

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

AMES, IOWA

AUGUST 11, 2015

The Regular Meeting of the Ames City Council was called to order by Mayor Ann Campbell at 6:00 p.m. on the 11<sup>th</sup> day of August, 2015, in the City Council Chambers in City Hall, 515 Clark Avenue. Present were Council Members Gloria Betcher, Amber Corrieri, Tim Gartin, Matthew Goodman, and Chris Nelson. Council Member Peter Orazem was absent. *Ex officio* Member Sam Schulte was also present.

Mayor Campbell announced that the Council would be working from an Amended Agenda. Item No. 14 pertaining to agreements for Cy statues had been revised.

**PROCLAMATION FOR 25<sup>TH</sup> ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT:** Mayor Campbell recognized the 25<sup>th</sup> Anniversary of the passing of the Americans with Disabilities Act, which was signed into law on July 26, 1990. Heidi Thompson, representing the Ames Human Relations Commission, accepted the Proclamation.

**CONSENT AGENDA:** The Mayor stated that staff had requested that Item No. 20 (renewal of Contract for Boiler Tube Spray Coating) be pulled; the Performance Bond had not yet been received. Council Member Gartin requested that Item No. 10 (Investment Report for FY ending June 30, 2015) be pulled for an explanation from staff. Council Member Nelson asked that Item No. 13 (setting date of sale of General Obligation Corporate Purpose Bonds) be pulled for separate discussion.

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

1. Motion approving payment of claims
2. Motion approving minutes of Regular Meeting of July 28, 2015
3. Motion approving Report of Contract Change Orders for July 16-31, 2015
4. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
  - a. Class C Liquor – Olde Main Brewing Company, 316 Main Street
  - b. Class C Liquor & B Native Wine – The Mucky Duck Pub, 3100 South Duff Avenue
  - c. Class C Liquor – Es Tas Stanton, 216 Stanton Avenue
  - d. Class C Liquor – El Azteca, 1520 South Dayton Avenue
  - e. Class B Beer – Flame-N-Skewer, 2801 Grand Avenue
  - f. Class C Beer & B Wine – Hy-Vee Gas #5013, 4018 Lincoln Way
  - g. Class C Liquor – Deano’s, 119 Main Street
5. Motion approving 5-day (August 13-17) Special Class C Liquor License and Outdoor Service for Main Street Cultural District for Foodies & Brew
6. Motion approving 5-day (August 15-19) Class C Liquor License for Tasteful Catering/Dinners at Reiman Gardens, 1407 University Boulevard
7. Motion approving 5-day (September 3-7) Class C Liquor License for Christiani’s Events at Hansen Agriculture Student Learning Center, 2516 Mortensen Road
8. 5-day Class C Liquor Licenses for Olde Main at Reiman Gardens, 1407 University Boulevard:
  - a. August 20-24
  - b. August 25-29
9. RESOLUTION NO. 15-482 accepting Ames Municipal Utility Retirement Report
10. RESOLUTION NO. 15-483 approving appointment of Amanda Hassid to fill vacancy on Human Relations Commission—Investigative & Conciliation Officers
11. Cy Statues:
  - a. RESOLUTION NO. 15-485 approving agreement with Ames Police Benevolent Association for donation of Cy Statue currently located on the north side of Police Department
  - b. RESOLUTION NO. 15-501 approving agreement with Ames Chamber of Commerce for

donation of Cy Statue currently located in Inis Grove Park

- c. Motion approving Encroachment Permit for Ames Chamber of Commerce for Cy Statue located at 304 Main Street
- d. RESOLUTION NO. 15-502 waiving fee for Encroachment Permit
12. RESOLUTION NO. 15-486 approving reallocation of CIP funds for repairs to Fire Station No. 3
13. RESOLUTION NO. 15-487 approving amendment to agreement with Youth & Shelter Services reducing number of leased parking spaces in Parking Lot P
14. RESOLUTION NO. 15-488 approving Main Street Cultural District's request to close three additional parking spaces for MusicWalk Event and waiving parking meter fees
15. RESOLUTION NO. 15-489 awarding contract for 15kV Switchgears for Electric Distribution Inventory to Power Line Supply of Williamsburg, Iowa, in an amount not to exceed \$59,492
16. RESOLUTION NO. 15-490 awarding contract for Valve Maintenance, Related Services, and Supplies for Power Plant to Dowco Valve Company, Inc., of Hastings, Minnesota, in an amount not to exceed \$70,000
17. RESOLUTION NO. 15-491 approving contract and bond for Water Treatment Plant Five-Year Rehabilitation Project (Year 4)
18. RESOLUTION NO. 15-492 approving contract and bond for 2014/15 Sanitary Sewer Rehabilitation (Manhole Rehabilitation - Basins 1 & 5)
19. RESOLUTION NO. 15-493 approving Change Order No. 1 for 2014/15 Concrete Pavement Improvements Contract #1 (Hayward Avenue - Hunt Street to Lincoln Way)
20. RESOLUTION NO. 15-494 approving Plat of Survey for 2811, 2817, and 2823 West Street
21. RESOLUTION NO. 15-495 accepting completion of contract with A&P/Samuels Group of Wausau, Wisconsin, for Library Expansion and Renovation
22. RESOLUTION NO. 15-496 accepting completion of landscaping requirements for The Roosevelt, 921 - 9<sup>th</sup> Street
23. RESOLUTION NO. 15-497 approving request for extension of time for Major Site Development Plan and PRD Phasing Plan for Green Hills

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

**INVESTMENT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2015:** Council Member Gartin said that he had asked to pull this item from the Consent Agenda to allow staff to summarize the City's investment portfolio performance for last fiscal year. City Treasurer Roger Wisecup gave a brief overview of the Report for fiscal year ending June 30, 2015. He said the investments are valued at amortized cost, which reflects the same basis that the assets are carried on the City's financial records. It was noted by Mr. Wisecup that the Federal Reserve has continued to maintain its target rate for federal funds at zero to 0.25%, and it appears that it will continue to maintain that target rate to the end of 2015. A comparison of FY14 to FY15 was given, which showed a .14% increase in the Portfolio effective date of return.

Moved by Gartin, seconded by Corrieri, RESOLUTION NO. 15-481 approving the Investment Report for Fiscal Year ending June 30, 2015.

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

**GENERAL OBLIGATION CORPORATION PURPOSE BONDS, SERIES 2015A:** Council Member Nelson brought attention to the time stated in the Council Action Form (CAF) for the August 25, 2015, Council hearing. He pointed out that the Council meeting will actually convene at 6:00 p.m., not 7:00 p.m. as shown in the CAF.

Moved by Nelson, seconded by Betcher, to adopt RESOLUTION NO. 15-484 approving the Official Statement for General Obligation Corporation Purpose Bonds, Series 2015A, setting the date of sale for August 25, 2015, correcting the meeting start time to reflect 6:00 p.m., and authorizing electronic bidding for sale.

