

AGENDA
SPECIAL MEETING OF THE AMES CITY COUNCIL
CITY COUNCIL CHAMBERS - CITY HALL
515 CLARK AVENUE
AUGUST 3, 2021

CALL TO ORDER: 6:00 p.m.

PUBLIC FORUM: This is a time set aside for comments from the public on topics of City business other than those listed on this agenda. Please understand that the Council will not take any action on your comments at this meeting due to requirements of the Open Meetings Law, but may do so at a future meeting. The Mayor and City Council welcome comments from the public; however, at no time is it appropriate to use profane, obscene, or slanderous language. The Mayor may limit each speaker to three minutes.

CONSENT AGENDA: All items listed under the Consent Agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time the Council members vote on the motion.

1. Motion approving Minutes of Special City Council meeting held July 20, 2021
2. Motion certifying Civil Service candidates

ADMINISTRATION:

3. Discussion of correction to information provided previously regarding number of signatures needed for reverse referendum pertaining to the Indoor Aquatic Center bonds
4. Resolution approving partial repayment to Iowa Department of Transportation for a portion of the RISE grant awarded to the City of Ames to help fund roadway and utility improvements associated with the ISU Research Park
5. Motion directing staff regarding policy issue changes pertaining to the Ames 2040 Plan

DISPOSITION OF COMMUNICATIONS TO COUNCIL:

COUNCIL COMMENTS:

ADJOURNMENT:

***Please note that this agenda may be changed up to 24 hours before the meeting time as provided by Section 21.4(2), *Code of Iowa*.**

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

JULY 20, 2021

The Special Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on the 20th day of July, 2021. Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, Rachel Junck, and David Martin were present. *Ex officio* Member Trevor Poundstone was absent.

Mayor Haila announced that the Council would not be accepting public input at this meeting; it is designed to be a work session for staff and the Council to work through the Draft Ames Plan 2040 (Comprehensive Plan). Another work session will be held on August 3, 2021, when Council will provide final direction to staff. It is anticipated that the Draft Plan will be released to the public around mid-August.

STAFF PRESENTATION AND OVERVIEW OF DRAFT AMES PLAN 2040: Planning and Housing Director Kelly Diekmann stated that he will be presenting an overview of the Plan by reviewing the original Vision and Principles from prior Workshops. He will be highlighting any new information, specifically in the Land Use and Growth chapter. The City Council will have an opportunity to ask questions during and after his presentation. According to Director Diekmann and as the Mayor had mentioned, the next steps include bringing the changes discussed tonight back to the Council on August 3 and releasing the Draft Plan to the public by the middle of August 2021. It is staff's goal to then get back to the actual approval process for the Comprehensive Plan.

Mr. Diekmann commented that the City Council had held 11 workshops prior to this one since April 2019 that directly tied to content that would end up in the Plan. The purpose of those workshops was to review options and provide direction to the consultants RDG and City staff on drafting the Comprehensive Plan. He provided a summary of work that had been done to get to this point in the Draft Plan, including:

1. Population Projection. It is estimated that the total population of Ames in 2040, including students, will be approximately 80,000; that means planning for approximately 15,000 more persons in the City. This total was based on planning for a 1.5% Annual Population Growth Rate.
2. Land Use Projection. Three scenarios were shown: Low-Density, Medium-Density, and High-Density. At Medium-Density, it showed a need for 1,275 acres at a gross residential density of 5.00 and a commercial/retail/office density of 150 acres. Results showed land needs with different assumptions on housing types, regardless of location. It was noted that the variance in scenarios considers the split in density and typical housing types. Consultants RDG and HDR then took the projection of 15,000 additional people and placed it in four different directions (Tiers of development). That allowed for estimates of needed infrastructure for build-out of the Tiers in total. No revisions to the initial land use concepts were made at that time.

