same amount as the prior year. Mr. Stark commented that he had sat in on the discussions, and the MSCD was told that it had not submitted a 5-year Plan. He alleged that the MSCD had not done anything different last year than it had done in the previous three years, and the District was not sure what it had done wrong. Mr. Stark stated that 50 of the Main Street Iowa communities do not have to go through a grant process; Ames is the only one that does. He said that the MSCD serves all of Ames, not just the Downtown.

Council Member Goodman pointed out that a consistent format was created with which to evaluate different requests. It was not like that before, and it was difficult for both staff and the Council.

Moved by Goodman, seconded by Corrieri, to direct that staff maintains the status quo.

Council Member Gartin encouraged Ms. Youngberg and Mr. Stark to stay engaged with the Council and let them know about how their administrative burden could be lessened.

Council Member Goodman asked to have a question added to the Fall Grant form asking how long it took to prepare the form. City Manager Schainker suggested instead that staff bring the form back to the City Council to evaluate whether all the questions were necessary.

Vote on Motion: 5-1. Voting aye: Betcher, Corrieri, Gartin, Goodman, Nelson. Voting nay: Orazem. Motion declared carried.

Mayor Campbell announced that the Littering Ordinance, easements for the new Water Plant project, and the Fats, Oils, and Grease Ordinance would be acted on prior to the City's Economic Development Policy.

LITTERING ORDINANCE: Police Chief Chuck Cychosz stated that several recent incidents had illustrated the types of littering that are not covered by the current *Municipal Code* or the *Iowa Code*. He noted that *Iowa Code* Section 321.369 prohibits putting debris on a highway. While the specific description of material is comprehensive, there are a number of littering

behaviors not covered by either the *Iowa Code* or the Ames Ordinance. For example, under a strict interpretation of these laws, officers cannot cite an individual who throws a bottle onto a sidewalk. A sidewalk is not a roadway, so it is not covered by the *Iowa Code*; and it is not paper, so it is not covered by the Ames Ordinance. Nearly any non-paper material deposited on the sidewalk, on the grounds of public buildings, or in the parks would not be covered by the current Ordinance. According to Chief Cychosz, another aspect of this problem occurs when yard waste and other plant materials are intentionally moved to or deposited in the street. Although *Iowa Code* Section 321.369 is relevant to some of these actions, depositing yard waste on other public properties does not appear to be addressed by the current Ordinance. In the current Ordinance, this offense can be charged as a municipal infraction with a civil penalty of \$100 for a first offense and \$200 for a subsequent offense, or as a simple misdemeanor.

Assistant City Attorney Jessica Spoden noted that, because of the current language in the Ames *Municipal Code*, staff is not able to address the situation to the satisfaction of Ames citizens. She noted that the impact of implementing this new ordinance is likely to result in fewer cases being dismissed, and ultimately, better compliance with the law.

Moved by Goodman, seconded by Nelson, to direct staff to prepare an ordinance.
Vote on Motion: 6-0. Motion declared carried unanimously.

EASEMENTS FOR NEW WATER TREATMENT PROJECT AND SKUNK RIVER RECREATIONAL TRAIL PROJECTS: Moved by Goodman, seconded by Corrieri, to adopt

RESOLUTION NO. 14-594 approving an offer to purchase easements on property located at 800 and 1100 East 13th Street related to Contract 1 for new Water Plant Project and Skunk River Recreational Trail projects.

Roll Call Vote: 6-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

FATS, OILS, AND GREASE CONTROL ORDINANCE: Moved by Goodman, seconded by Corrieri, to pass on second reading the Fats, Oils, and Grease Control Ordinance.

Roll Call Vote: 6-0. Motion declared carried unanimously.

CURRENT CITY ECONOMIC DEVELOPMENT POLICY: City Manager Steve Schainker stated that one of the City Council's goals is to promote economic development in the Ames community. An objective for that goal assigned by the Council was to review and update the City's existing Economic Development Policy. The initial task for the staff was to provide the City Council with a report outlining the current policy as well as the various incentive programs that are being offered to promote economic development.

Mr. Schainker noted that, in 1988, the City Council reviewed a suggested Economic Development Plan with staff in a workshop setting. Input received at that meeting formed the basis of the Plan. Since that time, the general philosophies discussed at that workshop have generally guided the City staff's recommendations regarding incentives. While the original Plan focused on job creation and tax revenue increases, over the years the goal of economic development has been expanded to include a revitalization component. According to Mr. Schainker, the City of Ames' ultimate goal for economic development is to generate a steady moderate rate of growth that is manageable and ensures continued high quality of life for its citizens.

Mr. Schainker reviewed other objectives related to the goal of economic development: (1) Increase the number of new jobs in the City, (2) Increase the tax base of the City, (3) Expand existing businesses and industries in the City, (4) Assign local resources to accomplish economic development in market sectors that have been identified as having the greatest potential, (5) Focus on economic development efforts that maintain and improve the existing quality of living in Ames, and (6) Concentrate on economic development efforts that make an orderly and efficient use of existing land, resources, and infrastructure. It was pointed out by City Manager Schainker that many discussions had been held on natural progression as the City expands outward.

The guiding principles for the use of City incentives were outlined by Mr. Schainker. Initially, it was felt that the City would use incentives to fill gaps in the funding packages brought before it by companies that wished to expand or relocate in Ames. He noted that the City tries to be the “last dollar in;” it tries to leverage funds from all other sources first. According to City Manager Schainker, staff had developed an objective means to evaluate requests for the use of City funds for an economic development projects. Two funding criteria matrixes are utilized in the analyses: (1) General Industrial/Manufacturing Matrix and (2) High Tech Matrix. Mr. Schainker noted that the rating criteria match the goals supported by the City Council for economic development. Finance Director Duane Pitcher receives the information from the potential companies and comes up with a point factor system. The point system was reviewed for each type of funding source. Mr. Schainker emphasized that these matrixes serve as guidelines through which the City Council can make its decisions. He stated that incentives will not be used to fund specific retail uses for economic development. The philosophy on economic development has been to create the jobs for industries, which then create the market for the retail companies to want to locate in Ames due to its strong market with a high spending capability.

The Council was informed of the types of incentives (federal, state, private, and City) that had been offered to create jobs and expand the City’s property tax base. Mr. Schainker specifically detailed the Industrial Property Tax Abatement Program. Under that Program, the Council may not “pick and choose” who gets it; if the company qualifies according to the City Assessor, the company automatically receives the abatement. Mr. Schainker also explained other City incentives that may be used to promote revitalization. He provided the history of the incentives and how it had changed over the years. Examples were given of where the urban revitalization tax abatement incentive program had been utilized: Commercial-HOC, Campustown, Downtown, University Impacted-West, 9th Street/Roosevelt School Property, S.E. 16th Street, East University Impact/Sheldon Avenue, and South Lincoln.

Mr. Schainker noted that two things had changed over time pertaining to economic development. He stated that what sometimes happens now is that businesses wanting to locate in Ames work first with the state. If the project fits the criteria of the state, it will put a stipulation on the funds that the City has to agree to the local match. In those cases, the deal would fall through if the City did not agree. Another change is that if the state provides tax credits, it will want the City to give a value equal to the five-year industrial tax abatement. It is more challenging for the City if the project is locating in one of the TIF Districts. In those cases, the City does not just provide “gap financing.” Mr. Schainker also reported that some companies hire consultants who promise that they will get incentives for them.

The Downtown Facade Program was also highlighted. Mr. Schainker noted that this Program is used to revitalize an area. He reported that staff is developing a façade program for the Campustown Business District to be introduced in FY 2014/15.

City Manager Schainker stated that he was satisfied with the City's current economic development direction, but it represents a philosophy, and the Council has to be sure that it agrees with that philosophy or decide if it wants to see some changes.

Council Member Orazem asked what the points meant under the General Industrial/Manufacturing Revolving Loan Fund Criteria Matrix. Mr. Schainker answered that the points system is an objective way to determine which projects would benefit the City the most and which projects should be considered under the best terms.

Council Member Goodman said that there is a wealth of information available of which the City Council does not avail itself. He had learned of these items through attendance at educational seminars at NLC Conferences. Mr. Goodman shared his perspective that the City does not want to give incentives if it can still get the investment. Council Member Orazem disagreed, stating that if there is to be an economic gain, the City must be consistent. Mr. Goodman said that he meant that the City needed to ensure it was "educated player." He also believed that the Council should be aware of the criteria for location selection, as the receipt of incentives is usually not in the top five. Mr. Goodman also raised other issues that he felt the Council needed to educate itself on, e.g., multiplier concepts (different types of jobs), estimating the "gap," protecting against the undue enrichment of developers (avoid being bullied into the "race for the bottom").

Council Member Betcher noted that the City's Economic Development Policy had been in effect for 26 years. In her opinion, there were some items that could stand to be reviewed. She pointed out that what didn't seem to be considered, as far as the points total, was sustainability and the carbon footprint.

Council Member Gartin stated that there are user tools that need to be understood by the Council in order to develop a coherent and consistent policy. He wants to ensure that the City follows the best practices that had evolved over the past 30 years in regards to economic development. City Manager Schainker noted that there are not always "best practices" because it depends on each City's philosophy in regards to economic development; some things are unique to a specific community. It doesn't matter what other cities do; it is what the City Council and the Ames community believe are important. Mr. Gartin pointed out that there would be best practices for methodologies, but agreed that each city's philosophy could be different. It was asked by Council Member Gartin if there was a logical next step. He asked if it would be helpful to City Manager Schainker if a consultant could review the City's best practices under the methodology part. The Council needs help on determining its philosophy, but he is not sure if anyone could help them think that through. Mr. Gartin thought perhaps a consultant could evaluate whether the City is applying best practices on the methodology side.