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

**PUBLIC FORUM:** Mayor Campbell opened the Public Forum and closed same after no one requested to speak.

**CAMPUSTOWN ACTION ASSOCIATION’S FRIDAY AFTERNOON IN CAMPUSTOWN (FAC) ON SEPTEMBER 4:** Management Analyst Brian Phillips explained that this will be the fourth annual FAC in Campustown. The purpose of this event is to bring Iowa State University (ISU) alumni, who are in Ames for the first home football game, into the Campustown Business District. According to Mr. Phillips, the timing of this event has changed over the past four years. Originally, it took place from 3 - 7 p.m.; the next year, from 4 -9 p.m.; and last year, it was approved for 5 - 9 p.m. Although this event has been held in the past without incident, City staff has concerns about continuing to slide this event later into the evening. Police Commander Geoff Huff advised that this event is expected to draw approximately 400 people in an environment with alcohol on the night before a home Iowa State University (ISU) football weekend. Mr. Phillip’s stated that it had been staff’s experience that events involving alcohol that occur in the evening present an inherently greater risk for impairment, injury, and property damage compared to events that take place during daylight hours. Commander Huff reiterated that this event will be connected to an event that draws a large influx of people, i.e., the first ISU home football game. Mr. Phillips advised that City staff does not support extending this event later than 9:30 p.m.

Ann Taylor, 217 Welch Avenue, Ames, representing Campustown Action Association (CAA) pointed out that this event is targeted to ISU Alumni. The CAA pushed back the time until 5:30 PM because many of the Alumni work until 5 PM. She added that the CAA has hired an officer for added security. Contrary to what was stated in the CAF, Ms. Taylor said that this event shut down at the time it was supposed to last year.

Council Member Gartin asked to know what specific concerns City staff had that resulted in a recommendation of the FAC event ending at 9:30 p.m. He also inquired as to what the difference was between this year’s event and last year’s. Commander Geoff noted that there are two new large apartment buildings that will open in the next two weeks that will house approximately 156 and 350-plus additional residents in Campustown. The later it gets, the more likelihood there is to have incidents. He reported that he would have actually preferred that the event end at 9:00 p.m. In addition, there are a number of other events in Ames that weekend that will draw even more people to the area. Mr. Huff also pointed out that there is an Ames High football game that night. Again, Commander Huff pointed out that September 4 is the night before a pretty big Iowa State University (ISU) football game; it is the first game of the season.

Council Member Nelson asked Ms. Taylor if requiring an earlier shut-down time for this event was a “deal-breaker” for the CAA. Ms. Taylor replied that it was not; however, the marketing of this event had been occurring for a while, and bands had already been paid to perform until 10:00 p.m.

Moved by Gartin, seconded by Corrieri, approving the following with the contingency that the CAA hire one police officer for security:

1. Blanket Temporary Obstruction Permit and Blanket Vending License
2. RESOLUTION NO. 15-498 approving the waiver of the fee for a Blanket Vending License
3. RESOLUTION NO. 15-499 approving closure of Welch Lot T from 7:00 a.m. to 11:00 p.m., and waiving parking meter fees and enforcement.

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

Moved by Betcher, seconded by Gartin, to approve a 5-Day (September 4 - 8, 2015) Class B Beer Permit with Outdoor Service.

Vote on Motion: 4-0-1. Voting aye: Betcher, Corrieri, Gartin, Nelson. Voting nay: None. Abstaining due to conflict of interest: Goodman. Motion declared adopted.

Discussion ensued about the time in which this event would conclude. Council Member Goodman shared the past history of this event. He recalled that the FAC originated to show mature behavior at a special event occurring in Campustown. There have been no incidents that he has been aware of; the CAA has done a very good job to manage the event. He feels that this group “deserves a little more rope” and that the risk is very low. Council Member Corrieri agreed citing the past success of this event.

Moved by Corrieri, seconded by Goodman, to allow the event to continue until 10:00 p.m., as requested by the CAA.

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

**205 SOUTH WILMOTH AVENUE:** Planning and Housing Director Kelly Diekmann recalled that, on July 28, 2015, the City Council approved the Settlement Agreement between the City and Breckenridge Group concerning the three parcels located at 205 South Wilmoth currently owned by the Breckenridge Group (205 S. Wilmoth, 321 State, and 601 State). The Agreement also included three single-family lots that Breckenridge has an option to purchase 101, 105, and 107 S. Wilmoth. Also contained in the Agreement was the need to change the LUPP designation of the North Parcel to allow for the future development of a residential use of up to 422 beds and the development of between 15,000 and 40,000 square feet of commercial development as mixed use.

Land Use Policy Plan Amendment. Director Diekmann said the 8.3-acre north parcel is currently designated as Low-Density Residential on the LUPP Map and is zoned Residential Low Density. While addressed from Wilmoth, the site has nearly an equal amount (430 feet) of street frontage along Lincoln Way as it does on Wilmoth. The site abuts four parcels to the northeast that are also designated as Low Density; however, they are zoned High-Density Residential and are part of the West University Impact Overlay Zone. Farther to the east, there are additional properties designated and zoned High-Density Residential with frontage along Lincoln Way. The site abuts low-density-zoned developments to the east, west, and south. The parcel also abuts a bank at the northwest corner of the site, which is designated and zoned as Highway-Oriented Commercial. To the north of the site across Lincoln Way, there is a split of Highway-Oriented Commercial and Low-Density Residential zoned land.

The current Low-Density Residential designation allows for the site to be developed with only single-family residential uses to a maximum density of 7.26 dwelling units per net acre, which would not meet the minimum requirements of the Agreement. Low density does not allow for use of a site with multi-family building types or general commercial uses; therefore, the City Council must initiate a LUPP Amendment to the land use designation of the North Parcel as the first step to satisfying the terms of the Settlement Agreement.

Mr. Diekmann provided two options for the Council’s deliberation:

1. Residential High Density and Highway-Oriented Commercial. Staff estimates that between two and four acres of land would need to be commercial to fit the allowed 15,000 to 40,000 square feet of commercial on the site. He showed a map of the split designation of the Enlarged North Parcel. The Highway-Oriented Commercial (HOC) Land Use designation along the Lincoln Way frontage of the property would allow the City to rezone the area to HOC and apply the newly adopted Lincoln Way Mixed-Use Overlay zone. The boundary for the Highway Commercial designation could also include the four additional lots east of the North Parcel (3316 Lincoln Way; 101, 105, and 107 S. Wilmoth). These properties are currently zoned RH and changing the underlying land use designation does not necessitate changing the zoning from RH unless it is desirable to do so in the future. The remainder of the land is expected to consist of residential buildings as sought by the developer. A wide variety of multiple-family housing types are principally allowed with RH-zoned areas under the High-Density land use designation.
2. Residential High-Density for Whole Site. This option would re-designate the entire site from Low-Density to High-Density Residential. This option would rely on rezoning the entire site to RH and require integration of mixed-use commercial into the buildings. High-Density Residential allows for a limited range of mixed-use development with City Council approval of a Major Site Plan. This designation would then match the zoning of the four properties at the northeast corner of the site.

According to Director Diekmann, staff will proceed with the Minor Amendment process to implement the terms of the Settlement Agreement; however, he asked for the Council to provide direction on the preferred type of land use designations to help shape the future rezoning process for the site. In terms of choosing between the two land use designation options, Mr. Diekmann advised that there are a few distinguishing characteristics at this point as they both allow for mixed-use development and require Council approval for a mixed-use development. There are subtle differences in what the base zone standards are between the two, but choosing the Highway-Commercial land use designation would provide a direct path to the Mixed-Use Zoning Overlay and its design expectations for development compared to the more undefined expectations of Residential High Density.

Mr. Diekmann emphasized that most of the details on development will be set through the zoning process rather than the LUPP Amendment. The proposed Amendment shows general boundaries and are not meant to be a precise delineation at this point.

Sharon Guber, 2931 Northwestern Avenue, Ames, commented that residents from other neighborhoods (other than the most-directly-affected one) have let the Council know their feelings about this issue. She believes that this is not just about that neighborhood; it is about the community of Ames. Ms. Guber commented that Goal No. 1 of the LUPP, which offers predictability and quality of life for Ames residents, is not happening. According to Ms. Guber, RL zoning had already been approved after a Protest was filed, which required five out of six votes of the Council members. Also, she commented that the staff, at the Council meeting on July 28, 2015, had given examples of other developments that it said compared to this development; however, in her opinion, the examples cited had no comparability to this proposed development. She noted that many were not aware that the development on South Fourth where Riverside Manor will be replaced by five apartment buildings was able to move forward. Ms. Guber also cited her issues regarding the Settlement Agreement approved by the City Council on July 28. In her opinion, because of the commitments contained in that Agreement, the Council effectively removed the public process.

Catherine Scott, 1510 Roosevelt, Ames, said that she wanted to maximum public input on whatever choice the Council will make.

Loren Faeth, 321 Hilltop, Ames, noted that there is no plan that has been submitted by the developer, and the residents have no idea what they will process. Mr. Faeth agreed with Ms. Guber, stating that approval of the Settlement Agreement negated the entire public process. Mr. Faeth believes that the Council has now set a dangerous precedent, i.e., that any developer who doesn't like the Council's decision can just sue the City.

Council Member Betcher asked Director Diekmann to comment on the public input opportunities on the remaining processes. Mr. Diekmann explained that the LUPP Amendment still has to go before the Planning and Zoning Commission; that will be a public hearing. There are multiple processes that still have to be dealt with, and public input will be held at those. Mr. Diekmann pointed out that there are parameters placed on the development by the terms of the Settlement Agreement.

Council Member Betcher asked City Attorney Judy Parks to explain the possible implications of entering into the Settlement Agreement and not following through with the necessary steps required. City Attorney Parks advised that, with any agreement entered into by the City, if the City were to not follow through with the terms of the Contract, there is always the possibility that the other party will file a lawsuit for breach of contract. Ms. Betcher inquired who would represent the City if such an action were to be filed. City Attorney Parks answered that she was not sure at this point who would represent the City in any such lawsuit; however, those costs would not be covered by the Risk Pool Insurance.

Moved by Gartin, seconded by Corrieri, to approve Option 1 and direct staff to initiate a LUPP Amendment for 101, 105, 107, and 205 South Wilmoth and 3316 Lincoln Way.

Council Member Goodman shared that he did not approve of the methodology that got the City to this point. However, that being said, he wanted to recognize that the College Creek/Old Middle School Neighborhood involvement in this issue brought about a much different result than what was requested by Breckenridge, e.g., 1,000 beds. Although that Neighborhood might not see this as a win, Mr. Goodman said that he believes that the City did get what was most appropriate on the property. He claimed that the result was very close to the ideal that he had felt was the best use of the property.

Council Member Betcher cited her concerns that this will have ripple effects far into the future. She shared that she had voted against the Settlement Agreement because she did not agree with the way the abatement was being handled in this case. Elaborating, she stated that she did not believe the tax abatement should include the three properties that Breckenridge did not yet own. Ms. Betcher advised that she is very concerned that the City would not be covered by the Risk Pool Insurance if the City breaches the Agreement. She noted that the City had entered into this Agreement in good faith. Ms. Betcher again acknowledged that she had not voted in favor of the Settlement Agreement; however, she was not going to place the City in a situation where it would be subject to millions of dollars in damages because it had breached the Agreement.

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

Options for Urban Revitalization Area (URA)/Qualifying Criteria for North Parcel: Director Diekmann explained that the action to be taken by the City Council at this time would be to provide direction to staff on initiating the process for designating a URA and whether any qualifying criteria are needed for a project to receive partial property tax abatement. The Council was reminded that, in determining the extent of the Area, the Code of Iowa requires that a finding of removal of blight, protection of health, safety, and general welfare; restoration of productive reuse of historic buildings, promotion of economic development or that an area is appropriate for public facilities supporting residential

development or construction of housing. Development of vacant land is one of the means of making an eligibility finding under the statutory requirements.

It was emphasized by Director Diekmann that, per the terms of the Settlement Agreement, at a minimum, the Enlarged North Parcel option must be included in the initial description of the URA. The majority of the land in the Enlarged North Parcel area is vacant. Council could provide direction to staff to include additional properties for revitalization, including 3316 Lincoln Way, which is surrounded by the Enlarged North Parcel. The only other vacant land near the subject site is the Middle Parcel to the south of the site and an approximate two-acre site to the west along Lincoln Way that is also planned for mixed use. All the other properties in the area are developed with buildings and uses that are consistent with the underlying zoning.

Concerns were expressed by the Council members about allowing the three additional properties being included in the Urban Revitalization Area. Council Member Goodman noted in particular that he did not want to create an incentive, e.g., tax abatement, to encourage additional property, i.e., 3316 Lincoln Way, to be purchased and add to the density under RH zoning and cause the number of beds to be increased. He also pointed out that the Settlement Agreement currently did not include 3316 Lincoln Way.

Council Member Betcher offered that, even though URA boundary might be cleaner, she is not in favor of including 3316 Lincoln Way at this time. At her inquiry, Director Diekmann stated that the URA could be amended in the future if Council so desired.

Moved by Goodman, seconded by Corrieri, to direct staff that the URA not include 3316 Lincoln Way.

Council Member Gartin asked Director Diekmann if he saw any downsides to not including 3316 Lincoln Way at this time. Mr. Diekmann replied that he did not think so.

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

Qualifying Criteria. Per Director Diekmann, within the *Code of Iowa* language for a URA, all similar uses and properties must be treated equally in regards to their inclusion in a URA; however, a local government may establish qualifying criteria for a project to be eligible to receive property tax abatement. Mr. Diekmann stated that, typically, the City has required certain site development standards, building elements, and restrictions on uses for eligibility. Mr. Diekmann gave a few examples of how the use of criteria had varied among the different URAs. He said that developing a site-specific plan would necessitate the property owner to provide a concept plan for City review and acceptance prior to creating the URA.

According to Director Diekmann, City staff had reviewed the current URAs and the former Commercial and former Multiple-Family Development URAs to generate a list of potential qualifying criteria that could be relevant to a mixed-use and residential apartment development. Those potential criteria were listed. In addition to considering past criteria, staff recommended incorporating commercial-specific standards for mixed-use in that area based on the design principles and standards from the Lincoln Way Mixed-Use Overlay District. Those standards were reviewed. It was noted by Director Diekmann that staff would provide a Draft Plan with any specified qualifying criteria for Council review before noticing a public hearing for adoption of the URA and Plan.

