

## MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

MARCH 6, 2018

The Regular Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on March 6, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Present were Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Tim Gartin, David Martin, and Chris Nelson. *Ex officio* Member Rob Bingham was also present.. Council Member Corrieri arrived at 6:16 p.m.

Mayor Haila referenced the corrected Public Art Acquisition description of location.

**CONSENT AGENDA:** Moved by Beatty-Hansen, seconded by Gartin, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving Special Meeting of February 20, 2018, and Regular Meeting of February 27, 2018
3. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
  - a. Class C Liquor & Outdoor Service – Coldwater Golf Links, 1400 S. Grand Avenue
  - b. Class E Liquor, C Beer, & B Wine – Kum & Go #227, 2108 Isaac Newton Drive
  - c. Class E Liquor, C Beer, & B Wine – Kum & Go #113, 2801 E. 13<sup>th</sup> Street
  - d. Class A Liquor & Outdoor Service – Elks Lodge #1626, 522 Douglas Avenue
4. Motion directing City Attorney to draft ordinance renaming section of Old Airport Road to Green Hills Drive
5. Requests from Greek Week Committee for Polar Bear Plunge on April 6:
  - a. Motion approving blanket Temporary Obstruction Permit for activities
  - b. RESOLUTION NO. 18-098 approving closure of portion of Sunset Drive and eastern portion of Pearson Avenue along the Greek Triangle from 10:00 a.m. to 11:00 p.m.
  - c. RESOLUTION NO. 18-099 approving suspension of parking regulations for closed area from 10:00 a.m. to 11:00 p.m.
6. Request from Greek Week Committee for Greek Week Olympics on April 7:
  - a. Motion approving blanket Temporary Obstruction Permit for activities
  - b. RESOLUTION NO. 18-100 approving closure of portions of Gray Avenue, Ash Avenue, Greeley Street, Pearson Avenue, Lynn Avenue, and Sunset Drive from 8:00 a.m. to 6:00 p.m.
  - c. RESOLUTION NO. 18-101 approving suspension of parking regulations for closed areas from 8:00 a.m. to 6:00 p.m.
7. RESOLUTION NO. 18-102 approving appointments to various boards and commissions
8. RESOLUTION NO. 18-103 adopting New and Revised Fees for Rental Housing Regulation effective July 1, 2017, through June 30, 2018
9. RESOLUTION NO. 18-104 adopting New and Revised Fees for Rental Housing Regulation effective July 1, 2018, through June 30, 2019
10. RESOLUTION NO. 18-105 approving 2018 Neighborhood Art acquisitions
11. RESOLUTION NO. 18-106 approving Encroachment Permit for awnings at 131 Main Street
12. RESOLUTION NO. 18-107 approving Surface Transportation Block Grant Program Funding

Agreement with Iowa Department of Transportation for South Grand Avenue Extension in the amount of \$3,500,000

13. RESOLUTION NO. 18-108 approving preliminary plans and specifications for Lime Pond Fencing Improvements; setting April 3, 2018, as bid due date and April 10, 2018, as date of public hearing
  14. RESOLUTION NO. 18-109 approving preliminary plans and specifications for 2017/18 Collector Street Improvements (Meadow Lane Avenue); setting April 4, 2018, as bid due date and April 10, 2018, as date of public hearing
  15. RESOLUTION NO. 18-110 approving preliminary plans and specifications for 2017/18 CDBG Public Facilities Neighborhood Infrastructure Improvements (Tripp Street - Wilmoth Avenue to State Avenue); setting March 28, 2018, as bid due date and April 10, 2018, as date of public hearing
  16. RESOLUTION NO. 18-111 approving preliminary plans and specifications for 2016/17 Concrete Pavement Improvements (Dawes Drive); setting April 4, 2018, as bid due date and April 10, 2018 as date of public hearing
  17. RESOLUTION NO. 18-112 approving preliminary plans and specifications for 2017/18 Seal Coat Street Improvements (Carr Drive, Crestwood Circle, E. 16<sup>th</sup> Street, Linden Drive); setting April 4, 2018, and April 10, 2018, as date of public hearing
  18. RESOLUTION NO. 18-113 approving contract with Storey Kenworthy of Ames, Iowa, for purchase and installation of furniture for City Hall, Water Plant, Animal Shelter, and Water Meter in the amount of \$53,702.91
  19. RESOLUTION NO. 18-114 approving contract and bond for 2017/18 Traffic Signal Program (East Lincoln Way and Dayton Avenue)
  20. RESOLUTION NO. 18-115 approving contract and bond for 2016/17 Traffic Signal Program (6<sup>th</sup> Street/Hazel Avenue)
  21. RESOLUTION NO. 18-116 approving Change Order No. 1 with Sargent & Lundy, LLC, for engineering services for Repair of RDF Storage Bin in an amount not to exceed \$19,900
  22. RESOLUTION NO. 18-117 accepting completion of 2015/16 Low-Point Drainage Improvements (Westwood Drive)
  23. RESOLUTION NO. 18-118 accepting completion of Bid No. 1 Gas Generator
- Roll Call Vote: 5-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**PUBLIC FORUM:** Mayor Haila opened Public Forum. There being no one wishing to speak, the Mayor closed Public Forum.

Mayor Haila announced that Item 24 was being postponed until Council Member Carrieri was present.

**HEARING ON AMENDMENTS TO FISCAL YEAR 2017/18 BUDGET:** The Mayor opened the public hearing and closed it after there was no one wishing to speak.

Moved by Nelson, seconded by Betcher, to adopt RESOLUTION NO. 18-119 approving the

amended budget for current Fiscal Year ending June 30, 2018.

Roll Call vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**HEARING ON THE ADOPTION OF FY 2018/19 BUDGET:** The public hearing was opened by the Mayor. He closed the hearing after no one asked to speak.

Moved by Gartin, seconded by Betcher, to adopt RESOLUTION NO. 18-120 approving the FY 2018/19 budget.

Roll Call vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**HEARING ON 2018A GENERAL OBLIGATION CORPORATE PURPOSE LOAN AGREEMENTS:** Mayor Haila opened the public hearing. He closed the hearing after there was no one wishing to speak.

Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-121 approving entering into Loan Agreements in a principal amount not to exceed \$8,525,000.

Roll Call Vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**HEARING ON ZONING TEXT AMENDMENT RELATING TO WIRELESS COMMUNICATIONS FACILITIES:** The public hearing was opened by the Mayor. He closed the hearing after no one asked to speak.

Council Member Betcher stated that this is an item that must change because of State law changes. Director Diekmann confirmed that because of State law changes the City had inconsistencies with how to classify different types of wireless facilities as well as how to process them. The City must change the definitions and processes at the same time repealing the whole Ordinance and replacing it in its entirety. Some changes in the Ordinance were optional, but the major part is because of statutory changes regarding how to permit these types of facilities. This issue deals with property not in the right-of-way, but rather private property wireless facilities.

Moved by Betcher, seconded by Gartin, to pass on first reading an ordinance amending the zoning text relating to wireless communications facilities.

Roll Call Vote: 5-0. Motion declared carried unanimously.

Mayor Haila noted that Item 29 was being postponed until Council Member Corrieri was present.

**HEARING ON 2016/17 SHARED USE PATH SYSTEM EXPANSION (GRAND Ave. - 16<sup>th</sup> STREET TO MURRAY DRIVE):** The Mayor opened the public hearing and closed after there was no one wishing to speak.

Council Member Beatty-Hansen inquired as to why the bid came in significantly lower than estimated. Municipal Engineer Tracy Warner responded that this project was out for bid sooner than big street and highway projects and engineers were overly conservative on the cost estimate. Mayor Haila stated that there was an email expressing concern for the cost of such a small amount being done. Ms. Warner explained that this project is a higher-traffic-controlled area; there will be more driveway and curb replacement along with spot gutter repairs and a bit of landscaping that will be done. It continues with the Long-Range-Transportation Plan and other future network connections.

Moved by Beatty-Hansen, seconded by Betcher, to adopt RESOLUTION NO. 18-122 approving final plans and specifications and awarding the contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$49,920.40.

Roll Call vote: 5-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

Council Member Corrieri arrived at 6:16 p.m.

**HEARING ON 2017/18 RIGHT-OF-WAY APPEARANCE ENHANCEMENTS (927 DAYTON AVENUE RETAINING WALL):** Mayor Haila opened the public hearing. He closed the hearing after there was no one wishing to speak.

Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-123 approving final plans and specifications and awarding the contract to Country Landscapes, Inc., of Ames, Iowa, in the amount of \$112,492.37.

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

**OPTIONS FOR 321 STATE AVENUE RESIDENTIAL DEVELOPMENT:** Planning and Housing Director Kelly Diekmann reminded Council that the about the City must start over with the process for the development of this area. Council has moved ahead with the infrastructure and use of the CDBG funds by approving the plans and specifications for Tripp Street. The time has come for further direction in order to continue to work on plans for the development of housing on the site in conjunction with the proposed 2018-19 CDBG Annual Action Plan.

Director Diekmann continued by outlining the following options:

Option 1 - Proceed with plans for development of the ten-acre site in a similar manner to the 2017 RFP that allowed for either attached or detached single-family structures. Staff would then prepare a RFP and look for a partner developer/builder. The terms would be adjusted to account for changes to the level of City subsidy and the requirement for only a minimum of 51% of the homes as affordable. The homes would be three bedroom and not exceed \$130,000.

Option 2 - Staff would contract for preparation of subdivision plans without a development partner. This would be a simplified concept of single-family detached development. The City would be

responsible for preparing and finalizing the subdivision layout and then identifying homebuilders for the affordable home lots. The City would likely sell the market-rate lots to help support the affordable-home lots.

Option 3 - Construct some multi-family housing to address low-income housing needs. Rental housing would include a deed restriction limiting the use of the property to affordable housing for 20 to 30 years. Single-family homes could be a combination of market-rate and affordable homes. If the construction of multi-family units meets all of the affordable housing production requirements, there would be flexibility in the sales prices of the single-family homes. This option may be financially viable with a development partner that would use Low-Income Housing Tax Credits. The sale of single-family lots could also assist in lowering overall development costs.

Director Diekmann stated there are two different alternatives for the small apartment use to meet the affordable housing goals for the Neighborhood Revitalization Strategy (NRSA). Multi-family could be constructed on part of 321 State Avenue or it could be constructed on the Franklin Park site with the construction of a new park at the 321 State Avenue site. Both alternatives have benefits of broadening the range of low-income households that could benefit from the development of affordable housing.

Mr. Diekmann concluded that staff recommended Option 3. Multiple objectives for affordable housing and development of the 321 State Avenue site within the NRSA can be met with this option to allow for both single-family ownership homes and small scale multi-family rental homes. Before finalizing the RFP under this option, a neighborhood meeting should be held to help develop parameters for the project; staff would present the RFP, describe the City's goals, and define the City's financial resources supporting the project. Staff would seek proposals in early summer and present the best proposals for City Council's approval in late summer. If the Council prefers to focus on only single-family options, Council will need to provide direction on pursuing a new developing partner.

Council Member Betcher asked why Option 2 is only focused on a single-family detached development. Mr. Diekmann responded that it would be more likely to find a builder for a detached home, rather than an attached, who has experience building affordable housing. Staff is not a developer or builder, so it is best to keep it as simple as possible if responsible for how the development proceeds.

Council Member Corrieri inquired about if all the goals were met in the Consolidated five-year Plan and how this project fits in that Plan. Housing Coordinator Vanessa Baker-Latimer explained that the goal was based on an impediment study and the data received from HUD that stated Ames needs more affordable housing. The two greatest needs are housing for both single-family homeowners of low- and moderate-income and for renters. Once this site was purchased, it was then decided to use CDBG funds that overlap with the goals set out with HUD. The City would be able to address those two concerns in the five-year plan period. This was an opportunity to fulfill the need. It is never known when another site this size would come along and be able to address both concerns. The City

has tried to accomplish the goal by purchasing single-family foreclosures, but those are few and far between. Only one duplex has been purchased to address this rental-housing concern. At the end of the five years, there will have to be evidence to show what the City has done to address those needs.

Mr. Diekmann stated, on average, the City increased the number of rental housing bedrooms by 1,000 beds per year for the last three-five years. None of these beds were deed- restricted affordable rental units. When developing affordable rental units the expectation is to stay affordable for a 30-year commitment. The guarantee of this is 20 to 30 years.

Council Member Gartin inquired about the prior lot configuration from the first developer. Director Diekmann responded that \$1.3 million of public infrastructure investment was to be in public street construction, water line construction, and sanitary sewer and storm water facilities. That yielded 37 lots ( 20 affordable and 17 market rate). Council Member Gartin suggested a change for smaller lot sizes to allow for an increase in density and to spread the development cost over a greater number of lots. This would provide for additional attached housing and owner-occupied housing and again increase density and spread the cost over a greater number of units. Director Diekmann stated in theory that would work, but the issue is, with more than 37 units, there will be the need for more infrastructure to be constructed so the total cost of the project will go up but the cost per-unit will either decrease slightly or stay the same. The first proposal was for over 45 homes with an estimate of \$1.9 million. There was a need to pull back to a smaller scale project to match the funding the City could contribute.

Jason Paull, 1007 Arkansas Avenue, Ames, spoke on behalf of A Mid-Iowa Organizing Strategy (AMOS) Housing Team. The position is to see integration, increase the number of units and diversity in the housing types in order to maximize this opportunity. There needs to be integration of affordable units with market rate units. The number of available units should be increased by incorporating attached housing and multi-family housing; in turn, there will be a decrease in the prices of the housing. This would create more affordable housing and diversify occupancy. The apartments that have been built in Ames in the last five years have been directed towards students at a price that a working family cannot afford.

Diane Birt, 303 Hickory Drive, Ames, stated that her family supports the position of AMOS. The project should focus on diverse homes including multi-family housing. Ms. Birt clarified the results of a survey done in the College Creek/Old Middle School Neighborhood. Many neighbors did support single-family housing, but many of those neighbors also supported other forms of housing, such as multi-family housing too. She supports Option 3.

Joanne Pfeiffer, 3318 Morningside Street, Ames, presented pie graphs, which represented the results from a survey of 97 owner-occupied neighbors on what they would like done with 321 State Avenue. Seventy-eight percent responded that they were not in favor of rentals. Owner-occupied homes provide quality of life with a stable environment for children and a reliable and steady value of each home. If multi-family rentals would be developed, it would change the neighborhood dramatically.

The quality of life would suffer because of noise, safety, and connectivity. Ms. Pfeiffer feels it is already an unbalanced neighborhood and it needs balance. She supports owner-occupied homes. Ms. Pfeiffer also recalled that the neighbors were told there would be owner-occupied homes in this area.

Linda Adams, 248 Village Drive, Ames, stated the importance of Franklin Park to the families and children surrounding that Park. Ms. Adams added there are already many apartment buildings and low-income housing in the area. She is against Option 3.

Sharon Stuart, 437 Hilltop Road, Ames, stated that there are benefits and negatives to changing Franklin Park. Affordable housing in the area of Franklin Park puts people in close proximity to resources. LITC would be instrumental in terms of funding and management of the affordable apartments. A park being located along State Avenue would have better access for vehicles. Ms. Stuart suggested going into the neighborhood and talking with the citizens about what is needed and desired for a park in that area. The most important part of the homes being developed should be the quality, whether owner-occupied or multi-family. This is a great opportunity for Ames to be innovative.

Tony Ramey, 425 Hilltop Road, Ames, stated that he likes the amount of green space and the fact that the multi-family housing would only be two-stories high. Mr. Ramey inquired about whether the rest of the property could be all owner-occupied housing. Director Diekmann stated that the belief is that it would be single-family product. Council would decide the ownership. Mr. Ramey felt that would be a feasible option.

Director Diekman added that if the City were successful at getting a LITC project and the number of apartment units was 51% or more of the combined production of housing, Council could put in whatever type of housing wanted on 321 State Avenue for price point. The apartments alone can meet full affordable housing obligation and the rest could be any type of housing and price.

Council Member Betcher expressed concerns about the future of LITC at the State and Federal level. That could be an opportunity that won't exist if the credits are taken away. She inquired if LITC were not a part of the equation would there be a pool of developers interested simply because of the multi-family component. Director Diekmann responded that it is possible, but asking an affordable housing developer to build without subsidy could be difficult.

Council Member Beatty-Hansen stated that Council may want to try the single-developer again. She recommended that the City attempt another RFP with more incentive or think about a more creative product. She feels there should be another attempt for the single-family model.

Council Member Gartin stated Option 1 or 2 should be done because of the following: the neighborhood was told it would be owner-occupied, thousands of rental bedrooms have been built in the last five years and only a fraction of owner-occupied homes, 51% of these properties will be at 80% low-middle income so there will be an affordable housing option, multi-family units would

not be low-income housing forever, this is a ten-acre piece of land in town to develop, and the feedback is overwhelming for no more apartments.

Council Member Corrieri stated that the softening of rents will never be soft enough for people of the lowest income to afford. The apartments built are directed at students, not people with disabilities, families with children, and the elderly who often fall into the low-income category. Ms. Corrieri stated that she has always supported a mixed development of owner-occupied and rental properties, because an affordable housing development can't be built unless a rental component is included.

Council Member Nelson inquired about receiving LITC funds to renovate a project that would keep a property affordable. Director Diekmann responded that it is possible if the program guidelines have that category for funding and it is awarded to the project. Mayor Haila recapped that decisions would be based on LITC. It is difficult to attract someone to develop low-income multi-family without LITC. The availability of LITC will not be known until Congress adopts the next budget.

Council Member Martin stated that there should be another try at the previous proposal. He is leaning toward Option 1 or 2. Council should think about a RFP that would include the criteria that led to the first proposal and also encourage creativity, pocket neighborhoods, smaller homes with increased density, shared courtyards, porches, shared parking or garage facilities, shared utility, workspace etc. These ideas could attract developers who would be interested in these different possibilities.

Council Member Betcher stated her thoughts of Option 2 needing a little more flexibility. She had hoped to mix single-family with a pocket neighborhood on part of the site. She thought perhaps there would be multiple developers doing smaller pieces of the ten acres. The flexibility to have multiple developers might lead to more local involvement.

Director Diekmann explained that a Planning Residential Development (PRD) would allow for multiple zoning and allow any kind of housing. Perimeter set-backs would have to match what would be seen under a normal single-family district, but they would not have to worry about building setbacks and lot lines. There is an expectation of open-space. PRDs are not meant to gain density, but to have options on how to configure a small amount greater than normal density.

Moved by Gartin, seconded by Beatty-Hansen, to construct single-family attached and detached homes with a developer (Option 1).

Moved by Martin, seconded by Beatty-Hansen, to amend the motion to include encouragement of innovation.

Council Member Betcher asked if, with that motion, there would be one developer or several. Mr. Diekmann commented that it would be difficult with a RFP for more than one developer. Staff would come back to Council with the whole RFP.



Council Member Beatty-Hansen inquired about incorporating Council Member Martin's ideas. Director Diekmann added that the RFP was open last year to include single-family attached or detached, any lot size, or any of the forementioned items by Council Member Martin. The RFP would be a similar model to the one used last year. Council Member Corrieri asked about inquiries from developers. Mr. Diekmann responded that the proposals from developers could have been whatever they wanted. At this time, there is one developer willing to look at this land as an option for a project. Council Member Gartin expressed more constraints limit the pool of developers; too much in the RFP might hamper bids.

Council Member Corrieri asked about timing issues. Ms. Baker-Latimer stated that moving ahead with Tripp Street was crucial. The timing will be dependent on how much that entitlement is going to be forthcoming. If the amount were to increase, something will need to continue to develop because the money must be spent down. By the time the bids are in, there should be some direction.

Vote on Amendment: 2-4. Voting aye: Martin and Beatty-Hansen. Voting nay: Betcher, Nelson, Gartin, Corrieri. Motion failed.

Vote on Original Motion: 3-3. Voting aye: Martin, Beatty-Hansen, Gartin. Voting nay: Betcher, Nelson, Corrieri. Mayor Haila voted nay to break the tie. Motion failed.

Moved by Corrieri, seconded Nelson, to construct single-family and multi-family rental development with a developer (Option 3).

Director Diekmann explained the next phase with Option 3 would be to host a meeting for the public to discuss the different scenarios that could take place. There are not definite decisions on what happens with the Park at this time. After the public meeting, the Council will need to provide direction.

Vote on Motion: 2-4. Voting aye: Nelson, Corrieri. Voting nay: Betcher, Martin, Beatty-Hansen, Gartin. Motion failed.

Moved by Betcher, seconded by Beatty-Hansen, to construct single-family detached with the City as the developer (Option 2).

Council Member Martin stated that this could essentially work out to be like the development layout reminiscent of the RFP from last year. Council Member Beatty-Hansen liked the slower pace of doing a house over small amount at a time. Director Diekmann commented that there is the possibility of phasing. Also, someone would be hired to subdivide the whole property. Whether the Final Plat will install infrastructure all at once or in phases will be a separate question.

Mayor Haila inquired about why Option 2 could not include attached homes. Director Diekmann stated that staff can't build homes. When platting attached family homes, a developer will know exactly what structure building to make sure all buildings fit together. A different type of builder

will be needed, someone who wants to build attached housing and an affordable product. It adds a level of complication, but can be done.

Moved by Betcher, seconded by Beatty-Hansen to approve Option 2 to include both single-family detached and attached homes, as the City as the developer.

Vote on Motion: 5-1. Voting aye: Betcher, Martin, Beatty-Hansen, Martin, Corrieri. Voting nay: Nelson. Motion declared carried.

Council Member Corrieri left the meeting at 7:48 p.m.

The meeting recessed at 7:48 p.m. and reconvened at 8:02 p.m.

**HEARING ON ZONING TEXT AMENDMENT TO CREATE LINCOLN WAY/DOWNTOWN GATEWAY COMMERCIAL STANDARDS:** Mayor Haila opened the public hearing. He closed the hearing once there was no one wishing to speak.

Director Diekmann provided background on the Lincoln Way Corridor Plan. The focus of the presentation is on the connection to Downtown, called the Gateway because it has entrances through the district into Downtown. The Corridor Plan identified redevelopment and repositioning of commercial properties in the Downtown Gateway Area to support a transition to more intense and urban development. There will be a continuation for commercial use but also the option for mixed-use. The zoning would need to be changed from Highway Oriented Commercial (HOC). The desired uses would be for restaurants, recreation, and entertainment uses. Office and retail are also important. This is an area for a unique hotel use. The previous direction was to be flexible and reach for higher-quality redevelopment. This page of the Plan is looking to add a focal element of public space or parking structure.

Mr. Diekmann stated this area would also have a different residential feel. It would promote small one-or two-bedroom units, different from the student housing. In the Zoning Ordinance, there is a cap of 25% for apartment units that can exceed two bedrooms. Additionally, the parking ratio is set up to incentivize smaller units.

Director Diekmann addressed the need for rezoning. The zoning now does not allow the vision of the Corridor Plan to allow for mixed-use to come in. It is a commercial area, but the option for housing to be added for certain sites is wanted. Goals of critical mass need larger development sites. Articulated in the Ordinance is that a redevelopment site size must be at least one acre if desiring to pursue Mixed-Use. If the business would not like to be a mixed-use the one-acre minimum does not apply. The changing of the zoning will be considerable from HOC and will create some non-conforming businesses. By moving to a pedestrian-friendly environment and focused on commercial and mixed-use, differences will be created between existing conditions.

Mr. Diekmann stated that this area is to be more commercial oriented, which will still need parking and is still a destination to drive through. There are some building design and material requirements,

but there is still a lot of flexibility. A proliferation of drive-thrus is not wanted in this area, because drive-thrus are not good neighbors for walkability and residential promotion. The City is also working on managing the transportation on Lincoln Way. There can be a drive-thru on each side of Lincoln Way, but a new one can not come in until one leaves. Businesses such as vehicle service facilities will become non-conforming in this area. That means that the owners can continue to operate the business as is, but there will be limits on expansion, and if it goes away the business can not be reestablished. The goal of non-conforming is to eventually have those businesses leave the area they exist in when the zone changes. The business can be sold to someone else for the same use. The end of a non-conforming use is when it is non-existent for 12 months; that is called “abandoned.” Many properties will be affected by the proposed zoning change, but some of the businesses are already non-conforming.

Council Member Betcher asked why give the option for another drive-thru to come into the area when trying to make it more pedestrian friendly. Mr. Diekmann responded that thought is possible, but this is also allowing for relocation. Ms. Betcher’s next question was why allow for larger apartment units when trying to target the people in the workforce. Mr. Diekmann answered that the Planning & Zoning Commission thought there should be more options than just one and two bedrooms. A cap was put in place to control the number of larger units.

Director Diekmann stated that an outreach meeting was held on Thursday, March 1. Some small business owners were concerned about changes on how it affected their existing business or how they could sell or use the property differently. Other concerns were how to rebuild on a property. Others were in favor to see how the redevelopment would go. The rezoning notice would go out to the property areas.

Council Member Martin asked about lodges or clubs were not included. Mr. Diekmann responded those are membership-based, not for general use, and there is not a regular level of activity.

Laura Cram, 203 Kellogg Avenue, Ames, stated that she is concerned about the rezoning. The new zone focuses on pedestrian traffic, which limits automotive businesses and encourages fewer parking stalls. The current zoning will still allow for development similar to the City’s vision with the exception of apartments along Lincoln Way. The majority of properties along Kellogg are zoned with Downtown zoning that allows for mixed-use Residential. The rest of the properties in the area are zoned HOC. Currently, these properties have fewer restrictions than with the new zoning. The new zoning would allow for apartments and mixed-use, but would make over 70% of the properties non-conforming whether by layout or type of business. This would decrease the value of the properties, stifle businesses from growing in current locations, and drive out owners of small businesses for more apartments. Ms. Cram does not support the proposed Ordinance.

Robert Goodwin, 311 Lincoln Way, Ames, stated that he has owned his property since 1981. The favorable parts of this building are the parking and accessibility. The change would mean off-site parking for him and his clients who could be over a block away. The proposed Ordinance would make his property non-conforming, create the inability to replace the building if damaged, and a

cloud over his property. The only person who would buy the property would be the developer. Mr. Goodwin does not support the proposed Ordinance.

Timothy Grandon, 414 Lincoln Way, Ames, stated that he is concerned about the change in zoning. When a building is non-conforming it has no capability to expand for growth. This will put a cloud above the properties' options for future sale.

Ryan Davis, 204 Clark, Ames, informed Council he has apartments above his car wash. Mr. Davis added that the vision of residential above commercial already does not work. Rezoning of the area and causing non-conformity will not help the value of the property. The offer he received was significantly less than appraised, and he would not be able to put a down payment on another location. Mr. Davis also expressed concern about the notification process. Letters were sent to "Property Owner" at the physical address. Some businesses have a post office box and may not have received the notice. He is not in support of the proposed Ordinance.

Chuck Winkelblack, 105 South 16<sup>th</sup> Street, Ames, clarified the reasoning for larger units. Larger buildings need larger units in the corners. The concerns are the non-conformity issues as they relate to the owners that are there and the properties in the area that are for sale. Non-conformity does create financial issues for existing business and potential sales. The inability to expand or remodel can cause a problem. There is limited commercial land available in town. Many food businesses are seeing an uptick in the need for drive-thrus.

Council Member Gartin asked how to move forward with change in zoning to help current business owners. Mr. Winkelblack stated that this vision could take 20-30 years. The rezoning is not a product of the project being brought forward. A natural disaster would be cutting people off from reestablishing in their spot. He is not in favor of something that would be that restrictive. Mr. Winkelblack did state that he would like to attract working young people. He is in favor of the rezoning if there is a way to deal with the non-conformity that would not put people out of business or preclude them from further developing their properties.

Rick Thompson, 414 South Duff, Ames, is concerned with the non-conformity that would affect his property. He is concerned about the rezoning and ability for future remodel possibilities. Mr. Thompson suggested more discussion for this topic.

Council Member Betcher requested confirmation that parking spaces for existing buildings will continue to be in compliance. Director Diekmann stated if this is the existing condition. If there was complete redevelopment, that parking would not be allowed. Mr. Diekmann explained the non-conformities. Non-conforming use can't be reinstated if abandoned, and the structure can't be torn down and rebuilt without conforming to set-backs. He added that many of these buildings do not meet the parameters for set-backs now. Those buildings are not in the condition to be rebuilt from where they are today. Director Diekmann stated that 70% non-conforming would be a good estimate. Council Member Gartin stated that is important fact, if the business is non-conforming now, this is not something that would be taking away something they have. Mr. Diekmann

explained that if a building burns down, it can be rebuilt, it just has to be done at the new standards.

Council Member Martin asked, if when making the transformation, could it be done in a more gentle way than by using non-conformity. Director Diekmann stated there is a phrase “if pre-existing,” which slightly more lenient. If the building exists the day the Ordinance was adopted, it would be considered permitted. The owner would have the right to expand and do everything as if it were an allowed use there. However, no one else could come in and do the same use. If the use were to stop for 12 months, it would be no longer considered a pre-existing building and it could not be recreated. This is used mostly in the Downtown UCRM Overlay areas. Mr. Diekmann stated that Council would pick which places to grant that latitude to; that is not to say everything pre-existing is fine, because that makes the zoning pointless. This would need to be a standard in the Ordinance or they should not rezone properties and keep it HOC.

Council Member Betcher clarified the usage of “if pre-existing.” Director Diekmann confirmed that it could be used, but advised that it can be very difficult to administer consistently. Each unique case will cause more difficulty in implementing effectively. Not everything in the district is pre-existing. The non-conforming use is perpetuated when using the “pre-existence.”

City Manager Schainker stated that a decision should not be made tonight. Mr. Diekmann should come back with a better definition of pre-existing. An analysis on how the businesses are non-conforming is needed. This will take some time, but should not be rushed.

Council Member Gartin asked about how to guard from a business coming in under the wire for a conforming business now but would not be with the new rezoning. Mr. Diekmann stated this is a risk right now with any delay of action. City Manager Schainker stated there is the possibility of a moratorium, while thinking about guarding against new non-conforming businesses to the area. Mr. Diekmann confirmed this would be a stoppage of change. Mayor Haila stated this area is vision-driven. It can have a profound impact on the entire community. A lot of work has been done on this plane, but it warrants more discussion.

Moved by Gartin, seconded by Martin, to direct staff to come back with a draft proposal to consider for a moratorium.

Council Member Beatty-Hansen stated concern that getting the moratorium set could take the same amount of time to get all the information needed to make an informed decision. Mr. Diekmann estimated it would take two months once the decision on zoning standards is made. The moratorium would probably take until about the beginning of April.

Council Member Gartin withdrew his motion.

Moved by Gartin, seconded by Martin, to direct staff to start the process of the moratorium in the zoning area.

Council Member Beatty-Hansen expressed her concern with the timing factor. Mayor Haila stated that the moratorium doesn't have to be implemented. Council Member Gartin added that the moratorium creates a stop gap that can have benefits for the City.

Vote on Motion: 4-0-1. Voting aye: Betcher, Martin, Beatty-Hansen, Gartin. Voting nay: None. Abstaining due to conflict of interest: Nelson.

Moved by Beatty-Hansen, seconded by Gartin to direct staff to come back with a report on the "pre-existing" concept, more information on what can and can't be done under non-conforming, and perform an analysis of the area on what is currently non-conforming and categorize that information.

Vote on Motion: 4-0-1. Voting aye: Betcher, Martin, Beatty-Hansen, Gartin. Voting nay: None. Abstaining due to conflict of interest: Nelson.

**PROCEED WITH THE USE OF CITIZEN REPORTING APP:** GIS Coordinator Ben McConville reminded Council of the application being developed as a tool for citizens to notify Public Works staff regarding infrastructure related issues. Three proposals were received and reviewed for the development, hosting, and management of the reporting app. The staff's recommendation is to utilize the services of SeeClickFix at a fixed price of \$14,948 per year for a term of five years (not a contract for five years) with no initial set-up fee, after such time the agreement may remain on a year-to-year basis with cost increases not to exceed five percent per year.

Mr. McConville stated that the recommendation is based on the availability of the mobile app in the iOS and Android app stores as a City of Ames branded application. This app has the full circle of service from taking a request to closing the request and confirmation of correction. Report items for other Departments are included at no extra charge, the agreement includes at no extra charge the ArcGIS Connector module to directly feed into the City's existing GIS, system is easily configured by City Staff, features both website and mobile app, web-based training included, set-up and implementation and ongoing app updating provided, and the work will begin shortly after the contract is approved and development is estimated to only take three to four weeks.

Council Member Martin inquired if the company has rights to the data. Mr. McConville stated that he would need to clarify that with the company. Council Member Gartin asked if complaints are public. City Attorney stated that this would be public. City Manager Schainker stated it would be important to have their name and email to communicate with the person placing the complaint.

Management Analyst Ritter noted that the application is available in five languages, but Chinese is not one of them. *Ex officio* Bingham expressed his concern that many International students are Chinese and the importance of having that available to them. Mr. McConville stated that could be discussed with vendor.

Mr. McConville stated that the reports are administered by the City. The cost would not change as long as the scope doesn't change. The internal workflow will be developed with the vendor and put

into place. The administration is wanted in-house.

City Manager Schainker stated this will be started with Public Works issues and then expand into the other Departments as bugs get worked out. He added to help brand and generate some excitement for the app, the public could be involved with naming it. Mr. Schainker also reminded Council that this would no longer be going through the Web, it is an application only. Mr. McConville noted that it is hoped to be ready in the June or July timeframe.

Council Member Martin stated this has an open API where others can write applications that will interoperate with the service the City will run. Students may be able to build an application in Chinese along with a map. *Ex officio* Bingham added that it would be nice to have a way to connect to this app through the MyState application.

City Manager Schainker reminded Council that it will be easy to point out issues and send through the app, but the system doesn't allow staff to respond any quicker. The expectation will be to have an immediate response, but expectations on response will have to be tempered. Mr. McConville added that a confirmation is sent. There is continued status reporting. Mr. Schainker noted that education on what should go through this application will be needed.

Moved by Beatty-Hansen, seconded by Betcher, to approve entering into an agreement for services with SeeClickFix at \$14,948 per year for a term of five years. It was noted that, the agreement will remain on a year-to-year basis with annual increases not to exceed five percent these five years.

Vote on Motion: 5-0. Motion declared carried unanimously.

**PROPOSED WATER AND SEWER RATES TO BE EFFECTIVE JULY 1, 2018:** Director John Dunn gave a presentation on the proposed new water and sewer rates to be effective July 1, 2018. The presentation showed how Ames compared to the nation and to other cities in Iowa. Ames is substantially lower for rates with drinking water. It has been suggested to do more frequent and smaller rate increases. Staff's recommendation would be to draft an Ordinance to adjust water rates by three and a half percent and adjust sewer rates by three percent.

Moved by Betcher, seconded Beatty-Hansen, to approve the recommended timeline for water rate increases.

Roll Call Vote: 5-0. Motion declared carried unanimously.

**ORDINANCE RESTRICTING PARKING AT ALL TIMES ON NORTH SIDE OF PHOENIX STREET FROM NORTH DAKOTA AVENUE TO YUMA AVENUE:** Moved by Beatty-Hansen, seconded by Betcher, to pass on second reading an ordinance restricting parking at all times on the north side of Phoenix Street from North Dakota Avenue to Yuma Avenue.

Roll Call Vote: 5-0. Motion declared carried unanimously.

**ORDINANCE RELATING TO CHANGES TO GARAGE AND ACCESSORY BUILDING**

**STANDARDS:** Moved by Nelson, seconded by Beatty-Hansen, to pass on second reading the changes to garage and accessory building standards.

Roll Call Vote: 5-0 Motion declared carried unanimously.

**ORDINANCE ADOPTING 2017 EDITION OF NATIONAL ELECTRICAL CODE WITH AMENDMENTS:** Moved by Betcher, seconded by Beatty-Hansen, to pass on third reading and adopt ORDINANCE NO. 4336 approving the adoption by reference, the 2017 Edition of National Electrical Code (NEC) with one local and two State of Iowa amendments.

Roll Call Vote: 5-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**ORDINANCE ASSIGNING APPROVED ANNEXED AREA RESOLUTION NO. 17-698 TO WARD AND PRECINCT:** Moved by Beatty-Hansen, seconded by Betcher, to pass on third reading and adopt ORDINANCE NO. 4337 assigning the recently approved annexed area (Resolution No. 17-698) to Ward and Precinct.

Roll Call Vote: 5-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**DISPOSITION OF COMMUNICATIONS TO COUNCIL:** Moved by Beatty-Hansen, seconded by Betcher to put a letter from Ames Convention & Visitors Bureau on an upcoming agenda.

Vote on Motion: 5-0. Motion declared carried unanimously.

Moved by Beatty-Hansen, seconded by Nelson to ask staff for a report to clarify to provide a ruling on the subdivision of 20 acres at 25498 Sand Hill Trail (Parcel 10-20-100-405).

Vote on Motion: 5-0. Motion declared carried unanimously.

**COUNCIL COMMENTS:** Council Member Martin encouraged citizens to express their opinions concerning the rental occupancy issue. Another workshop will be held on March 20.

Moved by Gartin, seconded by Beatty-Hansen, directed staff to reach out to the Iowa league of Cities offering assistance for the Annual Conference, which will be held in Ames.

Vote on Motion: 5-0. Motion declared carried unanimously.

Mayor Haila commented that he and Steve visited with the Iowa Legislators. Backfill will be reduced, but the amount is uncertain at this time. City Manager Schainker added that the Mayor pointed out the importance of local options sales tax. Part of the tax bill will be for the State to start collecting on internet sales.

**ADJOURNMENT:** Moved by Betcher, seconded by Gartin, to adjourn the meeting at 10:23 p.m.

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Diane R. Voss, City Clerk

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John A. Haila, Mayor



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Stacy Craven, Recording Secretary