

**MINUTES OF THE AMES AREA METROPOLITAN
PLANNING ORGANIZATION (AAMPO)
TRANSPORTATION POLICY COMMITTEE
AND REGULAR MEETING OF THE
AMES CITY COUNCIL**

AMES, IOWA

MAY 22, 2018

The Ames Area Metropolitan Planning Organization (AAMPO) Transportation Policy Committee meeting was called to order by Ames Mayor and voting member John Haila at 6:00 p.m. on the 22nd day of May, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Other voting members present were: Bronwyn Beatty-Hansen, City of Ames; Gloria Betcher, City of Ames; Tim Gartin, City of Ames; David Martin, City of Ames; Chris Nelson, City of Ames; Lauris Olson, Story County; and Bill Zinnel, Boone County. AAMPO Administrator John Joiner, City of Ames Transportation Planner Tony Filippini, and City of Ames Transit Director Sheri Kyras were also present. Voting members Amber Corrieri, City of Ames; and Jonathan Popp, Gilbert Mayor were absent. The Transit Representative has not yet been named.

Mayor Haila welcomed Andy Loonan, who will be representing Iowa Department of Transportation District 1 on the Ames Area Metropolitan Planning Organization.

HEARING ON AMENDMENT TO 2015-2019 PASSENGER TRANSPORTATION PLAN (PTP):

According to Transportation Planner Tony Filippini, CyRide is seeking to allocate the remaining uncommitted funding from Dial-A-Ride services to purchase Automated Vehicle Annunciators (AVA) for the CyRide Fixed-Route Fleet. The project will cost \$1,000,000 with \$800,000 in federal funding. It is a multi-year project. CyRide has \$435,452 of existing 5310 Funding available, which can be programmed over the next several years for this project to benefit the elderly and disabled Ames community members. The Transit Board made a commitment within its Capital Plan to purchase the AVA system over a four- to five-year period beginning in FY 2019. CyRide would fund the local portion of this project. According to Mr. Filippini, the Story County Human Service Council reviewed this project at its February 22, 2018, meeting and recommended to the AAMPO that the PTP be amended. The AAMPO Transportation Policy Committee is required to approve the PTP along with the recommended program for submittal to the Iowa Department of Transportation and Federal Transit Administration.

Mayor Haila opened the public hearing. There being no one wishing to speak, the hearing was closed.

Moved by Beatty-Hansen, seconded by Olson, to approve the Amendment to the 2015-2019 Passenger Transportation Plan.

Vote on Motion: 8-0. Motion declared carried unanimously.

HEARING ON AMENDMENT 2018-2021 TRANSPORTATION IMPROVEMENT PROGRAM

(TIP): Transportation Planner Filippini stated that the proposed amendment to the FY 2018-2021 TIP involves three changes:

1. \$212,980 in CMAQ - #9 Plum Weekday Route Expansion (Project 3664):
Iowa Clean Air Attainment Program funding was awarded by the Iowa DOT on January 9, 2018, and the project must be added to access the award.
2. \$435,452 in 5310 Funding. [Annunciators (Project 4840)]:
Add new project using uncommitted 5310 Funding to purchase on-board annunciators for CyRide's Fixed-Route Fleet

3. \$160,000 in TAP - Skunk River Trail: SE 16th Street to E. Lincoln Way (Project 14983):
Remove project to maintain fiscal constraint in FY 2018. All anticipated funding will be maintained.

Mr. Filippini noted that the requirements to process an Amendment to the TIP require an opportunity for public review and comment as well as approval by both the Technical and Policy Committees of the AAMPO. The Transportation Technical Committee reviewed the Amendment on March 8, 2018. The public input period was available from March 27, 2018, to May 11, 2018. No comments requesting modifications were received during the input period.

Mayor Haila commented that the annunciators will be a great enhancement to the system. Transit Director Sheri Kyras noted that it would be a multi-year program. She explained how the on-board annunciators for CyRide's Fixed-Route Fleet will work, noting it is hoped that, eventually, it will be available for all CyRide stops. In response to Tim Gartin's question, Ms. Kyras answered that, at this point, it is only audio.

The hearing was declared open by Mayor Haila. No one came forward to speak, and the hearing was closed.

Moved by Beatty-Hansen, seconded by Zinnel, to approve the Amendment to the 2018-2021 Transportation Improvement Program for submission to the Iowa Department of Transportation.
Vote on Motion: 8-0. Motion declared carried unanimously.

HEARING ON DRAFT 2019 TRANSPORTATION PLANNING WORK PROGRAM (TPWP): It was explained by Mr. Filippini that, as part of the federal regulations governing Metropolitan Planning Organizations, the Federal Highway Administration and Federal Transit Administration provide planning funds to reimburse the agencies for transportation planning activities. Federal and state partners at the Iowa Department of Transportation, Federal Highway Administration, and the Federal Transit Administration were provided the opportunity to review the proposed TPWP for Ames during the month of April. The draft document was found to conform to state and federal regulations and found to include appropriate activities to perform the regional transportation planning process. The AAMPO Transportation Technical Committee reviewed the FY 2019 TPWP and unanimously recommended approval. The AAMPO staff received and addressed comments from the Iowa Department of Transportation, Federal Highway Administration, and Federal Transit Administration. During the public input period, no revisions were requested by the public.

The Mayor opened the public hearing and closed same after no one asked to speak.

Moved by Nelson, seconded by Olson, to approve the Draft FY 2019 Transportation Planning Work Program.
Vote on Motion: 8-0. Motion declared carried unanimously.

DRAFT FY 2019-2022 TRANSPORTATION IMPROVEMENT PROGRAM (TIP): Mr. Filippini advised that, in order to receive funds for transportation improvement projects, it is necessary for the projects to be part of the approved state-wide plan. The initial step in that process is for the AAMPO to develop a Draft Transportation Improvement Program. According to Mr. Filippini, the Draft 2019-2022 TIP provides for projects for street improvements, CyRide improvements, and trail projects. In Spring 2018, the AAMPO distributed applications for new funding for Surface Transportation Block Grant (STBG) and Transportation Alternative (STBG-TAP) projects. Two STBG applications were received and three STBG-TAP applications were received.

The STBG applications received were for new projects, as follows:

1. For FY 2022: 24th Street (Stange Road to the Railroad) and Stange Road (Blankenburg Drive to 24th Street) sponsored by the City of Ames with a federal fund request of \$1,600,000 of the total \$4,200,000 cost
2. For FY 2022: Vehicle Replacement sponsored by CyRide with a federal request of \$225,000 of the total \$554,895 cost

The STBG-TAP applications received were for new projects, as follows:

1. For FY 2019: SW Greenbelt Trail (Beedle to the Intermodal) sponsored by the City of Ames with a federal request of \$159,000 of the total \$400,000 cost
2. For FY 2021: Vet Med Trail (S. 16th to S. Grand) sponsored by the City of Ames with a federal request of \$159,000 of the total \$500,000 cost
3. For FY 2022, Squaw Creek Trail sponsored by the City of Ames with a federal request of \$159,000 of the total \$680,800 cost

According to Mr. Filippini, the above-named projects have been incorporated into the Draft FY 2019-2022 TIP. The Transportation Technical Committee reviewed the Draft on May 17, 2018. The Draft document and map of the projects are available for public review and comment on the AAMPO Web page. The Final FY 2019-2022 TIP is due to the Iowa Department of Transportation by July 15, 2018.

Moved by Beatty-Hansen, seconded by Olson, to approve the Draft FY 2019-2022 Transportation Improvement Program and set July 10, 2018, as the date of public hearing.
Vote on Motion: 8-0. Motion declared carried unanimously.

POLICY COMMITTEE COMMENTS: Story County Supervisor Lauris Olson and Boone County Supervisor Bill Zinnel advised that their entities are also working on trail systems. Mr. Zinnel added that Boone County’s project, in its very beginning states, will eventually connect Boone to the Madrid Trail.

ADJOURNMENT: Moved by Zinnel, seconded by Olson, to adjourn the AAMPO Transportation Policy Committee Meeting at 6:17 p.m.
Vote on Motion: 8-0. Motion declared carried unanimously.

REGULAR MEETING OF THE AMES CITY COUNCIL

The Regular Meeting of the Ames City Council was called to order by Mayor Haila at 6:21 p.m. on May 22, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Bronwyn Beatty-Hansen, Gloria Betcher, Tim Gartin, David Martin, and Chris Nelson. *Ex officio* Member Allie Hoskins was also present. Council Member Amber Corrieri arrived at 6:22 p.m.

Mayor Haila welcomed newly appointed *ex officio* City Council Member Allie Hoskins to the dais. Ms. Hoskins said that she is originally from Marion, Iowa. She is majoring in Political Science at Iowa State University.

Council Member Amber Corrieri arrived at 6:22 p.m.

PROCLAMATION FOR “NATIONAL PUBLIC WORKS WEEK:” Mayor Haila proclaimed May 20 - 26, 2018, as “National Public Works Week.” Accepting the Proclamation on behalf of the City of Ames Public Works Department were Director John Joiner, Municipal Engineer Tracy Warner, and Superintendent of the Resource Recovery Plant Bill Schmitt.

CONSENT AGENDA: Council Member Martin asked to pull Item No. 23, Preliminary Plans and Specifications for 2017/18 S. Duff Improvements, for separate discussion.

Moved by Betcher, seconded by Gartin, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of May 8, 2018
3. Motion approving Report of Contract Change Orders for May 1-15, 2018
4. Motion approving 5-day (June 13-17) Class C Liquor License for Olde Main at Reiman Gardens, 1407 University Boulevard
5. Motion approving new Class C Liquor License for Cy's Party Time Lounge, 115 5th Street
6. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class B Liquor & Catering – Gateway Hotel & Conference, 2100 Green Hills Drive
 - b. Class C Liquor – Fuji Japanese Steakhouse, 1614 S. Kellogg Avenue #101
 - c. Class C Liquor, B Wine, & Outdoor Service – Della Viti, 323 Main Street #102
7. Motion approving request from Iowa State Conference Planning and Management for Fireworks Permit for display from ISU Lots C5-C6 at 9:45 p.m. on Saturday, May 26 for Odyssey of the Mind
8. RESOLUTION NO. 18-289 accepting Deed from Barbara J. Hanson dedicating right-of-way in the area of 1811 E. Lincoln Way
9. RESOLUTION NO. 18-290 approving annual changes to ASSET Policies and Procedures
10. RESOLUTION NO. 18-291 awarding contract to Eide Bailly LLP of Dubuque, Iowa, to audit the City's financial statements for FY ending June 30, 2018
11. RESOLUTION NO. 18-292 approving FY 2018/19 Contracts with Human Services agencies (ASSET)
12. RESOLUTION NO. 18-293 approving FY 2017/18 and 2018/19 Outside Funding contracts
13. RESOLUTION NO. 18-294 approving FY 2018/19 Commission On The Arts (COTA) Annual Grant contracts
14. RESOLUTION NO. 18-295 approving revision to 2017/18 COTA Annual Grant Contract for India Cultural Association
15. RESOLUTION NO. 18-296 approving one-year Lease extension for Welch Avenue Parking Lot T
16. RESOLUTION NO. 18-297 approving Addendum to Memorandum of Understanding between Iowa State University and the City regarding law enforcement services at University-leased residential property
17. RESOLUTION NO. 18-298 amending the U-STEP Agreement with Iowa DOT for 2015/16 Traffic Signal Program (University Boulevard & Highway 30 Westbound Off-Ramp)
18. RESOLUTION NO. 18-299 approving Addendum to Iowa DOT Funding Agreement for 2007/08 Shared Use Path System Expansion (Bloomington to Ada Hayden)
19. RESOLUTION NO. 18-300 approving preliminary plans and specifications for 2007/08 Shared Use Path System Expansion (Bloomington to Ada Hayden); setting June 19, 2018, as the bid due date and June 26, 2018, as the date of public hearing
20. RESOLUTION NO. 18-301 approving preliminary plans and specifications for 2017/18 Low-Point Drainage - Ridgetop Road (130' west of Valley View Road); setting June 20, 2018, as bid due date and June 26, 2018, as date of public hearing
21. RESOLUTION NO. 18-302 approving preliminary plans and specifications for 2016/17 Arterial Street Improvements - West Lincoln Way; setting June 20, 2018, as bid due date and June 26, 2018, as date of public hearing
22. RESOLUTION NO. 18-304 awarding contract to DPC Industries, Inc., of Bellevue, Nebraska, for Liquid Sodium Hypochlorite for Water Plant and Power Plant in the unit price of \$0.94/gallon
23. RESOLUTION NO. 18-305 waiving purchasing policy requirement for formal bidding procedures and awarding sole source contract to Open Systems International, Inc., of Medina, Minnesota, for Monarch Diamond Support for SCADA in the amount of \$102,513

24. Water & Pollution Control (WPC) Biosolids Disposal Operations Contract:
 - a. RESOLUTION NO. 18-306 accepting completion of Year 2 Contract by Nutri-Ject System, Inc., of Hudson, Iowa
 - b. RESOLUTION NO. 18-307 awarding Year 3 to Nutri-Ject System, Inc., of Hudson, Iowa, in the amount of \$52,025
25. RESOLUTION NO. 18-308 awarding Contract to Atlas Copco Compressors, LLC, of Omaha, Nebraska, for Instrument Air Compressor for Electric Services in the amount of \$50,070 (inclusive of Iowa sales tax)
26. RESOLUTION NO. 18-309 awarding Contract to STI CEMS Services, LLC, of Waldron, Arkansas, for Continuous Emissions Monitoring System Replacement for Electric Services in the amount of \$448,135.30 plus applicable sales taxes to be paid by the City of Ames to the State of Iowa
27. RESOLUTION NO. 18-310 approving contract and bond for Top-O-Hollow Substation Construction
28. RESOLUTION NO. 18-311 approving renewal of Contract with Wright Tree Services of Des Moines, Iowa, for Electric Distribution Line Clearance Program for period July 1, 2018, through June 30, 2019, at a cost not-to-exceed \$317,900
29. RESOLUTION NO. 18-312 approving renewal of Contract with MCG Energy Solutions, LLC, of Minneapolis, Minnesota, for MISO Market Participant Services for period July 1, 2018, through June 30, 2019, in the amount of \$126,690
30. RESOLUTION NO. 18-313 approving renewal of Contract with ChemTreat, Inc., of Glen Allen, Virginia, for Chemical Treatment Program for Power Plant in an amount not to exceed \$282,000
31. RESOLUTION NO. 18-314 accepting completion of contract with Hooper Corporation of Madison, Wisconsin, for Ames Plant to NE Ankeny 161 kV Transmission Line Iowa DOT Relocation at a total cost of \$950,032.43
32. RESOLUTION NO. 18-315 approving Plat of Survey for 322, 330, 334, 404, and 408 S. 4th Street
Roll Call Vote: 6-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

2017/18 S. DUFF AVENUE IMPROVEMENTS: Council Member Martin noted that the project in question is a \$2.2 project and will involve transportation improvements along S. Duff Avenue between the Iowa DNR State Forest Nursery and Ken Maril Road. He referenced the Council Action Form, which stated that the staging for the project was coordinated with the Iowa Department of Transportation, and it had been determined that a 30-day closure of S. Duff would be necessary in order to achieve the best bid prices and accelerate the construction work on the project. Mr. Martin pointed out that closing S. Duff would have a large impact on people, and he inquired as to how that would impact bid prices as well as the completion of the construction. Public Works Director Joiner answered that it was felt bids would come in 8 to 12% higher, which would equate to approximately \$200,000, and the project would take an additional six to eight weeks to complete if they had to schedule one-half of the roadway to be done at one time.

Moved by Martin, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-303 approving preliminary plans and specifications for 2017/18 S. Duff Avenue Improvements; setting June 6, 2018, as bid due date and June 12, 2018, as the date of public hearing.

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

PUBLIC FORUM: Mayor Haila opened Public Forum. Cindy Hicks, Director of the Main Street Cultural District, 304 Main Street, Ames, explained that in September 2016, she had addressed the Council and requested \$3,000 from the City in matching funds to complete an application for a grant for a Nomination to the National Register of Historic Places for the Main Street Cultural District. This process had been started some time ago, but after 18 months, Ms. Hicks said she was pleased to report

that the application was approved, the Ames Main Street Cultural District Nomination was accepted, and it is now listed on the National Register of Historic Places. According to Ms. Hicks, the area includes 81 properties, 66 of which are contributing members. It opens up State Tax Credits of 25% and Federal Tax Credits of 20% to property owners who do qualified rehabilitation to their buildings. Ms. Hicks believes that many property owners are or will be interested in improving their properties, which in turn, will make Downtown Ames a better place and help to preserve it for future generations. Ms. Hicks thanked the Council for its monetary contribution and to those who helped with the Nomination process.

Ross Schade, 25498 Sand Hill Trail, Ames, Iowa, told the Council members that he was requesting their consideration of his request to subdivide 20 acres that he owns on Sand Hill Trail. He stated that his intent is not to change the zoning of Sand Hill Trail and not to change the Ames Urban Fringe Plan (AUFPP); however, he is asking the City Council to give a yes or no answer as to whether the new parcel that he hopes to create, which would consist of 14 acres, would be buildable. The subdivision has been approved by Story County and the Ames Planning and Zoning Commission; however, the question is whether the new parcel would be buildable. Mr. Schade read an excerpt from the AUFPP, specifically Policy 4, which states its intent is to limit non-agricultural residences in the Ag Farm Service designation to homes existing at the time of the Plan...in order to preserve high-quality farmland. It was noted by Mr. Schade that there is no numerical threshold listed. Mr. Schade said he takes issue with the consistency of that Policy since his home is surrounded by parcels of 2, 3, 5, 13, and 13 acres. They are all in the Ag Farm Service Area and are zoned A-1 Agricultural. His new proposed parcel would be larger than all of those. Mr. Schade also referenced a 28E Agreement from 2011, specifically Section 5.2.1, where it states that cities agree to waive the exercise of their extraterritorial subdivision authority. Mr. Schade believes that that is not being followed by the City of Ames. Lastly, he pointed out that the intent of the restrictions in Policy 4 are to preserve high-quality farmland in Story County. According to Mr. Schade, it is called "Sand Hill" for a reason; it is not high-quality farmland and placing a new home on 14 acres of his property would not take any high-quality farmland out of service.

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

RENTAL HOUSING CONCENTRATION CAP: Mayor Haila explained that public input will not be taken under Item No. 35a: Discussion of Hardship Options; it will be limited to Council discussion only. However, if the Council decides to include hardship options in the Ordinance, public input will be taken prior to the passage of the revised Ordinance. Public input will not be taken under Item No. 35b: Third Passage and Adoption of Ordinance No. 4354 Setting the Rental Concentration Cap. Public input will be accepted on Item No. 35c: Resolution Establishing the Concentration Cap Boundaries. If Item 35d: First Passage of an Ordinance Continuing the Moratorium until July 31, 2018, is necessary, there will be no public input taken.

Discussion of Hardship Options. Planning and Housing Director Kelly Diekmann noted that the hardship options were requested by the City Council on May 8. He stated that, if the option for a permanent exception is pursued, the City Council must first identify what is considered a hardship. Mr. Diekmann commented that the hardship could include individuals with immediate circumstances related to the sale of their property or it could include people who may have issues selling their property in the future. According to Director Diekmann, when considering a hardship related to the sale of property, it will likely come down to considering how to evaluate return on investment and resale expectations in a specific neighborhood. According to Mr. Diekmann, due to the permanent exception of a hardship finding, the threshold of approval should be a high bar so as to maintain the integrity of the Concentration Cap.

Director Diekmann stated that staff had devised three options for the Council’s consideration, as follows:

- Option 1: Two-Year Sale Process with Prerequisite of Abutting Registered Rental Property
- Option 2: Nine-Month Sale Process and No Abutting Rental Property Prerequisite
- Option 3: Defer Cap Requirement for Six Months for Current Property Owners

According to Director Diekmann, staff was suggesting that each Option contain Qualification Prerequisites. Decision-making criteria to be used by the City Council have also been devised by staff. Mr. Diekmann said staff needs direction prior to moving ahead. He noted that if the Council passes on third reading and adopts the Ordinance setting the Rental Concentration Cap, an extension of the Moratorium will not need to be considered.

Council Member Gartin asked whether staff had looked at other communities that have similar Rental Concentration Caps to see if they take any hardships into consideration. Director Diekmann answered that none of the cities that were surveyed in April have permanent exceptions. Council Member Corrieri pointed out how the East Lansing, Michigan, Ordinance, which is resident-driven, handles grandfathering of exceptions. Director Diekmann advised that staff did not use East Lansing in the comparison or any of the models because the situations and issues are so different from Ames.

Council Member Betcher said that she had received questions as to whether she has a conflict of interest because she lives in the SCAN. She asked City Attorney Mark Lambert to give the definition of a conflict of interest. City Attorney Lambert noted that “Conflict of Interest” is defined in the *Iowa Code* as receiving financial gain. He specified that just living in a neighborhood in question does not constitute a conflict of interest.

Council Member Gartin suggested that the City Council first discuss Options 1 and 2. He asked Director Diekmann to give a summary of the Options.

Option 1. Two-Year Sale Process with Prerequisite of Abutting Registered Rental Property. Mr. Diekmann noted that this Option was first described as part of the Staff Report to the Council at its April 10, 2018, meeting. According to Director Diekmann, without a time on the market standard, there would be no way to know the viability of the sale of the home for ownership purposes. The standards are designed to overlap with the option of a Transitional Letter of Compliance (LOC) that allows for the renting of the property for up to two years if someone is unable to sell their home. This Option also includes a prerequisite for abutting other rental properties. The proximity standard reflects earlier concerns expressed in April for hardships about selling property when properties are surrounded by other rental properties.

Qualification Prerequisites:

1. Evidence of offering/advertising the property for sale for a minimum a period of 24 months with disclosure of offers received for purchase of the property that have been rejected.
 2. Evidence of the original purchase price, date of purchase, and current mortgage balance.
 3. Current appraised value of the dwelling with comparable sales.
 4. A home inspection report describing the condition of the property.
 5. Rental Housing Code pre-inspection and cost estimate for compliance with the Rental Housing Code.
 6. Property must have been in ownership by the current property owner for a minimum of five years.
 7. Prerequisite that the property has abutting registered dwelling units on a minimum of three sides.
- Mr. Diekmann advised that staff will need direction on whether “across the street” counts as

abutting. This was originally proposed without including “across the street.”

Council Member Betcher questioned how the Council could weigh one hardship over another. She commented that there is no way to judge what is really a hardship. Council Member Martin suggested that the Council make a list of criteria needed to establish a hardship. He does not, however, endorse the Council creating a list of allowed hardships. Mr. Martin added that he does not want to include personal hardships. Council Member Betcher asked how the assessed value of a home would figure into the equation when people are paying a lot over the assessed value for some of the homes. When the house is sold, that property owner might not be able to get the assessed value. Director Diekmann stated that the assessed value is based on all types of sales of similar homes in the area; it is the only non-biased number. Council Member Nelson shared that he would not be in favor of using the assessed value.

Council Member Corrieri commented that everyone’s situation might be different and what is a hardship for one might not be a hardship for another owner. She suggested that it not be tied to a financial hardship, but to the set of circumstances. Council Member Martin said that he recognizes that there will always be those who believe their circumstances creates a hardship for them. He offered the recommendation that the City Council keep the decision-making criteria pretty high level, e.g., but for the Rental Concentration Cap, the property would have sold; and that the advantages to the neighborhood and the City of the property having a Letter of Compliance outweigh the disadvantages to the neighborhood and the City.

Director Diekmann continued explaining the Options, as follows:

Option 2. Nine-Month Sale Process and No Abutting Rental Property Prerequisite. Mr. Diekmann stated that this Option is the same as Option 1 with the exception of the amount of time the property needs to be for sale and whether the property abuts other rentals.

Qualification Prerequisites:

1. Evidence of offering/advertising the property for sale for a minimum period of nine months with disclosure of offers received for purchase of the property that have been rejected.
2. Evidence of the original purchase price, date of purchase, and current mortgage balance.
3. Current appraised value of the dwelling with comparable sales.
4. A home inspection report describing the condition of the property.
5. Rental Housing Code pre-inspection and cost estimate for compliance with the Rental Housing Code.
6. Property must have been in ownership by the current property owner for a minimum of five years.
7. There would be no prerequisite of abutting existing rental properties.

Option 3 was summarized by Director Diekmann. He stated that that Option does not consider proving a hardship, but would allow a current property owner to register the property and receive a Letter of Compliance within the next six months. This Option would essentially defer the 25% cap restriction for a limited time to allow for existing property owners who think it is financially advantageous to invest in registering a property and receiving a Letter of Compliance to do so. This approach would provide

a one-time exception process for current owners and would not allow a new property owner that is buying into a neighborhood the option to register the property as a rental property. If property owners do not complete the Letter of Compliance within the six-month time frame, they would not be eligible for the exception. Mr. Diekmann noted that the City Council could also apply the minimum ownership standard of five years that is included in the previous two options.

Council Member Beatty-Hansen offered her opinion that personal life events would be much less objective than the assessed value of the property.

Council Member Martin stated that his take on Option 1 is to require three sides be rentals. He offered his recommendation that the rentals may be across the street or a substantial equivalent due to geography.

Council Member Corrieri said that she does not want to make people come before the City Council to describe their hardship. She recommended that the Council create a set of circumstances that staff can apply. Council Member Gartin noted that staff will then have to enforce. Building Official Sara VanMeeteren suggested the use of the Property Maintenance Appeals Board.

Council Member Nelson commented that he is struggling with the fact that, right now, there is a moratorium causing property owners to not be able to sell their homes. Council Member Beatty-Hansen said she still is not seeing how that “personal event” creates a hardship. Council Member Nelson continued by saying that there are people who have been relocated and they can’t buy a house where they have been relocated because they can’t sell their house in Ames. To him, that is a personal event, but the hardship has been created because of the Concentration Cap.

Council Member Betcher pointed out that on Franklin Avenue, there are houses that have a rental next-door, one across the street, and one in back of them. They could apply to the Council for a hardship exception and it would be granted. That then makes the one non-rental to the north having rentals on three sides and they also could apply for a hardship exception. Director Diekmann said that staff tried to address that by adding certain qualification prerequisites. She pointed out that that defeats the purpose of the Rental Concentration Cap.

Council Member Nelson proposed that a prerequisite include a list of criteria for a life event to include the death of family member (with definition of family), job change, divorce, and/or major sickness that would create a financial hardship - plus the time on the market component (based at the current housing market) or abutting rental properties on three sides, including across the street, plus time on the market.

Council Member Betcher feels that the closer a property is to rentals, the lower the property value of an owner-occupied home becomes.

Council Member Gartin offered that, although he was not committed to a five-year requirement, perhaps it should include a five-year requirement for owning the property. Council Member Martin shared that he did not want to add that. He noted that Option 1, which requires evidence of offering the property for sale for a minimum of 24 months already includes those owners who purchased the property prior to the Moratorium going into effect.

Council Member Betcher pointed out that it appears that there could be a lot of exemptions that would allow rentals to remain, so why should the Council even bother to have the Cap. The stability of the neighborhoods is not going to be improved, which she thought was the goal.

Council Member Corrieri explained that she wanted to mitigate harm for people who are forced into a

situation beyond their control. Council Member Nelson pointed out that the Council doesn't even know if the Cap number of 25% is the right number.

Moved by Gartin to direct that qualification prerequisites include a life event plus time on market.

Council Member Betcher said it is very difficult to define a significant life event. There will be people who deem their life event more significant than others. Council Member Gartin said that he felt that was more humane than using strictly financial criteria. Ms. Betcher said she didn't like that the hardship doesn't take into account abutting rentals. Her objective is to try to stabilize neighborhoods. She said that there is already the perception that the houses can't be sold as owner-occupied.

Council Member Beatty-Hansen suggested that perhaps Option 3 could include a five-year sunset clause.

Motion withdrawn.

Council Member Gartin asked if the Council should only care about the life events of the people who owned homes that have abutting rentals.

Council Member Nelson advocated for adding the requirement for 120 days to 150 days on the market.

Moved by Gartin, seconded by Corrieri, to direct staff to create the hardship option based on life event criteria and accept Council Member Nelson's suggestion as a friendly amendment to require that the property has been on the market for 120 days.

Council Martin noted that the theory of that motion is that the Rental Concentration Cap itself is a hardship throughout the neighborhood because it impacts property values. He stated that he does not like the life event criterion.

Vote on Motion: 3-3. Voting aye: Corrieri, Gartin, Nelson. Voting nay: Beatty-Hansen, Betcher, Martin. Mayor Haila declined to break the tie based on the fact that it will need four votes to adopt a Resolution in the future.

Moved by Martin, seconded by Betcher, to go with Option 1, but strike Item 6, which required the current property owner to have owned the house for a minimum of five years; on Item 7, three sides may include across the street or an equivalent based on geography; Item 8 would be added to state that properties purchased after the Moratorium, which was October 27, 2017, do not qualify for long-term exemption; and include that, but for the Rental Concentration Cap, the property would have sold; and that the advantages to the neighborhood and the City of the property having a Letter of Compliance outweigh the disadvantages to the neighborhood and the City; and changing the minimum period of offering the property for sale from 24 months to nine months.

Discussion ensued about Item 3 pertaining to the current appraised value of the dwelling with comparable sales. Council Member Martin asked if the appraisal should be for an owner-occupied home, rather than a rental. He felt that would be the figure that Council would need to have. Council Member Gartin noted that the comparables would include rentals.

Council Member Martin summarized his motion, as follows: Under the Qualification Prerequisites for Option 1, as listed in the Staff Report:

Item No. 1: Change to nine months.

Item No. 2: Leave the same.

Item No. 3: Leave the same.

Item No. 4: Leave the same.

Item No. 5: Leave the same.

Item No. 6: Would be stricken.

Item No. 7: Require that the property has abutting registered dwelling units on a minimum of three sides, but the three sides may include across the street or an equivalent based on geography.

Item No. 8: Require that properties purchased after the Moratorium, which was October 27, 2017, do not qualify for long-term exemption; and include that, but for the Rental Concentration Cap, the property would have sold; and that the advantages to the neighborhood and the City of the property having a Letter of Compliance outweigh the disadvantages to the neighborhood and the City.

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

Council Member Gartin asked Building Official VanMeeteren how many citations have been issued for renting a property without a Letter of Compliance. Ms. VanMeeteren answered that she had attempted unsuccessfully to cite one property owner.

Mr. Gartin also asked how hard the Council is going to fight for the people who didn't qualify for an exception. Council Member Betcher said she wants a way to address those people who have already started some sort of modifications to their home, but haven't yet gotten a Letter of Compliance (LOC). In her opinion, those people have made a financial investment. Building Official VanMeeteren stated that there were 42 property owners who applied for a LOC before the Moratorium went into effect. Council Member Betcher noted that there were also those who applied for a Building Permit to start renovations, but were not aware that they should apply for a LOC before the Moratorium became effective.

Council Member Gartin said that he would be very much in favor of a program to assist in the conversion of rental properties back to owner-occupied.

Moved by Beatty-Hansen to direct staff to pursue Option 3, but create a sunset clause on the LOCs that were not used.

Motion withdrawn.

Moved by Beatty-Hansen, seconded by Gartin, to direct staff to propose options, under Option 3, for a sunset clause if the LOC is not used and also specifying that the applicant must be the primary resident.

Council Member Betcher offered her opinion that still has the possibility of undermining the Cap.

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

Ordinance Setting the Rental Concentration Cap. City Attorney Lambert recommended that the Council adopt the Ordinance on third passage, rather than postpone it.

Moved by Beatty-Hansen, seconded by Betcher, to pass on third reading and adopt ORDINANCE NO. 4354 setting the Rental Concentration Cap.

Roll Call Vote: 5-1 Voting aye: Beatty-Hansen, Betcher, Gartin, Martin, Nelson. Voting nay: Corrieri. Ordinance declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

The meeting recessed at 8:53 p.m. and reconvened at 9:02 p.m.

Concentration Cap Boundaries. Mayor Haila announced that public input would be accepted on the boundaries for the Rental Concentration Cap.

David Roepke, 3223 West Street, Ames, stated that he lives in the Westside Neighborhood. He asked for clarification as to whether the Westside Neighborhood was to be included. It was clarified by Attorney Lambert that the proposed Resolution does not include the Westside Neighborhood. The map, which does not include Westside at this time, is correct. Mr. Roepke told the Council that he wants his neighborhood (Westside) to be included. He felt that it doesn't make sense to not include Westside, which is the one neighborhood that is closest to Campus.

Dilys Morris, 535 Forest Glen, Ames, stated that she was representing the Oak-Wood-Forest Neighborhood. She said that the issue in their neighborhood doesn't just result from student renters, but from landlords who do not take care of their properties. Ms. Morris said that the Cap needs to be established and the rules and regulations pertaining to rental properties need to be enforced. She also noted two additional requests: (1) The residents of the neighborhoods need to take a greater role. They would like LOCs explained to them. (2) The fees and fines associated with rental properties need to be significantly increased.

Connie Ringlee, 2325 Storm Street, Ames, told the Council that her family has lived in their home since 1991. They purchased the property in 1991 because it was close to the University where she worked and it was affordable. Ms. Ringlee stated her belief that, by not having a Cap, more property will be converted to rentals, which will continue to raise the price of housing so more families can't buy their first house. She asked the Council to think about the lack of affordable housing in Ames. Ms. Ringlee stated that she really liked the idea of converting rental properties into single-family homes.

Sarah Conroy, 2318 Baker Street, Ames, stated that they had done a survey of support of the Cap in their SCAN - North Neighborhood. She showed a map that indicated that 75.63% of the residents surveyed in her neighborhood, which is the area west of Lynn Avenue, is against the Cap (90 of 119); only 8% had indicated a clear preference for a Cap. Ms. Conroy said that the representatives who have spoken on behalf of SCAN do not represent the entire Neighborhood. Ms. Conroy then showed a map noting the number of rentals in the Westside Neighborhood and in her neighborhood (the area of SCAN west of Lynn). She noted that the area of SCAN west of Lynn actually has more rentals than the Westside Neighborhood, but the residents of her neighborhood clearly do not want to be included in the Cap. Ms. Conroy said she was respectfully requesting that the part of SCAN west of Lynn Avenue be excluded from any Rental Concentration Cap.

John Pleasants, 516 Lynn, Ames, showed a map of the South Campus Area Neighborhood that indicated that Knapp Street, between Stanton and Lynn; and Storm Street, between Stanton and Lynn, are very saturated with rentals. The interior area, however, looks very much like the rest of SCAN. Mr. Pleasants stated that they do not know exactly what was said to the people in the area of SCAN west of Lynn, but wanted to point out that the number of rental properties affects the entire SCAN.

Chad Gourley, 2335 Baker Street, Ames, expressed his agreement with previous speaker Sarah Conroy. He noted that the Council had been willing to add neighborhoods that wanted to be included in the Cap, and he wanted them to also consider those neighborhoods that did not want to be included in the Cap.

Joanne Pfeiffer, 3318 Morningside Street, Ames, said that she thought that there had already been strong support from the Council for setting the Rental Concentration Cap. She stressed the importance of quality of life in neighborhoods and encouraged the Council to include College Creek/Old Ames Middle School Neighborhood in the Cap.

Moved by Nelson, seconded by Corrieri, to include East SCAN (east side of Lynn) in the boundaries of the Rental Concentration Cap neighborhoods.

Council Member Betcher said that she was not in favor of splitting SCAN. She didn't see any reason as to why the Council should create the separation. Council Member Nelson noted the data submitted by Sarah Conroy as the reason he felt it should not be included.

Council Member Corrieri said that she was not in favor of picking neighborhoods to be included in the Cap, but she was basing her opinion on the input and data being received and provided.

Council Member Betcher said she tended to prioritize the input received from owner-occupied properties over rental housing owners or occupants.

Council Member Gartin commented that he would not support the motion; however, he wants the Council to hear input from all citizens, including tenants and landlords.

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

Moved by Betcher, seconded by Beatty-Hansen, to include all of SCAN-North in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Betcher, seconded by Beatty-Hansen, include Colonial Village in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Beatty-Hansen, seconded by Betcher, to include College Creek/Old Ames Middle School in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Beatty-Hansen, seconded by Betcher, to include Oak-Wood-Forest in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Beatty-Hansen, seconded by Betcher, to include Oak-Riverside in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Betcher, seconded by Beatty-Hansen, to include Edwards in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Moved by Beatty-Hansen, seconded by Betcher, to include Westside in the Cap.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.

Council Member Martin noted that the Council had received a petition from homeowners requesting

that the block of Ash Avenue between Country Club Boulevard and Ashmore be included in the Rental Concentration Cap.

Council Member Betcher shared that that area of Ash Avenue does not have a neighborhood association of their own, but they have been associating themselves with the SCAN.

Moved by Martin, seconded by Betcher, to include those addresses on Ash Avenue, which would be numbered 810 through 1036, as part of Colonial Village.

Council Member Gartin said that Colonial Village might not want the properties on Ash to be included as part of the Cap boundaries because it would impact the percentage.

Council Member Martin clarified that the property owners on Ash, between Country Club Boulevard and Ashmore did not ask to be part of any neighborhood association.

Motion withdrawn.

Moved by Betcher, seconded by Gartin, to adopt RESOLUTION NO. 18-316 with the inclusion of the neighborhoods currently listed on the Web site, which are Edwards, Oak-Wood-Forest, College Creek/Old Ames Middle School, SCAN-North, Colonial Village, Oak-Riverside, and Westside.
Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin. Voting nay: Corrieri, Nelson.
Resolution declared adopted, signed by the Mayor, and hereby made a part of these Minutes.

Mayor Haila noted that, since the Rental Concentration Cap Ordinance was passed on third reading and adopted, there was no need to extend the Moratorium. Therefore, Item No. 35d, First passage of the Ordinance continuing the Moratorium until July 31, 2018, was moot.

ORDINANCE TO ALLOW SIGNS TO BE ERECTED IN RESIDENTIALLY ZONED PRIVATE PARKS: Mayor Haila opened the public hearing. There was no one who came forward to speak, and the Mayor closed the hearing.

Moved by Corrieri, seconded by Gartin, to pass on first reading an ordinance approving revision to *Municipal Code* Section 21.121(2) to allow signs not exceeding 16 square feet to be erected in residentially zoned private parks.
Roll Call Vote: 6-0. Motion declared carried unanimously.

DOWNTOWN/GATEWAY ZONING DISTRICT ORDINANCE PERTAINING TO STANDARDS: Mayor Haila explained that the Council would accept public input only on the changes made to the Ordinance at the May 8, 2018, Council meeting, which included the topics of adding four bedrooms and parking for four bedrooms. He asked if there was anyone who wished to speak on those specific changes.

Moved by Corrieri, seconded by Beatty-Hansen, to pass on second reading the Downtown/Gateway Zoning District Ordinance pertaining to standards.
Roll Call Vote: 4-1-1. Voting aye: Beatty-Hansen, Corrieri, Gartin, Martin. Voting nay: Betcher.
Abstaining due to a conflict of interest: Nelson. Motion declared carried.

ORDINANCE RELATING TO INSTALLATION OF PUBLIC ART IN SETBACKS: Moved by Nelson, seconded by Beatty-Hansen, to pass on second reading an ordinance relating to installation of public art in setbacks.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE ESTABLISHING THE 415 STANTON AVENUE URBAN REVITALIZATION AREA: Moved by Gartin, seconded by Beatty-Hansen, to pass on second reading an ordinance establishing the 415 Stanton Avenue Urban Revitalization Area.

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

ORDINANCE REZONING 3507 SOUTH DUFF AVENUE: Moved by Gartin, seconded by Corrieri, to pass on second reading an ordinance rezoning 3507 South Duff Avenue from Highway-Oriented Commercial (HOC) to Agricultural (A).

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

ORDINANCE TO ALLOW BIKE-RIDING ON HARD-SURFACED PATHWAYS IN BROOKSIDE PARK: Moved by Betcher, seconded by Beatty-Hansen, to pass on second reading an modifying Section 19.12 of *Municipal Code* to allow bike-riding on hard-surfaced pathways in Brookside Park.

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

HEARING ON REZONING PROPERTIES WITHIN THE DOWNTOWN GATEWAY FOCUS AREA OF THE LINCOLN WAY CORRIDOR: Planning and Housing Director Diekmann advised that the City finalized the Lincoln Way Corridor Plan in January 2018. He noted that the Downtown Gateway Focus Area is a priority area of the Corridor Plan. The Focus Area was described as generally being the properties along Lincoln Way and south of the railroad tracks between Grand Avenue and Duff Avenue. In addition, the City's Land Use Policy Plan was amended in January 2018 to incorporate references to the Lincoln Way Corridor Plan and to include specific text for the Downtown Gateway Focus Area as part of the Downtown Expansion Area section. According to Director Diekmann, the Focus Area was embraced as a priority because it was the only area positioned to meet the goals described in the Corridor Plan of enhancing commercial opportunities complimentary to Downtown with options to create a unique type of commercial designation for the community. It also was highlighted as an opportune area to add mixed-use housing that is not student-housing-focused in order to diversify the City's housing choices. The first step of implementing the Focus Area was to create a new zoning district: Downtown Gateway Commercial (DGC). The intent for the zoning is to promote commercial trade uses of retail, restaurant, and entertainment; office uses; aggregating property for redevelopment, while allowing for individual small-site development; focusing on the 100 Block of Kellogg Avenue as the gateway connection to Downtown; reducing parking requirements; creating a more walkable environment; and, allowing for mixed-use residential development.

Mr. Diekmann told the Council that the proposed rezoning is critical to implementing the Corridor Plan for three primary reasons: (1) It sets clear expectations to the real estate market for desired areas of change compared to waiting for ad hoc requests. (2) It ensures the long-term compatibility of uses consistent with the vision of the Plan. (3) It includes design standards necessary to shape the urban design components of the area to enhance mobility and create an attractive destination. According to Director Diekmann, the HOC zoning, as it is currently written, does not include elements needed to fulfill the vision of creating a destination commercial/mixed-use area as expressed in the Corridor Plan and the Land Use Policy Plan.

Referencing the Council discussion at its April 24, 2018, meeting and the final standards of the DGC Zoning District, Mr. Diekmann offered three rezoning boundary options, as follows:

1. Rezoning the area initiated by the City Council on April 24, 2018. The area would include all properties within the Focus Area. It would establish the DGC zoning along both sides of Lincoln Way and along the intersecting streets. This would fully establish the long-term policy of the City for change in the area to match the Lincoln Way Corridor Plan.

2. Includes DGC zoning for the core of the Focus Area. This approach concentrates the rezoning on the four most-critical blocks for the area and establishes a vision for redevelopment along both sides of Lincoln Way. This option would leave the periphery areas out of the immediate rezoning actions, which would reduce the number of new non-conformities related to use and site development standards. Mr. Diekmann noted that many of the periphery areas are not available for redevelopment at this time and would leave HOC zoning in place on those properties.
3. Includes DGC zoning for only the north side of Lincoln Way. This approach maintains the two most-critical areas for rezoning at this time and does not change HOC zoning for the periphery area of the properties along the south side of Lincoln Way. Limiting rezoning to the north side of Lincoln Way would reduce many potential conflicts about nonconforming uses, but not all. Continuing HOC zoning along the periphery and south side of Lincoln Way would allow for the current mix of uses that already exist and for the establishment of new highway-oriented commercial uses. According to Mr. Diekmann, this option would allow for some site redevelopment to occur, but does not sustain the long-term vision for change of character for the area by continuing to allow for the wide range of HOC uses that may not be compatible with redevelopment on the north side of the street.

At the inquiry of Council Member Gartin, Mr. Diekmann answered that the Lincoln Way Corridor process began approximately two years ago. Since that time, there have been a series of workshops and presentations, which has brought the Council to the point of recommending the rezoning of affected properties.

Director Diekmann advised that the Planning and Zoning Commission, at its meeting of May 16, 2018, voted to recommend that Council make no change in the zoning for the area and maintain the existing HOC and DSC zoning for all properties. According to Director Diekmann, nine members of the public spoke on the subject. All of the speakers were property owners in the area of the rezoning and all provided comments against the proposed rezoning. According to Mr. Diekmann, comments focused on limitation of uses under the proposed new zoning, the possible effects on the value of existing businesses and properties for future sale, and a preference to allow housing in HOC with no other changes to the zoning. Mr. Diekmann advised that staff was not supporting that recommendation, but recommended that the Council approve rezoning the entire Downtown Focus Area to Downtown Gateway Commercial. He noted that, without rezoning to DGC, the development options available under HOC would likely be inconsistent with the vision for the Area as defined within the LUPP for a more walkable and attractive destination commercial area. According to Director Diekmann, staff believes the trade-offs of proactive zoning implementation versus reactive rezoning area are necessary to meet the full potential of the Corridor Plan.

Mayor Haila asked Director Diekmann if a current business owner could sell their business to someone during the next ten, 20, 30 years if it is the same use. Director Diekmann said that there would be no issues as long as the use doesn't change. He noted that the proposed DGC zoning was written expressly to allow individual property owners to continue their current uses or to redevelop individually. According to Mr. Diekmann, two-thirds of the properties are already non-conforming. Mr. Diekmann emphasized that the City is not looking to acquire any of the properties. He stated that the goal of the DGC zoning is not to remove existing businesses from the area, but to ensure that redevelopment and new uses are consistent with future expectations compared to the past history of uses oriented to a highway. It attempts to strike a balance on both sides of the issue of accommodating existing businesses versus planning for future changes.

Council Member Gartin said that he had received a phone call from a franchise owner who said the franchise agreement might require the property owner to make updates to the store. After Mr. Gartin's inquiry, Director Diekmann said, without knowing exactly what the franchise agreement requires, he believes that that all interior revisions could be made. There might be some requirements for exterior

improvements and facades.

Council Member Gartin said that he was not in favor of having drive-thrus on Lincoln Way. The standards would allow one per block; however, there are also some parameters about where drive-thrus can be located, e.g., their proximity to alleys. At the inquiry of Council Member Betcher, Director Diekmann stated that if the properties are not rezoned, additional drive-thrus could be located on Lincoln Way.

Mayor Haila opened the public hearing.

The Mayor noted that there was a letter from Valerie Stallbaumer placed around the dais. He had been told that Ms. Stallbaumer had planned to speak; however, needed to leave due to a health issue. The Mayor brought the Council's attention to the letter, which stated Ms. Stallbaumer's opinion that there is no need for a "huge, multi-story development complex to be constructed by an out-of-town developer"...that would overshadow the "amazing downtown region."

Robert Goodwin, 311 Lincoln Way, Ames, stated that he and his wife own the property at 311 Lincoln Way. He believes the rezoning would be restrictive, amount to "a taking," and be burdensome on the current property owners. Mr. Goodwin noted that the Planning and Zoning Commission had recommended that the proposed developer purchase the properties willing to sell and rezone those properties, as needed. It was suggested by Mr. Goodwin that the Council institute a residential-use overlay over the area in question, which would allow for HOC uses and some residential development.

Jenny Dorman said that she and Dillion Mallone, representing Carney & Appleby, P.L.C., were present. According to Ms. Dorman, the law firm represents at least 20% of the property owners of the properties. She listed the following businesses as being represented by Carney & Appleby: Wild Water Car Wash, Trickle's Tire & Automotive, Laura's Cabinet Gallery, Flowerama, Medicap Pharmacy, Severson Insurance, Harold Pike Construction, Real Estate One, Alford's Carpet, Grandon Funeral Home, Mayfair Cleaners, Papa Murphy's, Midas Muffler, Dairy Queen, TOMCO, LLC; Freedom Tire, and Sherman Properties. Ms. Dorman stated that each of the property owners whom they represent had signed a Petition protesting the rezoning and that the Protest Petition had been filed today with the City Clerk. She also said that they have concerns about franchise agreements and how those agreements would be affected. Council Member Gartin asked for clarification as to how many businesses are represented by the law firm. Ms. Dorman said she thinks her firm represents 16 properties. Mr. Gartin asked, of the 16 properties they represent, how many properties are currently non-conforming. Ms. Dorman said she is unsure, but believes that, in some part, all of them. She alleged, however, the changes from the rezoning would cause non-conformities due to the use. After further questioning from Council Member Gartin, Ms. Dorman said she would have to get back to the Council with the number. She cited excerpts from *Iowa Code* Section 414 and believes that the rezoning is capricious, arbitrary, and discriminatory and will severely limit the property owners' abilities to use their businesses. Council Member Gartin asked why Ms. Dorman believed that the actions being recommended by staff are arbitrary, capricious, and discriminatory. Ms. Dorman said that it would decrease the number of uses allowed from 31 to 13. It is discriminatory because it create winners and losers. The number of businesses that would be considered nonconforming would be increased dramatically. Ms. Dorman said that the existing businesses would have to get additional approvals, where new businesses would not need to do anything. According to Ms. Dorman, the law firm's clients are asking that the Council approve Option 3, which is to not rezone.

Mayor Haila noted that it was his understanding that even if the Council took no action on this rezoning, the affected businesses would still not be able to expand. Director Diekmann advised that staff would look at each property on a case-by-case basis; however, the intensity of the use could not be increased.

Bill Kusy, 9110 Hammertea Drive, Urbandale, stated that he is a partner in the Grand Junction Center

located at 539, 631, 637, and 639 Lincoln Way. He noted that he had not paid much attention to this issue until recently when he found out that his property was being included. Mr. Kusy acknowledged that he supports the vision, but he doesn't support the boundaries. He believes that substantially reducing the number of permitted uses and restricting any new drive-thrus will have an adverse impact on the value and marketability of the existing vacant spaces and any potential redevelopment opportunities of his property. Mr. Kusy asked that the Grand Junction Center be removed from the boundaries of the DGC area.

Chuck Winkleblack, 105 S. 16th Street, Ames, commented that change was hard. He noted the vision of the Lincoln Way Corridor; it is a matter of which tool to use to make that happen. Mr. Winkleblack said that he would like property owners in the affected area to receive information on the vision for the Lincoln Way Corridor. If those property owners wish to sell their property, it would be an indication of what would be allowed to be developed there; until that time, the property owners would continue with their current operations and everything stays the same. Mr. Winkleblack commented that the area between Duff to Grand is going to take a very long time to redevelop. He noted that he has been suggesting the creation of an overlay. According to Mr. Winkleblack, he also has been stating that when HOC zoning is eliminated, there has to be a place for it to go.

Eric VanGorp, 3027 Ross Road, Ames, said that he is very frustrated over the process and doesn't feel that anyone is listening, except for the Planning and Zoning Commission. He asked, if the current buildings are 100% wiped-out, what happens to the uses that are now considered non-conforming. Director Diekmann advised that the non-conforming uses would be allowed to rebuild within 12 months. If no action has been taken within 12 months, the use is considered abandoned. Mr. Diekmann explained when the time calculation would begin. Mr. VanGorp indicated that he owns Dairy Queen. He recently moved his family from Huxley to Ames and plans to keep his business going for another 30 to 35 years. He is concerned that he won't get his money back out of the property if something were to happen if the rezoning was allowed.

Mayor Haila closed the public hearing.

Council Member Gartin asked Mr. Diekmann to comment on the suggestion of an overlay. Mr. Diekmann stated that generally, the overlay adds a level of permissiveness or restrictions. What is being proposed is a combination of changes to uses and design standards. Overlays are meant to refine something already in place. Council Member Gartin noted that the Council would be doing something fundamentally different, not just "tweaking" something.

Council Member Beatty-Hansen commented that she believes the City Council needs to take the lead in the vision, not be reactive. Addressing the comment made by Jenny Dorman, Ms. Beatty-Hansen said she believes what Council is proposing is to increase the efficiency of any new development. Mr. Winkleblack requested to address that comment. He said this is not a matter of semantics; the vision is the same. The vision is going to take a very long time to be realized; it will be done piecemeal.

Council Member Gartin asked Mr. Winkleblack what would be different if an overlay was created. Mr. Winkleblack answered that the underlying zoning with an overlay stays the same; it would be HOC. He believes it would much less polarizing. Mr. Gartin asked if it would be better if the Council called it an "overlay," rather than a rezoning, to Downtown Gateway Commercial. Council Member Corrieri offered that she sees this as only providing an "out" for seven properties. Mr. Winkleblack noted that leaving the underlying zone as HOC would cause less anxiety for the current property owners. He noted, however, that Lincoln Way is a four-lane road, and he does not see it ever being pedestrian-friendly.

Moved by Betcher, seconded by Gartin, to request staff to come back to the Council with more information about the creation of an overlay, specifically, what are the downsides of an overlay as

opposed to a rezone and what uses would be allowed under each.

Council Member Martin said that he sees an overlay as removing the use restrictions, and therefore, doesn't see it as supporting the same vision.

Council Member Gartin indicated his frustration with the misinformation that is being circulated. He doesn't know where it is coming from; however, the Council has, on many occasions, tried to clear up the misconceptions. He noted that one of the points that he agreed with Mr. Winkleblack was that there is a shortage of HOC, and it is important to figure out where HOC businesses would go.

Ms. Betcher reiterated that she wants to know what the differences would be between creating an overlay versus rezoning the area to DGC.

Planning and Housing Director Diekmann said an overlay would mean allowing all the uses, which is not consistent with the vision. Some uses might work, but others, e.g., gas stations and car washes, would not.

City Manager Schainker noted that the downsides regarding the motion on the floor are the requirements of staff time and also the amount of time Council has already put into this issue.

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

The meeting recessed at 11:21 p.m. and reconvened at 11:30 p.m.

City Attorney Mark Lambert indicated that the Petition referenced by Ms. Dorman had been emailed. The *Code* states that a Protest Petition must contain "signatures;" that does not mean a photocopy or a scanned copy of the Petition. In addition, the properties are not identified, and it is not known whether the signatures represent owners of the properties in question.

Planner Julie Gould reiterated that the signatures cannot be verified as being the property owners of properties in question. If they are all verified, it would only represent 19.25% of the properties; 20% is needed to constitute a valid Petition.

City Attorney Lambert rendered the emailed Petition invalid and recommended that the Council proceed with the discussion.

Moved by Beatty-Hansen, seconded by Gartin, to pass on first reading an ordinance rezoning properties within the Downtown Gateway Focus Area of the Lincoln Way Corridor Plan from Highway Oriented Commercial (HOC) and Downtown Service Center (DSC) Zoning Districts to Downtown Gateway Commercial Zoning District.

Council Member Betcher noted that she will be voting against the motion because she wants the information on the creation of an overlay.

Council Member Beatty-Hansen noted that her understanding is that all business owners will be allowed to continue operations just as they are doing today. If that were not the case, she commented that she might have a different opinion. Ms. Beatty-Hansen remarked that vision takes courage.

Roll Call Vote: 4-1-1. Voting aye: Beatty-Hansen, Corrieri, Gartin, Martin. Voting nay: Betcher. Abstaining due to a conflict of interest: Nelson. Motion declared carried.

City Attorney Lambert clarified that, even if there is a valid Petition, there was still a super majority of the Council who had voted in favor of the first passage of the ordinance.

HEARING ON FINAL AMENDMENTS TO FISCAL YEAR 2017/18 BUDGET: Budget Officer Nancy Masteller explained the proposed final amendments to the 2017/18 Budget.

The public hearing was opened by the Mayor. He closed same after no one came forward to speak.

Moved by Nelson, seconded by Corrieri, to adopt RESOLUTION NO. 18-317 amending the current budget for Fiscal Year ending June 30, 2018.

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

HEARING ON VACATION OF EASEMENTS AT 530 SE 16TH STREET AND 900 SE 16TH STREET: The hearing was opened by Mayor Haila. There was no one who came forward to speak, and the Mayor closed the hearing.

Moved by Martin, seconded by Betcher, to adopt RESOLUTION NO. 18-318 vacating two Electric Easements and one Sanitary Sewer Easement at 530 SE 16th Street and 900 SE 16th Street, but to instruct the City Clerk not to record the Resolution until the

It was noted that, per a memo from the Planning Division, the City Clerk will not release the Resolution for recording until the Subdivision Plat for Menard's is approved.

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

HEARING ON VACATION OF EASEMENT AT 404 S. 4TH STREET: Mayor Haila opened the public hearing. He closed it after there was no one requesting to speak.

Moved by Corrieri, seconded by Nelson, to adopt RESOLUTION NO. 18-319 vacating an Electrical Easement at 404 S. 4th Street.

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

HEARING ON SALE OF VACATED ALLEY GENERALLY LOCATED ADJACENT TO 315 S. 2ND STREET: The public hearing was opened by Mayor Haila. No one asked to speak, and the hearing was closed.

Moved by Nelson, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-320 approving sale and conveyance by Quit Claim Deed to 315 S. 2nd Street, L.L.C.

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

HEARING ON ELECTRICAL MAINTENANCE SERVICES FOR POWER PLANT: The Mayor opened the public hearing. He closed same after no one came forward to speak.

Moved by Beatty-Hansen, seconded by Betcher, to adopt RESOLUTION NO. 18-321 approving final plans and specifications and awarding a contract to Tri-City Electric Company of Iowa of Davenport, Iowa, in an amount not-to-exceed \$135,000.

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

a portion of these Minutes.

HEARING ON SPECIALIZED WET DRY VACUUM, HYDRO BLAST, & RELATED CLEANING SERVICES FOR POWER PLANT: The hearing was opened by the Mayor. Since no one asked to speak, the Mayor closed the hearing.

Moved by Betcher, seconded by Beatty-Hansen, to accept the Report of Bids and delay award of the contract.

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

HEARING ON MOTOR REPAIR FOR POWER PLANT: The public hearing was opened by the Mayor and closed when no one requested to speak.

Moved by Gartin, seconded by Nelson, to accept the Report of Bids and delay award of the contract.

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

1604 TRUMAN DRIVE: City Manager Steve Schainker explained that City staff had been approached by the Orths, owners of 1604 Truman Drive, about vacating and acquiring the right-of-way adjacent to their property. The City's typical procedure is to use a standard valuation formula. The valuation according to that formula is \$13,357.50; however, the Orths have indicated that they have mowed, fertilized, planted grass seed, and aerated the area in question since 1990 (28 years). Based on their investment, they have requested to be allowed to purchase the vacated right-of-way for \$3,000. Mr. Schainker pointed out to the Council that the increase in value calculated by the City's right-of-way formula in 2010 compared to the value calculated for the identical parcel now indicates approximately 35% in land value appreciation. A 35% increase from the 2010 parcel's actual purchase price of \$2,308 is \$3,116, which is slightly higher than the \$3,000 offered by the Orths.

Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-322 setting June 12, 2018, as the date of public hearing on the request to vacate the Right-of-Way adjacent to 1604 Truman Drive.

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

Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-323 setting July 10, 2018 as the date of public hearing on the conveyance of the Right-of-Way adjacent to 1604 Truman Drive in the amount of \$3,000.

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

DISPOSITION OF COMMUNICATIONS TO COUNCIL: Moved by Gartin to refer to staff for placement on a future agenda the request of Ross Schade pertaining to his property on Sand Hill Trail regarding allowing a parcel consisting of 14 acres to be created.

Motion died for lack of a second.

Moved by Beatty-Hansen, seconded by Corrieri, pertaining to the request of Ross Schade and regarding his property on Sand Hill Trail, to decline to initiate a change to the Ames Urban Fringe Plan, thereby affirming a minimum lot size of 35 acres under A-1 zoning, and to notify Mr. Schade of that decision.

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

Moved by Nelson, seconded by Corrieri, to place on a future agenda the request for a Land Use Policy Plan Amendment for 113 North Dakota Avenue.

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

Moved by Corrieri, seconded by Beatty-Hansen, to refer to staff for a memo the request of ProNails, located at 526 Main Street, for the Council to consider a waiver of *Code* Section 502.20, “Manicure and Pedicure Stations.”

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

Moved by Gartin, seconded by Betcher, to direct staff to provide a memo to the City Council in response to Al Warren’s letter describing a situation concerning the number of bedrooms allowed in the rental property he owns at 2334 Storm Street.

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

Council Member Betcher said that she was operating under a misconception when she voted at a previous meeting on the request from Kurt Friedrich regarding allowing dry cleaning businesses in a certain zone.

Moved by Betcher, seconded by Corrieri, to request staff for a memo regarding moving dry cleaners to HOC zone.

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

CLOSED SESSION: Moved by Gartin, seconded by Nelson, to hold a Closed Session, as provided by Section 21.5(1)c, *Code of Iowa*, to discuss matters presently in or threatened to be in litigation.

Council Member Gartin asked the City Attorney if there was legal justification for the City Council to enter into a Closed Session. City Attorney Lambert replied in the affirmative.

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

The Council entered into a Closed Session at 12:05 a.m. on May 23, 2018, and reconvened in Open Session at 12:18 a.m. on May 23, 2018.

Moved by Corrieri, seconded by Nelson, to adopt RESOLUTION NO. 18-324 approving the recommended Settlement with Alex Dague in the amount of \$35,000.

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

ADJOURNMENT: Moved by Corrieri, to adjourn the meeting at 12:21 a.m. on May 23, 2018.

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

Diane R. Voss, City Clerk

John A. Haila, Mayor