Mr. Diekmann told the Council that, in regards to establishing a boundary for the URA, it appeared to staff that working with the Enlarged North Parcel was the most suitable choice. He pointed out that

it is not known if additional properties would meet any eligibility requirements established by the Council and benefit from being within the URA.

In regards to establishment of the qualifying criteria, Mr. Diekmann told the Council that, without an applicant design project example, staff believes incorporating some of the design enhancements and use limitations that have been customary in Ames would be appropriate. The most important elements relevant to the types of uses and location of the Enlarged North Parcel were stated as:

1. Use of clay brick as the principal building material for 80% of the front facades, excluding openings. The remaining facades shall incorporate clay brick or cut stone into 50% of the facade materials.
2. Residential apartment buildings shall utilize hipped or gabled roofs.
3. Provide additional commercial parking in excess of the retail/office parking rate of 3.3 spaces/1,000 square feet of gross commercial floor area. A minimum of 20% of the commercial floor area be parked at a rate of nine spaces/1,000 square feet of gross commercial floor area for the first 30,000 square feet of gross floor area.
4. A clubhouse, as defined in the Zoning Ordinance, shall not be permitted on the ground floor of a commercial mixed-use building.
5. Ground-floor commercial uses of mixed-use buildings must be a permitted use of the HOC base zone for Office Uses; Retail Sales and Services Uses; Entertainment, Restaurant, and Recreation; and miscellaneous use of childcare.
6. Typical commercial tenant footprint shall have a minimum depth of 40 feet.
7. Commercial areas shall have a floor-to-ceiling height of a minimum of 12 feet.
8. Primary entrances to residential buildings shall include covered entries with architectural enhancements.
9. Receive and maintain certification for the Iowa Crime-Free Multi-Housing Program administered by the Ames Police Department.
10. Utilize a sign program for commercial tenants that provides a cohesive design and lighting style to the site. The sign program will allow for wall signage per the Sign Code. If a commercial ground sign is constructed, it will be restricted to a single monument sign along Lincoln Way and shall include a decorative base compatible with the commercial buildings' finishes and have an opaque sign face background. The sign program must be approved by the Planning and Housing Director.
11. Provide landscape buffering with the L3 and F2 Standards in a minimum of a ten-foot-wide planter along the perimeter property lines of the site.
12. Provide street trees, per City specifications, along Wilmoth Avenue.

Council Member Betcher cited her concerns about unoccupied commercial space. She felt it was reasonable to require that the commercial space be occupied before the abatement would be granted. After being questioned by City Manager Schainker, Ms. Betcher said the City could establish a certain



percentage that would be required. Director Diekmann noted that a clubhouse would not be allowed to be counted as commercial space.

Council Member Gartin asked what would happen if Breckenridge could not find lessees for the commercial space; perhaps that would be due to the market. He felt that would be moving the “marker out” substantially if abatement was not offered for five or six years after construction.

Mayor Campbell asked if the City would be violating the Settlement Agreement if the City required a certain percentage of commercial space to be rented prior to granting the tax abatement. City Attorney Parks noted the terms of the Settlement Agreement in reference to tax abatement eligibility criteria and concluded that it would be the City’s prerogative to establish criteria.

Moved by Goodman, seconded by Corrieri, to approve the above-listed 12 qualifying criteria.

Council Member Nelson asked about Criterion 2 and Criterion 11. Director Diekmann explained the difference between hipped and gabled roofs. Mr. Nelson also asked whether the City could require an easement for a bike path to be built in the future. Mr. Diekmann did not recall a time in the past when that had been done. He is not familiar with anything like that being included in URA criteria. Mr. Nelson would like to know if that is possible before he makes a decision on the criteria.

Council Member Goodman asked if there would be a Developer Agreement at any point in this process. City Attorney Parks said that the City is currently contemplating that; there are three or four things that the City is going to require of the Developer. Mr. Goodman suggested that, if the Council wanted the easement to be part of the criteria, it could include it in a Developer Agreement. Staff would then notify the Council if requiring it was not legal.

Sharon Guber stated that she had confirmation from the current owner of 3316 Lincoln Way that it is owner-occupied.

Ms. Guber asked if, in terms of 3316 Lincoln Way, there could be discussion in the future on whether to include that property. She also asked if the owner of 3316 Lincoln Way could provide input. Council Member Diekmann advised that the draft document can be changed all the way through the public hearing. Council can add or subtract from the Qualifying Criteria prior to their approval. Council Member Betcher specifically asked staff to notify the current owner of 3316 Lincoln Way.

Director Diekmann cautioned about lengthening the list of Qualifying Criteria. He noted that he was hesitant to provide the list of 12 criteria because it makes it more difficult to come up with a project that would be workable.

Dan DeGeest, 4212 Phoenix Street, Ames, said he was representing the Ames Bicycle Coalition. He noted that the desired bike path is viable; it is identified in the Long-Range Transportation Plan update. According to Mr. DeGeest, the desired bike path would follow along Arbor and come across the North Parcel; it would be approximately 10 to 15'. Mr. DeGeest said many feel that the bike path would provide a great buffer between the Middle and North Parcels. It would also serve the Middle Parcel.

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

Moved by Nelson, seconded by Gartin, to direct staff come back with a recommendation on how to accomplish getting an easement or a bike path.

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

Moved by Betcher, seconded by Goodman, to add the criterion that states that abatement will not begin until 30% of the commercial space is leased.

Ms. Betcher commented that she was not sure if 30% was the right number. She said that she had used that number to model it after what was required in Campustown for other Urban Revite projects. Council Member Gartin said that all of the 12 items would be under the control of the Developer; however, there might be reasons why 30% of the commercial space might not be able to be leased. He sees that as an unfair change to the Developer. Council Member Goodman disagreed stating it was included in the Settlement Agreement that there would be eligibility criteria. Mr. Gartin again pointed out that he had voted in favor of adding the 12 criteria because they were under the control of the Developer; however, leasing at a certain percentage might not be under the Developer's control. Council Member Betcher asked Council Member Gartin why he had moved to include a similar criterion for a Campustown URA. Mr. Gartin did not recall the specifics about that and said he would have to research the particulars; however, he did not believe to add such a criterion in this case was fair to the Developer.

Vote on Motion: 4-1. Voting aye: Betcher, Corrieri, Goodman, Nelson. Voting nay: Gartin. Motion declared carried.

The meeting recessed at 7:50 p.m. and reconvened at 8:00 p.m.

**REQUEST OF ROSE PRAIRIE DEVELOPERS TO AMEND PRE-ANNEXATION AGREEMENT:** City Manager Schainker provided the history behind the Pre-Annexation Agreement for Rose Prairie. In summary, in 2009, the prior owners of the 170-acre site at the corner of Grant Avenue and 190<sup>th</sup> Street had requested approval of a Rural Subdivision. Since the request to develop farther north was not supported in the LUPP, the City Council denied the request and was subsequently sued for its denial by the property owners. He noted that the attorney for the developer had come up with a unique concept so even if the developer lost, a horizontal property regime would be established that would have allowed the developer to build a large number of units that would receive the residential roll-back. The City Council then directed staff to negotiate a mutually agreeable Development Agreement as a Pre-Annexation Agreement that included dismissal of the lawsuit. Ultimately, a Pre-Annexation Agreement was approved by the City Council that included acquiescence to annexation of the 170-acre site and laid-out development parameters, obligations for utility costs to serve the area, and a conceptual plan for development of 292 single-family homes in the manner of a conservation subdivision. Three Pre-Annexation Agreements were actually entered into, one with Rose Prairie and two others with developers who owned land adjacent to Rose Prairie. Although the property owner was annexed to the City in 2010, development of the site did not progress, and the property was transferred to other owners in May 2014. Mr. Schainker noted that the current owner of the property, Rose Prairie, LLC, (Developer) is currently represented by Terry Lutz.

Council Member Goodman advised that he was on the City Council during that time. He acknowledged that concessions had been made by the then-Council; however, it had fought hard on every one of those concessions. He pointed out that the presence of a lawsuit changes things, and the Council did what it felt was best for the City at that time.

Bill Ludwig, architect and urban planner, 14440 NW 144<sup>th</sup> Court, Des Moines, Iowa, said that the current plan has nothing to do with the previous plan. The previous plan was not workable and not what the current developer desired for the land. Council Member Gartin asked why the developers would not have taken the previous Agreement into consideration. He argued that there is a legal landscape as well as a topographic landscape in this case and pointed out that the land in question is subject to legal requirements.

Mr. Ludwig said that he devised the plan for the current Development to reflect consideration of the following items:

1. Natural drainage pattern. There will be a lake within the development. It will provide drainage for the area, protect Ada Hayden, and also provide an amenity for development.
2. Topography of the land.
3. Land use.
4. The village concept. This will be a walkable community.

Terry Lutz identified himself as the representative for Rose Prairie, LLC. He advised that the current owners believe that the current Development Agreement was a bad agreement from a developer's perspective. It would never have worked given the amount of infrastructure costs that the City had to recoup; there was not enough density. Mr. Lutz said that, when additional requirements are placed on a developer, ultimately it is the home owner that pays. According to Mr. Lutz, the objective of the current developer is to provide a quality housing development that will be affordable. One of the objectives was to make this a sustainable development and protect the watershed, and it is a priority of these developers to create buffers. The conceptual design was shown by Mr. Lutz. The main north/south collector would be an extension of Grant Road. According to Mr. Lutz, the price point for the homes would be somewhere in the neighborhood of \$300,000/home. There will also be some million-dollar homes built in Rose Prairie.

Director Diekmann reported that the Developer had now identified 13 issues that it would like to have addressed in an amendment to the current Agreement. The key topics related to the original Agreement include exceeding the 292-unit plan for development of the site with up to 678 housing units and adding Convenience Commercial, repayment of water costs, repayment of sanitary sewer costs, agreement to move the shared-use path from the railroad side of the project to Grant Avenue, costs for electric transmission extension, deletion of the phosphorus fertilizer prohibition, and elimination of the fire sprinkler requirement. Additional issues not in the current Agreement that the Developer would like addressed in a revised Agreement included: a neighborhood park, assignment of obligations to a successor interest in selling off parts of the overall development, location of Convenience Commercial zoning at the corner of 190<sup>th</sup> Street and Grant Avenue, high-density apartments of 162 units along 190<sup>th</sup> Street, and street layout of loop roads that does not include an east/west through-street connection to Grand Avenue.

Municipal Engineer Tracy Warner told the Council that no studies have been completed to date relating to the impacts of 678 housing units versus 292. Council Member Goodman said that he would not want to change the existing Agreement until the impacts are known, and in particular, the impacts to the Ada Hayden Watershed. Ms. Warner stated that studies would be done in the future if the number of units is increased. She also noted that a Conservation Subdivisions is residential. Components considered by the staff relating to the creation of the Conservation Subdivision Ordinance were pointed out by Ms. Warner. City Manager Schainker noted that the design showing 292 units was incorporated into the Agreement, and at this time, the developer is required to abide by that Agreement.

Mr. Ludwig said that the previous development plan will simply not work for Rose Prairie; 1.7 units/acre does not work.

Director Diekmann emphasized that approval of any of the amendments suggested by the Developer and supported by the City Council would not occur at this meeting.

Council Member Gartin said he that it might be best to defer to the experts as to what is best for the land in question. Council Member Goodman said that he agrees if it is in the context of protecting the

Ada Hayden Watershed; however, if it in any way compromises the protection of the Watershed, he would not be in favor.

Erv Klaas, 1405 Grand Avenue, Ames, stated that he had been a resident of Ames for 40 years. He noted that he had been involved in this property long before 2009. Mr. Klaas gave the background of his involvement, which began in earnest when he became a Storm Water Commissioner in 2001, and his efforts to require conservation practices around the Watershed. Mr. Klaas cautioned that when the developer says the plan won't work, it doesn't mean that it won't work as a viable development; it means that it won't provide the amount of profit that the developers want. He stressed that the area in question is not the place for development of 678 units; that would not be a low-impact development. According to Mr. Klaas, half of a prairie that was created by Clark Pasley, one of the prior owners of the area, is already gone due to the infrastructure that has been recently installed.

Council Member Gartin asked Mr. Klaas what it is about 678 units that increases the environmental impacts. Mr. Klaas answered that it is the rooftops, concrete, parking lots, and all impervious surfaces that contribute to storm water run-off. He does not see how those environmental impacts can be addressed appropriately by the plan being proposed by the current developer. It was specifically noted by Mr. Klaas that one of the items that the developer wants removed is the prohibition of the use of phosphorous. He described what phosphorous would do to Ada Hayden Lake.

Director Diekmann explained the main issues with the requesting changes to the Pre-Annexation Agreement, as identified by City staff:

1. Issue 1 (Section II.D) states the land is to be rezoned as Suburban Residential Low-Density (FS-RL) with a Master Plan for FS-RL, FS-RM, or F-PRD and for Convenience Commercial zoning. The existing Agreement mandates rezoning to FS-RL and includes a concept design with 292 single-family housing units. The current developer is pursuing a different concept with up to eight acres of commercial area and development of single-family detached units, single-family attached units, and apartments that require different zoning districts than FS-RL that is identified in the existing Agreement. The total development request by the current developer is a maximum of 678 units. In order for the Planning staff to move forward to assist the developer in accomplishing the new design concept, staff needs to know that the City is willing to consider a development plan that is different than the one that was approved for the previous owner. If Council is willing to accept an alternative concept plan, this provision must be changed to consider alternatives. The developer of Rose Prairie is asking that the former Development Plan be removed as Exhibit D from the Agreement.
2. Issue 2 (Section V.B.6.a) pertains to the requirement that a pro-rata share of the water cost be paid each time a parcel is platted. In addition, the total connection fee for the water costs on Grant Avenue are to be paid in full ten years after the date of the original agreement; therefore, 100% of Rose Prairie's portion of the water main on Grant is to be paid in full by July 10, 2020. Municipal Engineer Warner noted that the City just installed the water and sewer project last year.
3. Issue 3 (Section V.C.5.a) deals with the sanitary sewer connection fees instead of water.
4. Issue 4 (Section V.C.6) states that the developer will finance 100% of the cost of any sanitary sewer that may be required to serve the land west and north of Rose Prairie. If and when the land outside of the Rose Prairie property develops, the City would reimburse the developer the pro-rata cost of the sewer benefiting land outside the development with connection fees paid by others.

Mr. Lutz clarified that the developer is not asking for the City to pay for any of the infrastructure located on site. He alleged that the way the City decided to finance the off-site infrastructure is very typical of how other cities finance it, but it is not typical for the investment to be built into the City's utility rates. Mr. Lutz does not believe that it is fair to require the developer to "write a big check" to repay the cost of infrastructure if the development is completely unsuccessful and the market fails. Refuting Mr. Lutz's allegation about the impacts on the utility costs, Council Member Goodman clarified that if there are excess revenues, it means that future rates will not increase and may even decrease.

It was also stated by Mr. Lutz that to place the requirement on the current developer to pay for a portion of the water main on Grant by July 10, 2020 is unfair. He noted that the infrastructure was not in place five years ago, so development could not have occurred. Council Member Goodman refuted that statement pointing out that the requirement to pay for a portion of the water main on Grant was part of the Agreement that was entered into by the then-owner/developer of the land in question; that Agreement runs with the land and passes on to the successors.

Mr. Lutz clarified that he was only asking the City to finance the difference in cost between the portion that benefits Rose Prairie and that which benefits other developers in the area in question. He does not believe it is a fair method of financing the sewer to place the burden of cost and financing the improvements that do not benefit the Rose Prairie property.

5. Issue 5 (Section V.E.2) was explained by Public Works Director John Joiner. At the time of the original Agreement, a trail was planned to run along the railroad and continue north in the County along the railroad right-of-way and connect to Gilbert. However, since that time, the County has changed plans from installing a trail along the railroad to placing a trail along Grant Avenue. City staff believes that the City should match the County's plan and now have the shared use path along the west side of Grant Avenue. The developer desires to only construct one shared use path and not be required to build both the original path along the railroad and the Grant Avenue path. According to City Manager Schainker, staff supports this change.

Noting the benefits of connectivity between communities, Council Member Goodman noted that this presents an opportunity to still create a safe bike path adjacent to the railroad tracks. He does not believe that the Rose Prairie developers should pay for that, but he would like the possibility of such a bike path to be created.

6. Issue 6 (Section V.F.1-3) states that the developer shall pay for the electric extensions, lights, etc. The City is requesting Rose Prairie to pay for whatever costs were agreed to by the Hunziker and Friedrich's developments south and east of Rose Prairie. The Agreement anticipates that should the development of Rose Prairie occur prior to the development of the Hunziker South property, Rose Prairie would be responsible to bring electricity to their site. The staff sees no reason to change this Section of the Agreement at this time. Electric Services Director Donald Kom noted that the initial portion of the Rose Prairie development to the north will be within the Midland Power Cooperative service territory; however, it is highly probable that the City's electric distribution lines will be extended to Rose Prairie's southern boundary when Hunziker develops its southern property in the near future.
7. Issue 7 (Section V.H.1) requires the developer to include a covenant prohibiting the use of fertilizer or lawn additive that contains phosphate. Rose Prairie is now requesting that it be treated consistently with the Hunziker and Friedrich's properties to the south and east of Rose Prairie. The current language in the two other Pre-Annexation Agreements match the language in the existing Rose Prairie Agreement. Staff does not believe a change is warranted in this provision.

8. Issue 8 (Section V.H.2) requires sprinkler systems be installed in residential buildings. When first considered by the City Council, this Subdivision was outside of the City Council's emergency response time standard, and the requirement for sprinklered houses was meant to address that issue. However, the City Council eliminated this standard when a decision was made to grow farther to the north, and this language was then removed from the Hunziker and Quarry Estates Pre-Annexation Agreement. The developer is requesting that this Section be entirely deleted similar to the Hunziker and Friedrich's property to the south and east of Rose Prairie. Staff supports this request.
9. Issue 9 is a request that the developer sell up to five acres of land to the City for a public park. The park would have access off a road. The developer is proposing to sell the land to the City for \$30,000/acre plus the per-acre cost charged to them for all off-site streets, water, sewer, electric, etc., plus the cost of extending roads and/or utilities adjacent to the park property. Mr. Lutz said they see the value of the park; however, they do not think it is reasonable to ask the developer to give the land to the City. There are additional costs in connection with that, e.g., streets to lead to the park. Staff has identified that the proposed development of Rose Prairie with its requested intensification combined with the Hunziker South development trigger the need for a city neighborhood park. The LUPP identifies the need for parkland at a ratio of five acres/1,000 people. Rose Prairie projects to 1,500 people, and with Hunziker South development, the population may exceed 1,900 people. Staff believes that the park is a necessary component of public infrastructure to support rezoning and platting of the area for both projects. It does not believe that the acquisition of land for a park should be a City cost.
10. Issue 10 relates to the current structure of the Agreement for repayment of infrastructure costs. The repayment is triggered by final plats. The developer desires to create large parcels with the intent of selling off the parcels and then have them subsequently platted for development. The developer wants the agreement amended to reflect creation of these large parcels as an intermediate step that does not meet the intent of a final plat where fees are due. Fees would then be due with final plat for development of each large parcel.

Mr. Lutz clarified that Rose Prairie is requesting to assign the terms of the Agreement to potential other developers. The connection fees for utilities and/or any street assessments imposed on Rose Prairie would be transferred to the buyer of the outlots and the obligation to make whatever infrastructure payments, connection fees, etc., required by those outlots would be an obligation of the buyer(s) of the outlots at the time of their platting consistent with the terms of the Agreement. Staff believes that this type of revision would negatively impact the City's recapture of the water and sewer connection fees and street assessment as contemplated in the current Agreement. In order to accomplish this request, a revised Agreement would need to include the terms and conditions for the payment of connection fees and assessments for all proposed outlots.

Council Member Goodman stated that he would prefer Rose Prairie negotiate the terms of and enter into agreements with the other developers. Mr. Lutz would like the City to manage the agreements with the developers whom have purchased part of the large parcel from Rose Prairie.

11. Issue 11 pertains to the location of the Convenience Commercial Node for the North Growth Area. The developer is requesting that the Council approve the location of the proposed village center at the corner of 190<sup>th</sup> and Grant Avenue. It was alleged by the developer that the location of the commercial area will alter its approach to residential development and would like guidance on its proposed Master Plan. The developer believes that a more centrally located center south on Grant would typically be more desirable and consistent with the LUPP goals as it would be closer to more homes and not on the edge of the City. In this case, with no significant east/west road connections

through the Growth Area, it is difficult to project the success of locating a shopping center further south on Grant. Staff believes either location for commercial zoning could be acceptable.

12. Issue 12 deals with the location of the multi-family apartments. The developer is requesting that the location be along 190<sup>th</sup>. Staff believes that apartments are a desirable housing type in the Rose Prairie development and the proposed location along 190<sup>th</sup> Street is acceptable.
13. Issue 13 relates to the method of circulation. The developer's ideal method contains loop streets and a central open space feature. Staff has identified two street circulation issues related to that concept: (1) the original Agreement included an east/west street connecting to Grant Road and taking traffic into the development as well as a north/south street system, and (2) subdivision standards for block lengths and connections tying neighborhoods together and creating extensions to other abutting properties for development. Staff recommends that an east/west street connection to Grant be included in the design based on the City's street and block length standards and how typical roadways are planned in Ames. Without that connection, street spacing exceeds the City's standards of not-to-exceed a quarter mile for major intersections. Staff believes some loop roads for the neighborhoods are acceptable. It was noted that staff is unable to determine how the circulation for some of the larger areas will be impacted by the proposed loop road system because the Preliminary Plat has not been filed.

Council Member Goodman emphasized that Hunzikers are able to make this work in its adjacent development.

Council Member Betcher asked if it concerned staff at all that half of the development would be contained on two parcels and then ultimately dump onto 190<sup>th</sup>. Director Diekmann noted that in the past there has been no impact shown on 190<sup>th</sup> and Grand.

Council Member Goodman pointed out that since 1997, developers have been able to develop in the City abiding by the requirements that have been imposed by the City. He has concerns about making revisions for one developer. He reiterated that the other two developers in the subject area have been able to develop their properties while abiding by the existing guidelines. Mr. Goodman noted that the current Rose Prairie developers purchased the land knowing its history and the existence of the Agreement is now asking the City to change 13 of the requirements because they won't work for them.

Mr. Lutz stated that if the road to the east/west is absolutely a requirement or if revisions to the neighborhood pods are required, the developer has to know that because the entire plan is based around those items. He told the Council that the east/west connection would impact the location of the proposed lake feature. The lake would also serve as a storm water detention pond; thus, that lake would be an amenity to not only the developer, but also to the City.

Mr. Ludwig stated that the Preliminary Plat is ready to be filed. If the proposed plan is not going to be acceptable, the developer has to know that now. He said the developer has put in a lot of time. Council Member Goodman commented that it is not fair for the developers to put this on the City because they have now shown up wanting to make 13 huge changes to an Agreement that they knew existed and ran with the land when they purchased it.

Council Member Goodman also stated his opinion that loop streets are not conducive to connectivity, and the City strives for connectivity.

Justin Dodge, Hunziker & Associates, 105 S. 16<sup>th</sup> Street, Ames, noted that Hunzikers have two developments adjacent to Rose Prairie, i.e., Hayden's Crossing and Auburn Trail (Hunziker South).

According to Mr. Dodge, Hunzikers have a good working environment with Rose Prairie developers. Mr. Dodge commented that, if loop streets are going to be allowed in Rose Prairie, Hunzikers would like the same arrangements for their developments; they would like all the developers to be treated the same. At the inquiry of Council Member Goodman, Mr. Dodge said that Hunzikers have been able to develop under the conservation subdivision requirements.

It appeared to Council Member Betcher that Issues 5, 7, and 8 are really non-issues. She asked if the Council could do away with those and concentrate on the other Issues. Council Member Goodman said he was not willing to decide on major decisions that will change the way land has been developed in Ames for the past 20 years. He feels this is much broader than just Rose Prairie. He again expressed his dismay that the developer came to the City expecting the Council to make major changes to an existing Agreement that runs with the land and the developer was well aware of that when it purchased the property.

Moved by Goodman, seconded by Corrieri, to ask staff to ensure that there is at least one east/west connection in the development as per existing guidelines.

Council Member Gartin said that he would be in support of going with the design in its current form.

Council Member Nelson said that he cannot require an east/west connection when he doesn't have enough information.

Vote on Motion: 4-1. Voting aye: Betcher, Corrieri, Goodman, Nelson. Voting nay: Gartin. Motion declared carried.

The meeting recessed at 10:57 p.m. and reconvened at 11:05 p.m.

**REDEVELOPMENT OF CITY-OWNED PROPERTIES AT 519-521 6<sup>TH</sup> STREET:** Housing Coordinator Vanessa Baker-Latimer recalled that, on May 12, 2015, the Council had directed staff to proceed with soliciting development opportunities for the City properties at 519 - 521 6<sup>th</sup> Street.

Ms. Baker-Latimer advised that the City received one proposal by the June 20, 2015, deadline. The proposal was filed by Benjamin Design Collaborative/Story County Community Housing Corporation. She said that staff had convened a committee of five members from Planning, Finance, Purchasing, Building Inspections, and Housing to review the Request for Proposals (RFP) to review the process, selection criteria, and score the proposal. The RFP required a minimum of 85 points out of the maximum 172 available points to be considered further in the process and to receive a referral to the City Council. The final scoring of the one proposal was 81 points.

According to Ms. Baker-Latimer, the consensus of the committee's concerns regarding the proposal was the project feasibility and the ability of the group to meet CDBG administration requirements. The main concerns were the financial instability of the organization (based on prior financial audits), project pro forma, overall lack of federal/state grant experience and administration, and organizational capacity for a project of this size and scale.

After being questions, Ms. Baker-Latimer advised that staff had learned through the process that the low response rate to the RFP was not due to a lack of interest in housing in Ames, but due to the small number of units being proposed.

Council Member Gartin pointed out that the proposal had 81 points; 85 were required. He asked if there was anything that the applicant could do to move its application forward. Ms. Baker-Latimer



replied that, in looking at the HUD criteria that must be met, the red flag was the results of a prior financial audit. She noted that the City's Finance Director had significant concerns over the results of the audit.

Ms. Baker-Latimer brought the Council's attention to possible next steps. There are two strategies:

1. Acquire additional land to package with the 6<sup>th</sup> Street site.

Ms. Baker-Latimer said that staff believed that it would be beneficial to increase the developable rental units to a minimum of 20 units. This would also be consistent with the current CDBG Annual Action Plan.

2. Explore the feasibility of directly applying for grants on behalf of the City, e.g., State HOME funds, to help pay for construction costs of the project.

According to Ms. Baker-Latimer, the City would seek a qualified builder to construct the units for the City. It was pointed out that this option would involve substantial staff resources to prepare a grant application, administer the grant, and oversee the project construction.

Council Member Goodman suggested that the City possibly change the model that it traditionally uses in projects such as this. Council Member Betcher questioned why the City should do that. She pointed out that the proposal came in with fewer points than were required to move to the next step in the process.

City Manager Schinker disagreed that it was the model. He asked if perhaps staff was using the wrong indicators, e.g., the audit.

Dale VanderSchaaf, 2602 Tyler Street, Ames, identified himself as a representative of Story County Community Housing Corporation (SCCHC). Mr. VanderSchaaf said he wanted to set the story straight. According to Mr. VanderSchaaf, SCCHC had always operated in the black. They have \$1.15 million in assets, with outstanding obligations of approximately \$300,000. Mr. VanderSchaaf does not see that that makes them an unstable organization. He stated that the City looked at one audit (for 2013/14), which was not a good audit; however, if the City would look at other audits, it would show a different story. According to Mr. VanderSchaaf, SCCHC does have organizational capacity. It has never incurred any short-term debt that could have put the organization in jeopardy.

Mr. VanderSchaaf advised that SCCHC has received an on-line commitment from a local church in the amount of \$100,000 to do this project. If it doesn't do the project, that donation would go away. He noted that this project is larger than its previous projects; however, it has good construction oversight.

According to Mr. VanderSchaaf, SCCHC has one apartment on Lincoln Way that was purchased with Housing and Urban Development (HUD) funds. Noting the reporting requirements for HUD projects, Mr. VanderSchaaf advised that they had gotten a little behind on filing reports, but by the end of this week, they should be caught up.

Council Member Betcher stated that she is concerned by the fact that HUD is not forgiving. Mr. VanderSchaaf advised that Martin Property Management now manages the HUD-funded project, and the reports will be filed on time from now on.

Council Member Gartin asked if there would be any merit in revisiting this with SCCHC. Director Diekmann asked to know specifically what staff would be revisiting. He advised that staff had already met with the SCCHC.

Council Member Goodman said he has a hard time not seeing the risk in revisiting the SCCHC proposal. He commented that not-for-profit volunteer organizations are different than for-profit organizations.

Housing Coordinator Baker-Latimer said that what Mr. VanderSchaaf was saying was different from what she has heard from the Iowa Finance Authority (IFA). She does not want to jeopardize the future of the City's CDBG funding because the City is not in compliance if this project is not successful.

The alternatives were presented by Ms. Baker-Latimer. She noted that staff had had conversation about the process. She was told that in order to apply for larger funding sources to produce lower income housing units, such as the Low-Income Tax Credit Program or Work Force Tax Credit Program, the minimum number of units proposed to be built is generally 20 - either in one project or a package of projects. The minimum unit threshold is due to how tax credits are syndicated for financing projects.

Council Member Corrieri pointed out that there are issues facing non-profits that do not affect private developers, especially those which operate with volunteer staff.

Council Member Goodman stated his opinion that the City had received a very robust serious proposal from a local agency; it was only four points short of the required number to move it forward. While he is not suggesting that the project be given to SCCHC, he would like more information as to the staff's evaluation. In particular, he would like to have a letter from IFA explaining the concern.

Moved by Goodman, seconded by Gartin, to ask staff to come back to Council with a more detailed explanation of how the criteria balanced out and the criteria that led them to the conclusion about the proposal that was received.

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

Council Member Goodman asked the SCCHC to reach out to IFA to better understand the issues.

Trish Stauble, 1319 Top-O-Hollow, Ames, asked to see the points that were given by the committee to the SCCHC's proposal. She said they could pay to have another audit conducted; however, it costs \$3,000. Ms. Stauble believes that the SCCHC could do the project; they have assets.

**STREET AND PARKING CLOSURES TO ACCOMMODATE CONSTRUCTION OF APARTMENT BUILDING AT 2311 CHAMBERLAIN AVENUE:** Civil Engineer II Eric Cowles explained that the property owner at 2311 Chamberlain is currently in the process of constructing a new apartment building behind the existing University Towers Apartments located at 111 Lynn Avenue.

City Manager Schainker noted that a letter was received today from Jason Conway, Opus Development Company, LLC; 10350 Bren Road West, Minnetona, Minnesota, requesting to delay the closure of Lynn Avenue. The letter advised that the Foundry, located on the corner of Lynn Avenue and Lincoln Way, is anticipating its tenants to move-in over the weekend of August 21 - 23. Its work will be scheduled at a time that does not conflict with such a busy time. Mr. Schainker advised that the Council's approval for the closure of Chamberlain was still needed. He pointed out that there will be two-way traffic; however, the City will lose parking for over a year. The developer will reach out to the businesses in the area about the proposed closure.

Moved by Betcher, seconded by Nelson, to direct staff to approve only the closure of the parking spaces along Chamberlain, shifting the two-way traffic to the south half of the road until August 2016.

**SMART ENERGY PROGRAM:** Moved by Goodman, seconded by Corrieri, to adopt RESOLUTION NO. 15-500 approving the following changes to the Smart Energy Program:

Residential Lighting Rebate Program

- a. Remove compact fluorescent lamps (CFLs) from the program
- b. Remove T8 rebate for new construction
- c. Retrofit T8 must replace T12 in order to qualify for the T8 rebates
- d. Reduce rebate levels 30%-50%

Commercial Lighting Rebate Program

- e. Remove T8 rebate for new construction
- f. Retrofit T8 must replace T12 in order to qualify for the T8 rebates
- g. Reduce rebate levels 30%-50%

Air Conditioner Rebate Program

- h. Raise qualifying threshold from 14 SEER to 15 SEER
- i. Reduce standard programmable thermostat rebate to \$15
- j. Add a WiFi/Learning thermostat rebate of \$50
- k. Add an air conditioning retro-commission (tune-up) rebate of \$100

Appliance Rebate Program

- l. Add dehumidifier rebate of \$25
- m. Add electric dryer rebate of \$50

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

**ORDINANCE REZONING PROPERTIES AT 519, 525, AND 601 - 6<sup>TH</sup> STREET:** Moved by Corrieri, seconded by Goodman, to pass on second reading an ordinance rezoning properties at 519, 525, and 601 6<sup>th</sup> Street from Residential Medium Density (RM) with Single-Family Conservation Overlay District (O-SFC) to Residential Medium Density (RM).

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

**ORDINANCE REZONING, WITH MASTER PLAN, PROPERTY AT 5400 GRAND AVENUE:** Moved by Goodman, seconded by Nelson, to pass on second reading an ordinance rezoning, with Master Plan, property at 5400 Grant Avenue from Agricultural (A) to Suburban Residential Low Density (FS-RL).

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

**ORDINANCE CREATING RESEARCH PARK AND INNOVATION ZONING DISTRICT:** Moved by Betcher, seconded by Corrieri, to pass on third reading and adopt ORDINANCE NO. 4223 creating the Research Park and Innovation Zoning District.

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

**ORDINANCE REVISING CHAPTER 5 PERTAINING TO INFRASTRUCTURE IMPROVEMENTS:** Moved by Goodman, seconded by Corrieri, to pass on third reading and adopt ORDINANCE NO. 4224 revising Chapter 5 pertaining to infrastructure improvements.

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

**ORDINANCE REVISING CHAPTER 22 PERTAINING TO INFRASTRUCTURE IMPROVEMENTS:** Moved by Goodman, seconded by Corrieri, to pass on third reading and adopt ORDINANCE NO. 4225 revising Chapter 22 pertaining to infrastructure improvements.

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

**COUNCIL COMMENTS:** Council Member Betcher stated that she had received e-mails regarding the house fire on 8<sup>th</sup> Street. Old Town Neighborhood residents have expressed concerns over the way the electrical service was shut down.

Moved by Betcher, seconded by Goodman, to direct staff to have a discussion with neighborhood residents pertaining to the electrical shut-down process.

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

**ADJOURNMENT:** Moved by Goodman, seconded by Corrieri, to adjourn the meeting at 12:02 a.m. on August 12, 2015.

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Diane R. Voss, City Clerk

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Ann H. Campbell, Mayor