Director Diekmann recalled that the Council chose Tier 1 (readily available, without substantial infrastructure improvements) and Tier 2 in the west, north of Highway 30 and Tier 2 in the south, which

came up with a projected population increase of approximately 15,673 people. What was not accounted for in that 15,000+ people was the infill choices that will be made. Mr. Diekmann noted that the Plan doesn't just deal with expansion of the City. He noted that Council had made it clear that there are other goals besides just broadening the City limits on the periphery of the City; so in addition to the tiered growth, there are options for infill development and redevelopment to augment the options of housing and commercial uses.

It was emphasized by Director Diekmann that the proposed Comprehensive Plan focuses on policies related primarily to the built environment of the community. The Plan starts out with a Vision, which is designed to guide the creation of the Plan. Each of the elements has its own Vision Statement that then leads to principles and more specific expectations. The Discover section is background information that influences future decision-making.

Council Member Gartin asked if the Plan should address affordable housing since that is one of the Council's goals. Mr. Diekmann stated that the element "Neighborhoods and Subareas" should change to "Neighborhoods, Housing, and Subareas," which includes housing policy and lays out the groundwork on why affordable housing is needed and what those needs will be over the next 20 years. Council Member Gartin then questioned whether the document should have a parenthetical to reflect affordable housing as a component of that element. Mr. Diekmann replied that by adding "Housing" to the name of the Plan Element of "Neighborhood and Subareas" would suffice. He felt adding a parenthetical would put too much emphasis on one area.

Director Diekmann named the Plan Elements as: Land Use and Growth; Environment; Mobility; Parks, Trails, and Greenways; Neighborhoods and Subareas (to include Housing); and Community Character. He brought the Council's attention to the Vision Statements for each of the Elements. Director Diekmann asked the Council members to specifically look at the Vision Statements as they read through the Plan. He advised that the Unifying Themes, which are not elements or Vision Statements, but were created to apply throughout the Plan as a type of values statements. The Unifying Themes were named as Inclusivity, Sustainability, Health, and Choices related to having options for housing, mobility, jobs, businesses, activities, and supporting a wide range of interests and opportunities in the community.

It was noted by Council Member Betcher that the Draft Plan contains a lot of incomplete sentences and misspellings. Mr. Diekmann asked the Council members to provide him with a list of grammatical errors, misspellings, and other similar type edits so he can make those corrections. Mr. Diekmann acknowledged that some of the language and style choices under the Vision Statements are not consistent; that will be corrected.

Council Member Gartin commented that he believes trails, under the Parks, Trails, and Open Spaces element, are modes of transportation, not just used for recreation. Director Diekmann said he agreed; that is not reflected in the Vision Statement, but built into the policies.

Mr. Diekmann summarized each of the chapters of the Draft Plan. He specifically noted that there are two new categories that the City Council members have not seen: Development Compatibility Guide and Urban Fringe Policies and Urban Reserve Map. Recalling discussion about land use categories and

housing at a workshop at the beginning of the process, Mr. Diekmann commented that one of the things that the Council had asked for was to not have RDG just think about policies that support those things, but how they can be put into action or what should be the expectations going forward. The Development Compatibility Guide was then created by RDG to indicate what should be considered when the City does infill development. The other new one is the Urban Fringe Policies. The scenario work has been done; that work supports growth beyond 2040. Therefore, staff's position is that Urban Reserve is necessary, and there needs to be clear statements about protecting areas where Ames might expand over time.

Director Diekmann reviewed the six Growth Principles and Land Use Principles. The Growth Principles were named as: Growth 1. Sustainable Growth; Growth 2. Contiguous Greenfield Development; 3. Infill that Enhances Urban Fabric; (4) Quality Urban Experience; Growth 5. Review and Approval Process, and Growth 6. Planning for Equity. He noted that the Principles introduce concepts related to expansion and infill development, the decision-making process, and public involvement. The Land Use Principles, which introduce the character of areas along with planned uses and include relationships to transportation and design qualities, were named as follows: (1) Relating Land Use and Transportation; (2) Compatibility with Flexibility; (3) Residential Density and Diversity; (4) Vital, Convenient Mixed Uses; (5) Places for Employment and Enterprise; and) Character and Intensity-based Use Categories. In lieu of Actions, these Principles rely upon Land Use Categories with Development Policies.

Council Member Beatty-Hansen referenced a chart shown on Page 70 of the Draft Plan, which she found confusing. Mr. Diekmann noted that Page 70 would be where the compatibility categories would be shown. He stated that the Council should rely more on specific notations in the text; the chart is a more generalized version.

Mayor Haila brought Director Diekmann's attention to Item G32 on Pages 34/35 under the policy framework of the Draft Plan. The Mayor commented that he did not recall the Council talking about "Consider integration of housing choices within new developments, such as inclusionary housing standards and incentives in zoning." Mr. Diekmann pointed out that some of the actions listed in the Draft Plan were suggestions only; they don't bind the Council into taking those actions. He advised that Council can elect to remove those that are only suggestions or those that they do not believe will ever be approved.

Council Member Martin asked if staff was going to provide the Council with a change-tracking process. Mr. Diekmann advised that once the document gets to the point of being considered a solid draft, a tracking process would begin. This version is considered a steering committee working draft. He noted that the changes that Council discusses at this workshop may not be made by the workshop on August 3; it will depend on how many changes are requested. City Manager Schainker advised that the Mayor and Council members should email their preferred edits to Mr. Diekmann by next Monday, if possible. He asked that they copy him on the email.

Council Member Betcher brought Mr. Diekmann's attention to G8. She said there seemed to be somewhat of an afterthought at the end regarding Ames assets and regional position. Ms. Betcher asked to have it clarified what that is doing in that location. Mr. Diekmann said he doesn't think it belongs

there; it was a left-over thought that did not get deleted. Mayor Haila said that there were others like that; those need to be passed on to Kelly to be corrected.

Director Diekmann explained the Policies in the Ames Urban Fringe Area Principles and Policies, specifically pertaining to Multi-Jurisdictional Planning, Rural Development Areas, Agriculture and Natural Areas, and Urban Reserve Areas. Urban service areas formerly included growth areas.

Mayor Haila noted that the map of Fringe Designations actually had inaccurate labeling in the legend. Several Council members pointed out that the map needs a lot of clarity.

Continuing with the review, Mr. Diekmann reviewed the North Urban Reserve area. He noted that staff believes the formerly known Southwest Growth Area should be held in reserve because it is possible that it will be needed in the future even though the area was not chosen as a Tier. Regarding the South and Southeast Urban Reserve, Mr. Diekmann recommended that the Council think about how the other quadrants would be impacted if an interchange were to be built. Noting that the annexation moratorium only runs for ten years, Council Member Gartin asked what the value was in having a demarcation with Nevada when it is not necessarily going to be there in the future. Mr. Diekmann acknowledged that that demarcation may not always be there. Mr. Diekmann noted that there was not much shown in the area of E. Riverside Road (east of Ada Hayden). It is hilly and seemed like it would be problematic for the City to serve that area. Mr. Gartin said that it would be worth thinking about as Story County would potentially have a pocket of land adjacent to the City; that could possibly thwart development from being in that location.

The Environment principle was discussed next. Mr. Diekmann noted that this is where the Climate Action Plan is identified. Council Member Betcher asked if there were any specific areas of the Environment chapter that relate to specific policies. Answering, Mr. Diekmann noted that parts of the Environment chapter would be cross-referencing the Climate Action Plan.

Parks, Trails, Open Spaces. Mr. Gartin commented that this Element should include what is important to Parks & Recreation relative to its service proximity. He thinks that any new development should include a park plan, at a minimum, and every subdivision should contain a park. Mr. Diekmann shared that his preference would be that there be an actual park development ordinance. Council Member Gartin asked if there were pockets of the Ames community that are not being served by an Ames park. If so, he further questioned if there should be pocket parks in the infill areas. Director Diekmann indicated that pocket parks should be considered in the infill areas. Mr. Gartin requested that an overlay showing income distribution also be included.

Council Member Betcher noted that bicycle trails for recreation were noted in the Trails chapter, but those should be cross-referenced in the Parks chapter.

It was pointed out by Director Diekmann that there is a relationship between the Ames Plan 2040 and the AAMPO Transportation Plan; however, the Transportation Vision chapter did not focus on the Forward 2045 Metropolitan Transportation Plan. They do, however, work together at a high level. Ames Plan 2040 specifically states that a Complete Streets approach will be used to serve all users and modes. It was also noted that, currently, the City uses a standard of “C,” but the Plan states that Ames will strive to maintain a minimum Level of Service standard of “D” for major existing roadways.

Council Member Betcher asked if the last year that the City has crash data gathered was really 2013. Mr. Diekmann said he was unsure as he had not pulled that data.

Addressing Neighborhoods, Housing, and Subareas, Director Diekmann explained that the important aspects of this chapter include: Housing Affordability, Projected Housing Needs, Policies Supporting Existing and New Neighborhoods, and Subarea Plans. Specifically, it should state that Ames will support housing choices and accessibility for people of all income ranges.

Mayor Haila noted that the Plan stated that half of the need for owner-occupied housing is under \$225,000; however, he does not see that as a tangible tool based on the current price of materials and construction. He pointed out that the Plan also expects rental housing costs to be \$600/month. Mr. Diekmann said he believed it was stating that Ames had to go with a range of smaller low-cost housing types that meets the economic requirements of all demographic groups. City Manager Schainker noted that it was even more important to retain the existing housing stock. Council Member Corrieri noted a recently released report showed that Ames had surpassed Des Moines in the cost of rental housing.

The last Vision, Community Character, was explained by Director Diekmann. That element recognizes placemaking as a benefit for visitors and residents. It recognizes social values of historic areas, arts, and community involvement.

Council Member Betcher recalled the amount of “pushback” received when using the word “aesthetics” in discussing the Residential Property Maintenance Code. She asked if the vision statement would lose its effectiveness if the words, “advance aesthetic and design improvements that support the spirit of the community...” were removed. Ms. Betcher believed that it could be covered by the rest of the Vision Statement that states “create new high quality buildings and spaces to build upon character.”

City Manager Schainker urged the Council members to carefully review the sections on the right of the pages that talks about the public actions to be taken. They should ask if there is something that doesn't fit, does it strike the right balance or tone, and/or there other issues or topics that have not been addressed. Mr Schainker reiterated that the City Council members are to send their edits to Director Diekmann with a copy to him. Council Member Martin suggested that, when the Council members send their edits/suggestions to Director Diekmann, they should note if the suggestion needs to be discussed by the Council first. Mr. Diekmann said it is hoped that, at the August 3, 2021, Special Workshop, the Council will provide final comments or edits to the Plan in order to finalize it for public review. Planning will then conduct a five-week public outreach effort on the Draft.

Mr. Diekmann advised that the Ames Plan 2040 does not include information on School Districts; however, the Plan will be shared with them.

Mayor Haila said he was curious as to what would happen if the Iowa State University (ISU) student enrollment decreased by 5,000-6,000 or more students. Mr. Diekmann commented that the estimates were that ISU would have enrollment between 32,000 - 36,000; if it did drop to 15,000, it would still meet the housing projections. Noting the lack of housing options available in Ames, Council Member Gartin shared that he feels confident that the estimates are mainly accurate.

Council Member Gartin inquired if the amount of available commercial space would be adequate given the projections. Director Diekmann stated that with commercial in the centers - the core areas - it should be. The Plan's vision could indicate that there is a need for a mix of commercial and housing. If they stay focused on that vision, it might not be needed right away, but it will work itself out. To guess what mix is needed exactly is very difficult.

Council Member Beatty-Hansen asked if they could consider including a land acknowledgment being placed at the beginning of the Plan document. She also questioned Page 16 of the Plan, "Social Profile." She would prefer not to use shades of skin tones on the map to indicate "Race and Ethnicity." She also took issue with the use of certain terminology, specifically, "ethnic enclave," and "uptown individuals." Mr. Diekmann believed it was being used to demonstrate a demographic. However, without knowing what the legend means, he is unsure; he will ask the consultants. Mayor Haila commented that he preferred to have the entire Page 16 reworked or removed.

Council Member Martin asked if the Council members would have a chance to review the Plan again after they requested changes to the Draft Plan on August 3 before it goes out for public review around August 16 or 17. Director Diekmann stated he was hoping that the changes requested by the Council would be very "black and white." He was not planning on bringing the changes back for Council review prior to getting it released to the public for comment.

DISPOSITION OF COMMUNICATIONS TO COUNCIL: Moved by Betcher, seconded by Beatty-Hansen, to refer to staff for a memo the request from Abby Dubisar to consider placing tables in the paved space in front of 134-200 Main Street.

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

Moved by Gartin, seconded by Betcher, to respectfully decline the request from Steven Young, Operating Partner with Freddy's Frozen Custard and Steakburgers of Iowa, to permanently utilize reserved parking at two parking meters on Lincoln Way for contactless orders, but to encourage them to reach out to the Campustown Action Association to see if there is merit for use in Campustown.

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

Moved by Martin, seconded by Corrieri, to respectfully decline the request of Ken and Marjy Howe to consider a land exchange offer of 811 South Duff for the lot south of 230 Washington Avenue.

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

Moved by Betcher, seconded by Junck, to refer to staff for a memo regarding nonconforming structures (garages) in older neighborhoods.

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

COUNCIL COMMENTS: Council Member Junck reminded that the application deadline for anyone who would like to serve on the supplemental input committee for the Climate Action Plan is July 23, 2021. The application is located on the City's website (www.cityofames.org)

ADJOURNMENT: Moved by Gartin to adjourn the meeting at 8:26 p.m.

Diane R. Voss, City Clerk

John A. Haila, Mayor

**MINUTES OF THE SPECIAL MEETING OF THE
AMES CIVIL SERVICE COMMISSION**

AMES, IOWA

JULY 29, 2021

The Special Meeting of the Ames Civil Service Commission was called to order by Chairperson Mike Crum at 1:00 p.m. on July 29, 2021. As it was impractical for the Commission members to attend in person, Commission Chairperson Mike Crum and Commission Member Harold Pike were brought in telephonically. Commission Member Kim Linduska was absent.

APPROVAL OF MINUTES OF JULY 22, 2021: Moved by Crum, seconded by Pike, to approve the Minutes of the July 22, 2021, Regular Civil Service Commission meeting.
Vote on Motion: 2-0. Motion declared carried unanimously.

CERTIFICATION OF ENTRY-LEVEL APPLICANTS: Moved by Pike, seconded by Crum, to certify the following individuals to the Ames City Council as Entry-Level Applicants:

Electric Services Maintenance Superintendent: Ryan Gusta 75

Mechanic (CyRide): Charles Pyke 82

Vote on Motion: 2-0. Motion declared carried unanimously.

COMMENTS: The next Regular Meeting of the Ames Civil Service Commission is scheduled for August 26, 2021, at 8:15 a.m.

ADJOURNMENT: The meeting adjourned at 1:01 PM.

Michael R. Crum, Chairperson

Diane R. Voss, City Clerk

To: Mayor and Ames City Council Members

From: Steven L. Schainker, City Manager

Date: August 3, 2021

Subject: Correcting Information Provided Previously Regarding
Number of Signatures Needed for Reverse Referendum

At the July 13th and the July 27th City Council meetings, City staff reported to the City Council that the number of signatures required to petition for a reverse referendum regarding the Indoor Aquatic Center bonds was 3,189. This was based on 10% of the total voters in the last regular election held in Ames, which was the November 2020 General Election.

Upon further examination, and after consultation with the City's outside Bond Attorney, it has been determined that this total is incorrect. It appears that there was a miscommunication between our Bond Attorney and the City staff team that discussed the matter.

The law indicates that the number of signatures required is equal to 10% of the number of people voting in the last regular city election. This type of election would have City Council (and/or Mayor) elections on the ballot and held on the first Tuesday after the first Monday in November of each odd-numbered year.

In accordance with this definition, the last regular city election was on November 5, 2019. Based on information provided on **the County Auditor's website, staff has calculated that the total ballots cast in Ames during that election is 4,767, meaning 477 signatures of eligible Ames voters would be required on a petition to demand a reverse referendum for the Aquatic Center bonds.** On Thursday, July 29th the City Attorney verified these numbers with the Story County Auditor.

We regret providing an incorrect interpretation and, therefore, an incorrect number for the required signatures. Recognizing the importance of transparency with the community, it is important that this issue be placed back on the City Council agenda in order to correct this information.

By creating an agenda item, the correct figure will be included in readily searchable official records (minutes, agenda, and memo) should community members seek it out via the City website or through records requests. The last thing we want is for anyone to rely on the incorrect information that was provided previously by the City staff.

COUNCIL ACTION FORM

**SUBJECT: PARTIAL REPAYMENT OF RISE GRANT FUNDING TO IOWA
DEPARTMENT OF TRANSPORTATION**

BACKGROUND:

The previous ISU President, Steven Leath, was able to secure a special \$15,000,000 appropriation from the Iowa Legislature to fund the new Hub Building at the Iowa State University Research Park. This new facility was intended to consolidate all of the various economic development related support offices that had traditionally been scattered throughout the campus into one location. By locating this building at the southern end of the Research Park, City infrastructure was required to service this new building. In addition, this new infrastructure would also open up other lots in the Park for development.

In keeping with our past practice, the University requested that the City build the infrastructure through a Tax Increment Financing strategy with an agreement that the properties in the Research Park would remain subject to paying property taxes.

In order to mitigate the amount of City money needed to accomplish the required infrastructure improvements, the City sought funding for a Revitalize Iowa's Sound Economy (RISE) grant from the Iowa Department of Transportation (IDOT). **On April 8, 2014, the IDOT awarded a RISE grant to the City of Ames for up to \$4,010,728 to help fund the roadway and other utility improvements associated with the ISU Research Park Phase III development. This phase included the extension of University Blvd. south to Collaboration Place with the addition of three roundabouts. The financial award was based on 80% State funding, with a 20% local match requirement from the City.**

The RISE grant award was conditioned on the creation of the additional 365 jobs projected in Workiva's growth strategy, with a weighted average wage of \$18.34/hr. In accordance with the RISE program rules, if the job creation is not met, the maximum grant reverts to the 50% State funding, and the difference up to the 80% of the State award must be refunded by the recipient (City of Ames).

It should be noted that a standard RISE grant without a commitment to job creation is funded at 50% State and 50% local match with no requirement for repayment. **In order to maximize non-City funding for this phase, a decision was made to pursue the 80% funding tied to job creation. The City's financial exposure related to this strategy is reduced substantially as a result of a separate agreement with the**

Iowa State Research Park that requires them to share equally, if the City is required to make any payments to IDOT due to non-attainment of jobs.

Compliance with the job requirement is measured by reviewing and calculating a weighted average number of jobs created using payrolls from the beginning and end of any six-month period from the time funding was awarded (4/8/2014) to three years after the RISE improvement was complete and open to traffic (6/24/2019) to document the existence of the jobs along with a baseline payroll at the time the project was awarded. **The final count of jobs created by Workiva during this reporting period was 138, which is 227 jobs shy of the 365 required.**

Iowa DOT staff has been very helpful in identifying options to assist the City with the job creation and repayment requirements. The IDOT Commission recently adopted a new program, specifically for Research Parks (RP's), that provides 70% state funding without any job creation requirements. This policy was relied upon for our most recent phase in the Research Park where the remainder of Collaboration Place and S. Riverside Road was constructed. **At their July meeting, the IDOT Commission agreed to apply the new 70% Research Park policy retroactively as the baseline for repayment rather than the 50% that was in place at the time of the agreement. They also agreed to allow partial credit for the 138 jobs that were created by Workiva.** The IDOT Commission will make their final decision regarding the repayment settlement at their August monthly meeting.

Below is an illustration of the repayment calculation using the modified requirements noted above.

<i>Final eligible construction costs</i>	<i>\$4,487,459.75</i>
Original 80% RISE agreement	\$3,589,967.80
<u>Base RISE of 70% for RP's</u>	<u>\$3,141,221.83</u>
<i>Difference to be repaid</i>	<i>\$ 448,745.97</i>
<i>Jobs Not Created vs. Jobs Promised</i>	<i>227/365 = 62%</i>

The total estimated amount to be repaid to IDOT with credit for created jobs: \$448,746 x 62% = \$278,223. This repayment would be split equally between the City and Iowa State University; approximately \$139,111.50 each.

In addition, the IDOT has offered the following options for the repayment:

- Repayment in one lump sum
- Repayment in installments for up to 5 years with an interest rate of the Prime Rate minus 3% (As of 6/30/21 the Prime Rate was 3.25%)

ALTERNATIVES:

- 1) The City Council can decide to accept the recommendation of the IDOT staff and repay the State approximately \$278,223 plus an interest charge equal to the Prime Rate minus 3% over a five year period, with reimbursement from the ISU Research Park for 50% of this repayment.
- 2) The City Council can decide to accept the recommendation of the IDOT staff and repay the State approximately \$278,223 in one lump sum payment, with reimbursement from the ISU Research Park for 50% of this repayment.
- 3) The City Council could request that City staff show up at the August IDOT Commission meeting in an attempt to convince the State to accept some lesser amount of repayment.

CITY MANAGER'S RECOMMENDED ACTION:

The IDOT staff has been very fair in determining how much the City should reimburse the State. It is highly unlikely that the City staff can make a convincing argument to reduce further the amount owed to IDOT.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 and agree to repay the State approximately \$278,223 plus an interest charge equal to the Prime Rate minus 3% over a five year period, with reimbursement from the ISU Research Park for 50% of this repayment. This option will: 1) help the ISU Research Park which does not have a significant fund balance to pay a lump sum for this unbudgeted obligation and 2) allow the City to retain the declining debt balance over a five-year period and invest the remaining funds at an interest rate greater than the rate for the repayment charge.



*Caring People
Quality Programs
Exceptional Service*

TO: Mayor and City Council
FROM: Kelly Diekmann, Planning & Housing Director
DATE: July 30, 2021
SUBJECT: **August 3rd Ames Plan 2040 Workshop**

The August 3rd meeting is intended for City Council to provide guidance about the Principles and Actions of each Element within Plan 2040. City Council is asked to identify any parts that are ambiguous or do not meet the intent of the Council and need to be changed. Typical changes would be to identify any missing issues, clarify the meaning of a policy, add/delete policies, or other adjustments needed in order for the public to make informed comments on the Plan.

With specific direction from City Council on edits to the Plan, the goal is to incorporate those changes and return a final draft to the City Council on August 17th. City Council will complete a final review and then direct staff on August 24th to make the Plan available for public comment.