Council Member Goodman said that he agreed that it would be a good idea for the City to find someone who has the expertise and work with them to develop infrastructure to protect future Council members from this much confusion. The consultant would then show them how to leverage that infrastructure for their own policy priorities.

City Manager summarized what he thought he had heard from the Council members, i.e., it was really a consultant to help develop the infrastructure to make the informed decisions on how the Council is going to give out the incentives.

Council Member Orazem noted that he did not remember the Council being given a listing of commitments made by the City Council at budget time. City Manager Schainker stated that Performance Measures of the Economic Development Program are reviewed with the City Council annually at budget time. Mr. Orazem said it would be good for the Council to have a list of projects with the number of jobs, etc., so that it could see what it had learned from the process.

Council Member Goodman agreed that what Mr. Orazem was suggesting would be a very good tool. He said, however, he was recommending that some of the things that he had learned from NLC Conferences be brought to the Council members and have that guide them in future choices. Mr. Goodman said that he wanted to bring more to the current policy. What he believed had been missing from the City's approach in the last 25 years was the data-driven history on what works, what doesn't, and how to determine the gap. After that is known, the Council could determine its policy.

Council Member Gartin commented that, from what he had heard, the Council should separate methodology and philosophy. It needs to make sure that the methodology is correct; i.e., what the Council is doing is consistent with best practices of municipal governments.

Mayor Campbell noted that the City's policy had changed when the state's, etc., policies had changed. She asked if the Council felt that the current methodologies were seriously broken. Council Member Goodman reiterated that he was sure that he wanted to bring more to the system. Council Member Corrieri added that the system was not necessarily bad, but the Council does not have the knowledge or resources to know whether it wants to continue with the 1988 Plan or bring modifications to it.

Moved by Goodman, seconded by Gartin, to ask the City Manager and staff to explore the possibility of finding a couple of organizations that do this kind of work and report back to the Council on some options (not excessive detail) on only the methodology, i.e., the underlying infrastructure.

Vote on Motion: 6-0. Motion declared carried unanimously.

Council Member Gartin asked if the City Manager had any suggestions for the Council on developing a coherent consistent philosophical statement to guide him in his work. City Manager Schainker noted that it would not be guiding him in his work; it would be guiding the City Council in its decision-making; what is important to the Council members is what they have to start thinking about. He emphasized that the Council members needed to talk about what economic development means to them.

Mr. Gartin questioned whether a workshop should be held with invitations to others to participate. Council Member Goodman also felt it would be important to hear their insights. City Manager Schainker asked for clarification as to what the Council hoped to achieve through a workshop. Council Member Gartin said that he thought it would be beneficial to get the perspective of different organizations as to what economic development means to them. City Manager Schainker pointed out that it would depend on whom you ask; each might have a

different philosophy. He believes that the City Council needed to determine its philosophy on economic development. Council Member Goodman reiterated that it would be good for the Council to hear what the current world of economic development players in the Ames community were thinking. Council Member Betcher said that she believes it would make more sense to have a context – to know more information that is not locally oriented before she heard from the community. City Manager Schainker asked what the Council would be asking for at a workshop. Council Member Gartin pointed out that the centerpiece of the Economic Development Policy is ultimately the philosophy of the Council; however, he does not know what that is. He would be interested in hearing how the Ames Economic Development Commission (AEDC) recruits businesses to Ames and how different organizations think about economic development. Mr. Gartin also noted that he was interested in knowing what the Council’s next step should be regarding the philosophical portion.

COUNCIL COMMENTS: Moved by Orazem, seconded by Gartin, to direct staff to prepare a report on the letter sent by William J. Ludwig and Associates dated October 16, 2014, pertaining to Rose Prairie.

Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Corrieri, to direct staff to provide to the City Council the old Council Action Form on shopping carts.

Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Corrieri, to direct staff to provide to the Council a copy of the 500-year flood map pertaining specifically to the area around Riverside Manor.

Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Gartin, to direct staff to add the end of Main Street to the current Banner Policy and bring it back to the Council for approval.

Vote on Motion: 4-2. Voting aye: Betcher, Corrieri, Gartin, Goodman. Voting nay: Nelson, Orazem. Motion declared carried.

Moved by Gartin, seconded by Goodman, to refer to staff the letter dated October 30, 2014, from the Ames Bicycle Coalition for response back to the City Council.

Vote on Motion: 6-0. Motion declared carried unanimously.

Ex officio Council Member Lissandra Villa reported that she, Assistant Melissa Mundt, and Neighborhood Intern Zach Bauer are working together to establish a date for a “Rent Smart Day.”

ADJOURNMENT: Moved by Nelson to adjourn the meeting at 10:14 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor