

MINUTES OF THE REGULAR MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

MARCH 1, 2016

The Ames City Council met in Regular Session at 6:00 p.m. on the 1st day of March, 2016, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council members present: Gloria Betcher, Amber Corrieri, Tim Gartin, Chris Nelson and Peter Orazem. Council Member Bronwyn Beatty-Hansen was brought in telephonically. *Ex officio* Member Sam Schulte was also present.

CONSENT AGENDA: Council Member Betcher asked to pull Item No. 12 for separate discussion.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meeting of February 16, 2016, and Regular Meeting of February 23, 2016
3. Motion approving certification of civil service applicants
4. Motion referring to Planning and Zoning Commission the Voluntary Annexation Petition for 5871 Ontario Street
5. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class C Liquor & Outdoor Service – Coldwater Golf Links, 615 S. 16th Street
 - b. Class E Liquor, C Beer, & B Wine – Kum & Go #227, 2108 Isaac Newton Drive
 - c. Class E Liquor, C Beer, & B Wine – Kum & Go #113, 2801 E. 13th Street
 - d. Class A Liquor & Outdoor Service – Elks Lodge #1626, 522 Douglas Avenue
 - e. Class C Beer & B Native Wine – Swift Stop #4, 1118 South Duff Ave.
 - f. Class C Beer & B Wine – Swift Stop #5, 3218 Orion Street
 - g. Special Class C Liquor – The Spice Thai Cuisine, 402 Main Street
 - h. Class E Liquor, C Beer, & B Wine – Sam’s Club #6568, 305 Airport Road
 - i. Class E Liquor, C Beer, & B Wine – Wal-Mart Store #749, 3015 Grand Avenue
 - j. Special Class C Liquor & B Wine - Southgate Expresse, 110 Airport Road
6. Motion approving 5-day (March 18-22) Class C Liquor License for Christiani Events at Lied Rec Center, 518 Beach Road
7. Motion approving Ownership Change of Class C Liquor License for +39 Restaurant, Market, & Cantina, 2640 Stange Road
8. Motion approving Outdoor Service Privilege April 16 and 17 for Sips and Paddy’s Irish Pub, 126 Welch Avenue
9. RESOLUTION NO. 16-092 approving appointments to City’s various boards and commissions
10. RESOLUTION NO. 16-093 approving Change Order No. 9 to the Ritts Law Group for specialized environmental legal support, extensive environmental analysis, and Iowa DNR construction permit preparation work
11. RESOLUTION NO. 16-094 authorizing continued offering of health insurance benefits to temporary employee in Electric Services to complete special project in support of Power Plant fuel conversion
12. Greek Week 2016 Requests:
 - a. Motion approving blanket Temporary Obstruction Permit

- b. RESOLUTION NO. 16-096 approving closure of portions of Sunset Drive, Ash Avenue, Gray Avenue, Greeley Street, and Lynn Avenue from 8:00 a.m. to 8:00 p.m. on Saturday, April 2
 - c. RESOLUTION NO. 16-097 approving suspension of parking regulations for portions of Gray Avenue, Ash Avenue, Greeley Street, Pearson Avenue, Lynn Avenue, and Sunset Drive from 5:00 p.m. Friday, April 1 to 8:00 p.m. Saturday, April 2
13. RESOLUTION NO. 16-098 approving preliminary plans and specifications for Skate Park Renovations; setting March 30, 2016, as bid due date and April 12, 2016, as date of public hearing
14. RESOLUTION NO. 16-099 approving contract and bond for Furman Aquatic Center Pool Basin Repainting Project
- Roll Call Vote: 6-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

REPAIR AND RESTOCK OF STREET ‘N GREET BLOCK PARTY TRAILER: Council Member Betcher noted the popularity of the fixture and wondered why there was no permanent funding appropriated in the operating budget. Planning and Housing Director Kelly Diekmann advised that there is a donation box at each event, and the restocking had been paid for by the monies from that donation box or other donated funds.

Council Member Gartin asked if there had been any problems in the past with restocking and/or repairing the Trailer. Director Diekmann replied that this was the first time capital costs for repairs had been necessary. He explained that after the FY 2014-15 Block Trailer season ended, an inspection of the Trailer revealed that repairs were needed.

Moved by Betcher, seconded by Gartin, to adopt RESOLUTION NO. 16-095 approving an allocation not to exceed \$1,200 from the 2015/16 Council Contingency Account to repair and restock the Street ‘n Greet Block Party Trailer.

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

PUBLIC FORUM: Mayor Campbell opened Public Forum.

Richard Deyo, 505 Eighth Street, #102, Ames, described an event that had happened when he was at Food at First.

The Mayor closed Public Forum after no one else came forward to speak.

REQUESTS FROM AMES CHAMBER OF COMMERCE FOR AMES MAIN STREET FARMERS’ MARKET ON SATURDAYS FROM MAY 7 TO OCTOBER 15, 2016: Assistant City Manager Brian Phillips advised that the Ames Chamber of Commerce is planning to host the sixth annual Main Street Farmers’ Market, which will take place in the 300 and 400 Blocks of Main Street and on Burnett Avenue from Main Street to the U. S. Bank drive-through. It is planned to operate from 8 AM to 12:30 PM on 24 Saturdays from May 8 to October 15. Mr. Phillips explained the requests that had been made by the Chamber in order to facilitate this event.

According to Mr. Phillips, in the past few years, Council has changed the amounts that the City has waived in regard to parking fees; it hasn't always granted the full amount of the requested waiver. He also noted that the letter from Swank's Jewelry had been presented to the organizers at the Special Events meeting. Mr. Phillips advised that if the Council chooses to change the location from what the Farmers' Market has requested, none of the options for alternate locations have been evaluated by staff to see if they actually would be feasible. He advised that, if the Council members are interested in a different configuration for the Market, they should refer the issue back to staff for evaluation.

Andrea Gronau, Worldly Goods, 200 block of Main Street, Ames, said that she was speaking both as a businessperson and a member of the Main Street Steering Committee, who organized the Farmers' Market in 2011. Ms. Gronau advised that Worldly Goods has benefitted from increased foot traffic and increased sales. She believes the Market builds up the Downtown culture and invites more people to shop the Downtown. Ms. Gronau offered that 70,000 people come to the Farmers' Market throughout the season. She asked to keep the Farmers' Market in the location being requested by the Market organizers.

Dale Dyvig, 412 Burnett Avenue, Ames, reported that the entrance to his business is blocked by the Farmers' Market. He suggested alternate locations: City Hall Parking Lot or behind Fifth Street. Mr. Dyvig also shared that the Market is supposed to end by 12:30 p.m. on Saturdays, but many times at 2:30 p.m., they are still there. Saturdays are one of the busiest days for his business, and his customers have a difficult time accessing his store for the majority of the day for half the year due to the Farmers' Market. It was also pointed out by Mr. Dyvig that Kellogg will be closed some time in the future for renovation; that will further cause problems for his customers getting to his store and other stores. He would like an alternate location tried for a year; if it doesn't work, the Farmers' Market could go back to where it has been located.

Rick Swank, 219 Main Street, Ames, stated that Swank's Jewelry had been in business on Main Street since 1964. He pointed out that he had started a petition in an attempt to get the Farmers' Market to move to a different location. The petition was signed by 160 people and included 17 Downtown businesses. Mr. Swank stated that his business has suffered during the last two years because the street is closed in front of it. He said his customers will not walk two to three blocks to access his business. Mr. Swank said that he did not want to get rid of the Farmers' Market; he just wants it to work for everyone.

Lojean Peterson, 2814 Duff Avenue, Ames, asked the City Council to approve the requests of the Farmers' Market. She believes it brings a lot more people to Main Street and offers Main Street businesses the opportunity to be more visible. Ms. Peterson said that the Market organizers have researched different options, but none of them meet their criteria.

Council Member Gartin suggested that the vendor booths be positioned back-to-back so that the businesses feel more a part of the Market. Ms. Peterson said she had visited Valley Junction, where that set-up is used. The problem with it was that all the pedestrians were pushed to the sidewalk, which became very congested.

It was also asked by Council Member Gartin if there had been any thought given to shifting the Market down a couple blocks. Ms. Peterson said that, logistically, that could cause problems because of the location of the electrical outlets. She also noted that vendors were concerned about moving because customers get accustomed to their locations and they might not look for them in a different location.

Council Member Gartin asked if efforts had been made to reach out to those businesses that are impacted. Ms. Peterson said that they had asked Main Street businesses to have conversation and communication with them, but that had not worked out too well.

Council Member Nelson said he liked the idea that the vendor booths be positioned back-to-back. He thought that the pedestrian/walking areas could be in the parking, rather than pushing the pedestrians all the way to the sidewalk. Ms. Peterson said that wouldn't work due to the amount of feet that is needed down the center.

Council Member Betcher pointed out that the Farmers' Market had grown considerably over the past few years, and they have added time and more weekends. She noted that the extent of set-up and tear-down does make it a couple hours more. Ms. Betcher said she had observed that the number of vendors and attendees seems to be fewer as it gets later into the fall. She questioned whether the Market could pair back on the time of operation or number of weeks. Ms. Peterson replied that the time of operation had been lengthened due to the requests of the vendors. The organizers do try to make the vendors shut down by at least 1:30 p.m. She also said that the attendance depends on the weather, and sometimes it does trail off in October. Ms. Peterson pointed out that, last year, it was moved to the 400 block later in the season. She also advised that this year during the last two weeks in October, they plan to set up at Wheatsfield.

Brian Smith, owner of Everett's, 329 Main Street, Ames, said that his store is right in the middle of the Farmers' Market. He has it on both sides (Main and Burnett) of his store. Mr. Smith voiced his support for the Market. He believes that it creates a "family" atmosphere; there is great ambiance. He noted the large number of visitors who come to the Ames community because of the Farmers' Market. At the inquiry of Council Member Gartin, Mr. Smith stated that Everett's has been in business since 1922; he has been a part of it for 31 years. He does not know if a different location would be better; there are pros and cons both ways.

Larry Goodale, Grove Café, 124 Main Street, Ames, noted that he is on the far end of the Farmers Market and might not be as impacted as much as other businesses. He said that he has had customers who have told him that they will not come to his Café on Saturdays when the Farmers' Market is going on due to the traffic congestion. Mr. Goodale reported that he has a lot of older customers - some in their 80's - and they can't walk that far. He checked his books before coming to this meeting and found that his business experienced 20% lower sales during the Farmers' Market.

Mr. Goodale commented that he believes the number of those attending the Market annually has been overstated. He told the Council to do the math: If 80,000 people come to Ames in 26 weeks, it would equate to 3,076 persons/week. If there are four persons to a vehicle, that would result in nearly 800 more cars in the Main Street area every Saturday. Mr. Goodale also believes that there are not as many

vendors as has been stated because there are musicians and informational booth, neither of which are selling anything. He commented that he had heard Ms. Peterson state that the vendors are concerned about customers not finding their vending stand, but no one seems to be concerned about the customers of the permanent businesses not being able to access their stores. Mr. Goodale pointed out that Ms. Peterson said they were open to options about the location, but it seemed to him that they were very negative about any suggestion to move it. He said he would like to see the Market set up behind Main Street. Mr. Goodale also suggested that the Downtown Farmers' Market be held on Sunday. He advised that that is his second busiest day, but he would rather it be on Sunday than on Saturday. Mr. Goodale stated that he is not against the Farmers' Market, but doesn't want it on Main Street. He suggested that the Downtown Farmers' Market and the North Grand Farmers' Market merge again; Ames doesn't need two.

Benjamin Ruttgers, 919 South 16th Street, Apartment #405, Ames, said he was speaking on behalf of the brick-and-mortar businesses as they are the ones who are paying property taxes. In addition, the City is losing revenue from the parking meters. Mr. Ruttgers said he supports moving it to 5th Street, which would seem to work for both the businesses.

Jeff Houghtby commented that his store was Photosynthesis located at 317 Main Street, Ames. He said that he had heard it said that there is a conspiracy to overestimate how many people attend the Farmers' Market. Mr. Houghtby commented that the Market should not be moved to the 500 block of Main Street as no one considers it to be part of the Downtown. He does not think it would work to move it to a parking lot because one of the purposes of the Farmers' Market is to showcase Downtown Ames; in order to do that, it has to be located on Main Street. According to Mr. Houghtby, those businesses that are paying attention to only their sales on Saturday are missing the point. It is his opinion that Farmers' Market has brought the younger generation to the Downtown businesses. He The Farmers' Market appeals to broader clientele, many of whom would not be on Main Street if not for the Market. Mr. Houghtby asked the City Council to consider the 48 businesses that have benefitted.

Becca Wenkauf, 626-9th Street, Ames, advised that she had been a resident of Ames since 1985 and is a periodic vendor at the Farmers' Market. She reported that she is "Becca the Balloon Lady," so families look her up. She was a vendor before the Market split and had formerly been at the North Grand Mall site. Ms. Wenkauf commented that she had been terrified for the children when she was at the Mall site because of the traffic. She reported that the Downtown Farmers' Market had formerly been at the Depot, but no one knew they were there. In her opinion, the Downtown Farmers' Market site on Main Street is absolutely amazing; the ambiance is amazing. Ms. Wenkauf believes that access to the businesses is not the issue; parking is the issue, and they need to find a solution to the parking problems.

Lojean Peterson advised that the Market can't block access to churches due to weddings oftentimes being held on Saturdays, can't block drive-throughs to banks, can't block CyRide stops, and u-turns are a problem on side streets. They could look into holding the Market on Sundays; however, Sundays are usually reserved for family events.

Larry Goodale again spoke asking if First National Bank were more important than his business or the jeweler's business. He said he still didn't see why Sunday wouldn't work because people had said

that the Market was a great time for families and provided a great family atmosphere, and Ms. Peterson said that Sunday was a family day.

Ryan Jeffrey, 234 Parkridge Circle, Ames, said that he had been a vendor at the Downtown Farmers' Market for the past four years. He commented that every single day when he was vending, people noticed a business that had moved to Downtown from Campustown. Mr. Jeffrey believes that the public good is best served by having the Market where it has been. He would love to see the Farmers Market move to Campustown, but he feels the public good is best served with it being located on Main Street.

Elizabeth Hunt, 831-8th Street, Ames, stated that she is a vendor at the Downtown Farmers' Market. She is concerned about the businesses, but she believes the Market has enhanced the Downtown.

Scott Griffin said that he was the owner of two businesses on Main Street: one at 125 Main Street and one at 316 Main Street. One of those businesses is directly impacted and one is not. He does lose business on Saturdays. Mr. Griffin commented that the problem is a lack of direction in the Downtown; there is a lack of communication. He does not feel that the location of the Farmers' Market is as much of a problem as the lack of leadership and communication.

Carol Williams, Ames, 628 - 8th Street, Ames, stated that she attends the Farmers' Market every Saturday morning unless she is working. There are many people who walk or bicycle to the Market. She believes Main Street is a lovely location for the Farmers' Market that is working for most people. Ms. Williams expressed her appreciation of where it is and hoped that it will stay there.

Lonna Nachtigal advised that she was an owner of Onion Creek Farm off of North Dakota and has been a long-time vendor at the Farmers' Market. She sees this as a good opportunity for conversation and to come up with creative solutions.

Council Member Betcher commented that she thought the testimony at tonight's meeting provided a nice encapsulation of the issues. Acknowledging that there are issues, she said that this year is not the time to make a change. Ms. Betcher wondered about opportunities that there might be to get people Downtown to the businesses. She noted that she sees a lot more people downtown with the Farmers' Market than she ever saw without it. There is vibrancy in the Downtown in the morning into the afternoon when the Market is going on. Ms. Betcher commented that perhaps it doesn't have to run for as many weekends due to attendance trailing off in October.

Council Member Corrieri stated that to her, the Market does seem to bring a sense of community and appears to be a way to showcase Downtown Ames. She believes that there was a lot of thought put into the location and it did seem to look at making Downtown a destination. Ms. Corrieri recommended that the businesses that are experiencing difficulties participate in conversations with the Market organizers.

Council Member Orazem acknowledged that he doesn't have mobility problems, but he had always been able to access the stores during the time the Farmers' Market was in operation. He does believe parking is an issue. Mr. Orazem shared that, with the Farmers' Market, 75 parking spaces would be taken up. He recommended that the signage as to how to access the businesses be improved.

Council Member Gartin encouraged the Downtown businesses to be willing to try to find creative solutions and to participate in conversations with the Market organizers.

Council Member Betcher urged the Market organizers to be more proactive in facilitating conversation if it doesn't happen on its own.

Council Member Nelson asked that the concerns be brought to the attention of the City Council as they occur.

Moved by Gartin, seconded by Corrieri, to approve a Blanket Temporary Obstruction Permit and Blanket Vending License.

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

Moved by Gartin, seconded by Corrieri, to adopt RESOLUTION NO. 16-100 approve closure of 300 and 400 blocks of Main Street, and Burnett Avenue from Main Street north to alley, from 5:00 a.m. to 1:30 p.m.

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

Moved by Gartin, seconded by Corrieri, to adopt RESOLUTION NO. 16-101 approving a waiver of the fee for the Blanket Vending License.

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

Moved by Gartin, seconded by Corrieri, to adopt RESOLUTION NO. 16-102 approving the request to waive parking enforcement in CBD Lots X and Y.

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

Moved by Gartin, seconded by Corrieri, to adopt RESOLUTION NO. 16-103 approving the request to waive parking meter fees in the 300 and 400 blocks of Main Street and a portion of Burnett Avenue and electric usage fees.

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

NORTH GROWTH AREA (CAMERON SCHOOL ROAD, DANKBAR/MUENCH-FRIEDRICH): Planning and Housing Director Diekmann reported that the City Council had identified six tasks for the Planning Division to address over the next two years. One of those tasks was to review the Ames Urban Fringe Plan and development options for the area between the Northwest and Northern Growth Area. That "Gap Area" sits between the Northern Growth Area to the east of George Washington Carver and the Northwest Growth Area that is situated west of Squaw Creek and centered upon North Dakota Avenue. The Area is a part of the Ames Urban Fringe Plan. That Plan has a designation of Priority Transitional Residential for the area. Priority Transitional Residential allows for rural residential development at a minimum of 3.75 units per net acre, but does not require annexation to the City prior to development and leaves the timing of annexation to the discretion of the City. It was pointed out by Director Diekmann that the Ames Golf and Country Club

land is approximately 160 acres of Recreation Area bordered by rural Residential. He noted that lands to the northwest of the Gap Area have a rural Transitional Residential designation.

Mr. Diekmann commented that the City Council had analyzed annexation policies as part of the 2008 Targeted Growth Study and last reviewed its policies as part of the Northern Growth amendment in 2011. Following that review, the City Council amended the Land Use Policy Plan (LUPP) in 2011 to allow for annexation and development of land along Grant/Hyde Avenue as a non-incentivized growth area.

According to Director Diekmann, the Gap Area is mostly undeveloped with a handful of homes existing before reaching rural subdivisions along Squaw Creek. Three property owners, Borgmeyer, Muench, and Dankbar, control over 90% of the area. Staff estimates that there is approximately 160 net developable acres in the Gap Area. Development at minimum required densities would provide for approximately 600 homes. Development under the LUPP's New Lands assumptions of an average of five units/acre would generate approximately 800 homes.

The Council members were reminded by Director Diekmann that annexation policies had been analyzed as part of the 2008 Targeted Growth Study and last reviewed as part of the Northern Growth amendment in 2011. Following that review, the Council amended the Land use Policy Plan (LUPP) (in 2011) to allow for annexation and development of land along Grant/Hyde Avenue as a non-incentivized growth area. The area west of the railroad tracks was also designated as Northern Growth in 2011, but no changes were made to the Fringe Plan to implement such a designation. The Athen property that is now under development as the Scenic Valley Subdivision was the subject of an individual Fringe Plan and LUPP Amendment in 2012 that allowed for it to be annexed and approved for development. Council agreed, in 2014, to waive subdivision standards and not require annexation of the Ames Golf and Country Club for its proposed 30-home development along George Washington Carver. It was noted that that project has not yet been submitted for approval by the City, and the waiver requests would have to be reviewed again by the City Council. Mr. Diekmann noted that the Gap Area was previously left out of the City's expansion plans due to the cost of extending infrastructure and providing City services.

Mr. Diekmann advised that the most significant issue known at this time relates to the sanitary sewer service. He said that if the Council chooses to move ahead with initiating a LUPP or Fringe Plan amendment, additional details concerning site development densities and options would need to be investigated.

Public Works Director John Joiner explained that there are two distinct sanitary sewer watersheds involved: the Borgmeyer/Ames Golf and Country Club and the Dankbar/Muench areas. Sanitary sewer for the Borgmeyers and the Ames Golf and Country Club is intended to be served from a main extension that will be a part of the Rose Prairie development and ultimately connect to the newly installed sanitary sewer along Grant Avenue. Those areas were included in the sewer pipe sizing calculations for the Grant Avenue sewer along with the proposed single-family residential homes in Rose Prairie, Quarry Estates, Hayden's Crossing, and the proposed Hunziker development on the west side of Grant Avenue just north of the existing city limits. The Borgmeyer and Ames Golf and Country Club areas were included in the sanitary sewer connection district established in 2014 to recoup the City's cost of the installation of the sanitary sewer along Grant Avenue. The Dankbar and

Meunch properties provide challenges for being served by City sanitary sewer; those issues were highlighted during the Sanitary Sewer System Evaluation Council Workshop in May 2015.

In addition to the sanitary sewer issue, other issues explained by Director Diekmann included:

1. Transportation. The general effects of development within the Gap Area would be an increase of roughly 8% on traffic levels along George Washington Carver as people travel into the City along Stange Road, Bloomington, and 24th Street. If the City moves forward with more refined development details for this area, a project-specific traffic impact assessment would likely be needed.
2. Parks and Recreation. The Gap Area is situated in a manner that approximately half of the Borgmeyer property is within one-half mile of the neighborhood park located in Northridge Heights, but the other properties in the Gap Area are not located in proximity to a public park. The City would need to consider how to plan for park facilities in this Area.
3. Emergency Services. The Fire Department's goal is to provide an average response travel time of five minutes or less to 85% of all incidents. Using the City's Geographic Information System to analyze response times, development in the Gap Area would exceed the five-minute travel time goal. Also, development in the Gap Area may affect the city-wide averages if new development in this Area produced an inordinately high amount of emergency incidents.

John Joiner, Director of Public Works, noted that City consultants Veenstra & Kimm had conducted an evaluation of the City's ability to serve 350 single-family homes with sanitary sewer. In July 2015, staff received the report that showed that there is no additional capacity available. The proposed development would create sanitary sewer overflows in four downstream manholes, near overflow in another, and a surcharge pipe situation through the majority of the main trunk line within Northridge based on the density provided by the developer. Veenstra & Kimm were then asked to develop options for the City to be able to serve the Dankbar and Meunch properties. Three options were developed based on the densities provided by the developer, as follows:

Sewer Project 1: Construction of a new trunk sewer at a cost of \$2.5 - \$3.0 million

Sewer Project 2: Intercepting Somerset Subdivision at a cost of \$0.5 - \$0.7 million

Sewer Project 3: Intercept Northridge Heights, Somerset, Scenic Valley, and the Dankbar/Meunch development at a cost of \$1.5 - \$2.0 million

Each option was explained in detail by Director Joiner. He also stated that there is potential for the Meunch property and/or part of the Dankbar property to be served wholly or in part by a sanitary sewer lift station that would take the sanitary sewer under George Washington Carver through Borgmeyer and Rose Prairie to Grant Avenue. However, that scenario has not been modeled for its viability.

Director Diekmann advised that the Dankbars had expressed to staff that they are very interested in pursuing options for development of their property. It does not appear that, based on correspondence received by staff, the Borgmeyers are interested in development of their property in the near term.

Director Diekmann stated that because land in the Gap Area is designated as Priority Transitional Residential rather than an Urban Service Area, it may be developed without annexation. He reviewed the rural development requirements. According to Mr. Diekmann, the Gap Area is within Xenia Rural Water territory, and development would likely be able to connect to Xenia to serve the area. Staff has not talked to Xenia about its capability or desire to serve homes in the Gap Area; however, it is believed that it has infrastructure capable of supporting the rural development.

It was explained by Director Diekmann that there are three primary policy options for the Council to consider:

1. Maintain the Ames Urban Fringe Plan Priority Transitional Residential designation with no amendments to the Ames Urban Fringe Plan.
2. Initiate an Ames Urban Fringe Plan Amendment to Urban Services Area for all or a portion of the Gap Area.

Director Diekmann advised that an Urban Services designation mandates that a property must be annexed prior to development, but does not compel the City to annex property at any particular time.

3. Initiate an Ames Urban Fringe Plan Amendment for the area (Dankbar and Muench) to the west of George Washington Carver to Rural Transitional.

Mr. Diekmann advised that Rural Transitional designation allows for lower densities of development without immediate annexation to the City. The allowable minimum densities would drop to 1.0 unit per acre and allow for a maximum of 3.75 units per acre.

Council Member Orazem offered that the City does not necessarily need all those areas to be annexed at once. Council Member Betcher pointed out that the City also needs to think about the other things that will be needed with growth to the north, e.g., a new fire station and additional CyRide routes to serve the area.

Bill Dankbar, Minneapolis, Minnesota, pointed out that the City was never planned to grow north. His father purchased the property in 1962. He passed away about a year ago, and the property is now owned by Mr. Dankbar and his two sisters. They intend to sell the property and would like to have it annexed to the City of Ames.

Kurt Friedrich, Friedrich Realty, 100 Sixth Street, Ames, advised that he is working with the Dankbars and the Muench families. He noted the densities of the properties surrounding the property in question in the Gap Area. At the inquiry of Council Member Orazem, Mr. Friedrich said that it was preferred that the properties be annexed to the City. The area is a desirable location for people to live. However, the costs of the infrastructure are not known at this time. It might not be feasible, due to those costs, for the land to be annexed to Ames.

Chuck Winkleblack, Hunziker Properties, 105 South 16th Street, Ames, noted that if the City does not annex the properties, the traffic will still come into Ames, but the City will not benefit from the added tax base. Mr. Winkleblack noted that he has no stake in any of this land, but doesn't want the City

to make short-sided decisions; it should never say “never.” He knows that the Borgmeyers are not willing to sell their property. Mr. Winkleblack pointed out that Ames gets criticized for not having housing options; it needs more housing options.

Council Member Orazem said that the Council needs more information before it can make a decision on these issues. City Manager Steve Schainker noted that this area is a non-incentivized area. The costs of infrastructure would be spread among the lots.

Moved by Nelson, seconded by Corrieri to approve Option 2: Initiate an Ames Urban Fringe Plan Amendment to Urban Services Area for all or a portion of the Gap Area.

It was again stated that an Urban Services designation mandates that a property must be annexed prior to development, but does not compel the City to annex property at any particular time.

City Manager Schainker noted that this would have to be prioritized into the Planning work plan in the future.

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

Council Member Gartin asked how the developer would know the costs of development without the City determining the size of the sewer line.

Moved by Gartin, seconded by Orazem, that, in addition to prioritizing the Urban Fringe Plan Amendment, the costs and timing for a sewer analysis should be determined.

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

The meeting recessed at 8:12 p.m. and reconvened at 8:18 p.m.

LAND USE POLICY PLAN MINOR MAP AMENDMENT FOR END OF CEDAR LANE (BURGASON PROPERTY): Director Diekmann stated that Steve Burgason, Burgason Enterprises, is seeking an amendment to the Ames Urban Fringe Plan Future Land Use Map for a 9.72-acre parcel of land at the south end of Cedar Lane. He explained Mr. Burgason’s request for three map changes:

1. An amendment to the Ames Urban Fringe Plan Land Use Framework Map from Agriculture and Farm Service to Urban Residential
2. An amendment to the Ames Urban Fringe Plan Land Use Classes Map from Rural Services and Agricultural Conservation Area to Urban Services Area
3. An amendment to the Land Use Policy Plan Allowable Growth Map to designate this as part of the Southwest II Growth Area

According to Director Diekmann, staff estimates that the subject area may be suitable for 20 to 45 single-family homes, depending on future rezoning and subdivision requests. To include it with the Allowable Growth Area of the City for development would have only a minimal impact on the provision of services by the City.

Moved by Orazem, seconded by Nelson, to adopt RESOLUTION NO. 16-104 to approve:

- a. An amendment to the Ames Urban Fringe Plan Land Use Framework Map from Agriculture and Farm Service to Urban Residential
- b. An amendment to the Ames Urban Fringe Plan Land Use Classes Map from Rural Services and Agricultural Conservation Area to Urban Services Area
- c. An amendment to the Land Use Policy Plan Allowable Growth Map to designate this as part of the Southwest II Growth Area.

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

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM: Vanessa Baker-Latimer, Housing Coordinator, reported that, as part of the public forum process required for the preparation of the FY 2016/17 CDBG Annual Action Plan, staff met separately with the College Creek/Old Ames Middle School Neighborhood Association to specifically discuss the redevelopment options for the 321 State Avenue (Old Ames Middle School) site. Staff also discussed this topic during public forums held on February 22 and 23, 2016.

Ms. Baker-Latimer reported that, in accordance with CDBG regulations, the site is located in Census Tract 13.01, which is not a HUD-designated Low- and Moderate-Impact (LMI) Census Tract (meaning less than 51% of the households living in this Tract are not LMI persons). Because of that, 100% of the housing units constructed must benefit LMI persons in order to redevelop the site.

According to Ms. Baker-Latimer, a majority of attendees at each meeting felt that it was in the best interest of the Neighborhood and the City for the site to be developed as a 51% LMI housing development. In order to develop the site at the 51% LMI level, the City must seek a Neighborhood Revitalization Strategy Area (NRSA). Ms. Baker-Latimer explained the criteria that must be met in order for an area to meet a NRSA designation.

It was explained by Ms. Baker-Latimer that the site of the Old Ames Middle School falls within Block Group 2 in 13.01 Census Tract. With assistance from HUD staff, it was determined that this area meets Criteria 4. Criteria 4 was explained as follows:

- “4. The percentage of LMI residents within the neighborhood must satisfy one of the three following criteria:
- a. 70% of the total population in the selected area (if the grantee’s upper quartile is greater than 70% LMI);
 - b. The upper quartile percentage (if the grantee’s upper quartile is greater than 51%, but less than 70% LMI in the total population); or
 - c. 51% of the total population (if the grantee’s upper quartile percentage is less than that percent)

*Upper quartile determinations are based on census block groups with the census tract and not just the census tract itself.

Council Member Corrieri said she believes that diversification was important in neighborhoods. Council Member Orazem agreed.

Jason Paull, 3310 Tripp Street, Ames, said that there are still a lot of questions, but the early tenor of the Neighborhood is positive.

Sharon Stewart, 437 Hilltop Road, Ames, stated that having mixed-use is vital to make the neighborhood culturally diverse. She asked if it was the minimum of 51% of the total population. Ms. Baker-Latimer stated that was correct.

Moved by Betcher, seconded by Corrieri, to adopt RESOLUTION NO. 16-105 approving an amendment to the 2014-18 Five-Year Consolidated Plan to create a Neighborhood Revitalization Strategy Area for redevelopment of 321 State Avenue (Old Ames Middle School) site as a 51% Low-to Moderate-Income housing development.

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

Proposed Annual Action Plan Projects for FY 2016/17. Housing Coordinator Baker-Latimer brought the Council Members' attention to the comments that had been included with their Council Action Form. These comments were received at the public forums held on February 22 and 23, 2016. Ms. Baker-Latimer reported that the overall feedback continues to center around the lack of and need for more affordable housing for low-income persons in the form of rental, shelters, transitional, and home-ownership units. Support also continues for the Security Deposits, First Month's Rent, and Transportation Assistance Programs. The need to add the Childcare Assistance Program back in was also suggested.

Ms. Baker-Latimer advised that, after taking into consideration the public forum comments, staff is recommending that the City continue with only the Acquisition/Reuse for Affordable Housing; Rehabilitation; Homebuyer Assistance, and Renter Affordability Programs (adding in the Childcare Assistance Program) that were adopted in the 2015/16 Action Plan. The reasons behind that recommendation were given by Ms. Baker-Latimer.

The City Council was informed that the City had been notified by HUD that its FY 2016/17 CDBG allocation would be \$490,986, which is an increase of approximately \$6,000 over the FY 2015/16 allocation. Of that amount, approximately \$392,789 is available for programming, not including any FY 2015/16 anticipated program roll-over balance. Ms. Baker-Latimer said that staff initially cautiously anticipated a rollover balance of approximately \$400,000 (not including administration), which would provide approximately \$792,789 to be available for the FY 2016/17 program year. However, Ms. Baker-Latimer told the Council that she now thinks the amount of the rollover would be approximately \$337,000

Ms. Baker-Latimer stated that, from the discussion with the College Creek Old Ames Middle School Neighborhood Association and the comments from the public forum regarding the redevelopment of the 321 State Avenue site, staff is proposing that the FY 2016/17 Annual Action Plan also include

\$392,789 from the FY 2016/17 CDBG allocation that is available for programming to go towards public infrastructure improvements for the 321 State Avenue site.

The Council's attention was brought to Attachment B in the Council Action Form. Staff was proposing that the anticipated budget be allocated to those project activities. It is the belief of staff that the need to improve and expand the supply of affordable housing for low- and moderate-income households can best be accomplished through the implementation of those programs. Ms. Baker-Latimer detailed the activities being proposed. She pointed out that the first two programs would be reduced to account for the reduction in the estimated amount of the roll-over.

Council Member Orazem asked if Habitat for Humanity helps with rehab. Ms. Baker-Latimer said that some of the rehabilitated properties had been sold to Habitat in the past. The City does major health and safety issues, such as radon and lead paint. Those are usually high-cost items, and then Habitat can step in and do additional rehabilitation. Two additional properties were acquired last year, a single-family home and a duplex; those are in the process of being rehabilitated.

Council Member Betcher asked which programs pay for acquisition and rehabilitation. Ms. Baker-Latimer advised that HUD requires those two be separated. The property has to be acquired using funding from the Acquisition Program, but if it needs to be rehabilitated, that's under another program.

Moved by Orazem, seconded by Betcher, to adopt RESOLUTION NO. 16-106 approving the FY 2016/17 Proposed Annual Action Plan projects and budget [as listed in Attachment B of the Council Action Form (as revised)]:

- | | |
|--|-----------|
| 1. Continue Acquisition/Reuse Program | \$118,719 |
| 2. Continue Housing Improvement Rehabilitation Programs | \$118,719 |
| 3. Continue Homebuyer Assistance for First-Time Homebuyers | \$ 65,000 |
| 4. Continue Renter Affordability Programs (adding in Childcare Assistance) | \$ 35,000 |
| 5. Public Infrastructure Improvements Program for 321 State Avenue (New) | \$392,789 |

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

HEARING ON AMENDMENTS TO FISCAL YEAR 2015/16 BUDGET: Mayor Campbell opened the public hearing. There being no one else wishing to speak, the hearing was closed.

Moved by Orazem, seconded by Nelson, to adopt RESOLUTION NO. 16-107 amending the budget for the current Fiscal Year ending June 30, 2016.

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

HEARING ON ADOPTION OF FY 2016/17 BUDGET: The public hearing was opened by the Mayor. When no one came forward to speak, Mayor Campbell closed the hearing.

Moved by Nelson, seconded by Corrieri, to adopt RESOLUTION NO. 16-108 approving the 2016/17 budget.

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

HEARING ON GENERAL OBLIGATION CORPORATE PURPOSE AND REFUNDING LOAN AGREEMENT: The Mayor opened the public hearing. She closed same as no one asked to speak.

Moved by Nelson, seconded by Orazem, to adopt RESOLUTION NO. 16-109 authorizing the Loan Agreement and providing for the levy of taxes for fiscal year beginning July 1, 2016, in a principal amount not to exceed \$13,225,000.

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

REZONING OF PROPERTIES AT 1405, 1415, 1425, 1502, 1509, 1510, 1511, AND 1519 BALTIMORE DRIVE AND 1428, 1429, 1506, 1514, AND 1522 BOSTON AVENUE: Director Diekmann explained that Friedrich Iowa Realty and Development is requesting that the above-listed addresses in the Eastgate Subdivision be rezoned from Community Commercial Node (CCN) to Highway-Oriented Commercial (HOC). A total of 13.72 acres is included in this rezoning. The Final Plat of this Subdivision was approved in 1999, and the lots proposed for rezoning have been vacant since that time. The rezoning request is based on the desire to allow a wider range of commercial uses, which will provide land for development by a broader group of potential business users. The subject properties are within the Land Use Policy Plan (LUPP) Future Land Use Map designation of HOC.

Mr. Diekmann pointed out that Lot 14 of the Subdivision (1509 Baltimore Drive) is owned by the Greater Iowa Credit Union and is not part of the rezoning request received from the applicant. However, staff contacted the Credit Union to see its interest in changing zoning. There is an approved site plan under the current CCN zoning for construction of a new office building. Since the rezoning request will not affect the Credit Union's approved plan, it was willing to be included in the rezoning.

It was noted by Director Diekmann that the Planning and Zoning Commission, at its meeting held February 17, 2016, voted 6-0-1 (Commission Member Tillo abstained due to a conflict of interest) to recommend that the Council rezone the subject properties. There were no comments by the public at that meeting.

Mayor Campbell opened the public hearing.

Kurt Friedrich, Friedrich Iowa Realty, 100 Sixth Street, Ames, pointed out that the proposed rezoning was consistent with the LUPP.

No one else asked to speak, and the Mayor closed the hearing.

Moved by Nelson, seconded by Corrieri, to approve Alternative No. 2 and pass on first reading an ordinance rezoning properties at 1405, 1415, 1425, 1502, 1509, 1510, 1511, and 1519 Baltimore Drive and 1428, 1429, 1506, 1514, and 1522 Boston Avenue from Community Commercial Node (CCN) to Highway-Oriented Commercial (HOC).

It was pointed out by Director Diekmann that Alternative No. 2 would include the Greater Iowa Credit Union property (Lot 14 at 1509 Baltimore Drive).

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

ORDINANCE REZONING PROPERTY AT 217-6TH STREET: Moved by Betcher, seconded by Gartin, to pass on second reading an ordinance rezoning property at 1405, 1415, 1425, 1502, 1509, 1510, 1511, and 1519 Baltimore Drive and 1428, 1429, 1506, 1514, and 1522 Boston Avenue from Community Commercial Node (CCN) to Highway-Oriented Commercial (HOC).

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

COUNCIL COMMENTS: Council Member Corrieri wanted the public to be informed about the Affordable Housing Conference that will take place at the Scheman Building on March 23.

Moved by Betcher, seconded by Gartin, to refer to staff for a memo the letter from the Big Bluestem neighbors.

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

Moved by Gartin, seconded by Corrieri, to direct staff to accept a Zoning Ordinance Text Amendment Application pertaining to setbacks for mobile home parks from the owner (Flummerfelt).

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

Moved by Gartin to request a memo from staff pertaining to the request of Brent Haverkamp for a text amendment to CCR Zoning District.

Motion died for lack of a second.

ADJOURNMENT: Moved by Gartin to adjourn the meeting at 9:10 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor