

**MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL
AND REGULAR MEETING OF THE AMES CITY COUNCIL**

AMES, IOWA

FEBRUARY 14, 2017

SPECIAL MEETING OF THE AMES CITY COUNCIL

The Ames City Council met in Special Session for the budget wrap-up at 5:15 p.m., followed by its Regular Meeting, on the 14th day of February, 2017, 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: Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, Chris Nelson, Peter Orazem and *ex officio* Member Sam Schulte.

FY 2017/18 BUDGET WRAP-UP: City Manager Steve Schainker reviewed information that had been provided to the Mayor and City Council at their request after the Budget Overview and Hearings.

PUBLIC ART COMMISSION (PAC): Kerry Anne Dixon, 1215 - 26th Street, Ames, Chairperson of the Commission On The Arts (COTA), stated that the request for funds for FY 2017/18 will be in the same amount as was allocated last year: \$41,000. The majority of the funding is allocated to three major programs: Ames Outdoor Sculpture, Art in the Parks, and the Neighborhood Sculpture Program.

ARTS FUNDING (COTA): Assistant City Manager Brian Phillips recalled the decision made by the City Council to allocate 5% over the FY 2016/17 allocation. The COTA volunteers were recommending awarding \$159,979 in Annual Grants and \$4,000 in Spring/Fall Special Grants. There is one new agency applying for funding this year: KHOA Radio. Answering an inquiry from Council Member Orazem about whether the KHOA Radio application met the criteria, Chairperson of the COTA Steve Sullivan stated that the COTA members believed that the request from KHOA will contribute to the cultural life of the community. The \$3,000 requested will be used as “seed money” to help develop its project. Mr. Phillips noted that, in the next couple months, the COTA will be working to identify ways to encourage new and innovative ideas that would contribute to the community.

HUMAN SERVICES FUNDING (ASSET): Mr. Phillips noted that the City Council had approved a 6% increase in ASSET funding over last year’s allocation. The City’s contribution will be \$1,355,000. A total of \$4.25 million will be contributed among all the funders. According to Mr. Phillips, there is a large funding increase being requested for the MICA Dental Clinic. Even though there was a large increase last year, it still wasn’t enough to keep the Dental Clinic going for the year. Each of the funders and other partners made one-time contributions to keep it going. The ASSET funders agreed that the increase in funding for this year would not be released until it has had a thorough discussion with MICA about its dental clinic operations.

OUTSIDE FUNDING REQUESTS: Assistant City Attorney Phillips said that funding applications had been received from eight organizations. He noted that the City Council had authorized a 6% increase in the allocation for Outside Funding Requests, which equated to \$145,114, excluding the request from the Ames Economic Development Commission (AEDC) for the Buxton service, which is paid from the Hotel/Motel Tax Fund. A large increase in the request from the Main Street Cultural District included \$20,000 to pay for continued expansion

of the Downtown Lighting Project. According to Mr. Phillips, it was recommended by the funding panel that that particular project not be funded through the Outside Funding Requests process. Also, the panel was recommending that the request from the Historic Preservation Commission for funding plaques (\$2,700) for historic buildings be allocated to the Ames Historical Society for administering the program.

According to Mr. Phillips, funding from the Local Option Sales Tax Fund for the following agencies and in the amounts listed had been recommended by the panel:

Ames Historical Society:	\$40,000
Ames International Partner Cities:	\$ 8,000
Campustown Action Association:	\$27,000
Hunziker Youth Sports Complex:	\$28,925
Main Street Cultural District:	\$41,189

and funding was recommending for the AEDC in the amount of \$7,500 out of the Hotel/Motel Tax Fund.

Mr. Phillips noted that two agencies: Colleges Against Cancer and Flying Cyclones were not funded as the panel felt the applications did not meet the criteria.

PUBLIC INPUT ON CAPITAL IMPROVEMENTS PLAN (CIP) AND OPERATING BUDGET: Jim Popken, 921 Ninth Street, Unit #303, Ames, gave the history of the Local Option Tax referendum of 1980 when a “deal was struck” between the City of Ames and its citizens. He noted that 60% was to go for property tax relief and the other 40% was to go for human services agencies, the arts, and community betterment. According to Mr. Popken, it was clear that priority should be given in that order: (1) human services agencies, (2) the arts, and (3) “the other stuff.” Mr. Popken listed projects that were included in the Proposed CIP Budget to be funded from Local Option Sales Tax dollars. He alleged that the projects should not be paid from Local Option Tax dollars, but rather from property tax dollars. Mr. Popken noted that the balance of the Local Option Sales Tax fund is significantly higher than the reserve and urged the City Council to approve a high level of funding for the Human Services Capital Grant Program.

Douglas Pepe, 225 South Kellogg, Avenue, Ames, referenced the Council Action Form dated August 23, 2016, which he said indicated that the demand for funding for the Human Services Capital Grant Program is higher than the available funding. He quoted comments made to him via email messages from Council Members Corrieri, Nelson, and Orazem on the proposed Grant Program and asked to hear the other Council members’ perspectives.

Matthew Goodman, 2019 Friley Road, Ames, advised that he was a member of Ames Progressive Alliance. According to Mr. Goodman, that group strives to get people in the community more engaged. Mr. Goodman made a Power Point presentation related to the funding request for the Human Service Agency Grant Program. He also referenced the staff report dated August 23, 2016, in an attempt to show the need for the Program. Mr. Goodman noted that the United Way Program will not fund capital expenses. It is his opinion that there is great demand for the Human Service Agencies Capital Improvements Grant Program. Mr. Goodman noted that, with a \$1 million allocation to Grant Program, there would still be an unreserved balance of \$700,000 with a reserved balance of \$933,000. Mr. Goodman contended that the City of Ames could afford an increase of 22 times its largest dollar increase in recent history for ASSET

agencies. If the increase in Year One (FY 16/17) was from the General Fund Balance, there would be zero impact on the Local Option Sales Tax and no impact on ASSET funding. It was acknowledged by Mr. Goodman that the actual grant process still needs to be developed. He gave the best-case and worst-case scenarios on allocating additional funding. The Resident Satisfaction Survey was referenced to indicate that Ames residents responding preferred more funding be allocated to human services. After being asked by Council Member Gartin, Mr. Goodman cited his preference to increase FY 16/17 to \$500,000 and leave FY 17/18 alone. Council Member Gartin noted that that would be a lot of money to be put into the budget without first going through the normal public input process.

Victoria Szopinski, 3710 Ross Road, Ames, said that she is on the Board of Friendship Ark and Community Services. That agency provides 24-hour care to 28 individuals. It is now conducting a capital funding campaign to raise \$400,000 to allow the building of one new house that would accommodate five people. They currently have a waiting list of 30 people for full-time care. One new house will accommodate four to five persons. Ms. Szopinski commented that staff time is devoted to provide care to patients, not grant-writing or answering surveys. Medicaid monies do not pay for grant writing. She said that there are only two agencies who have staff for grant-writing. Ms. Szopinski stated that most human service agencies are totally consumed with making their agencies operate well within limited budgets. She asked the City to allocate additional dollars to the Human Service Agency Grant Program.

Jamet Colton, 2226 Northwestern Avenue, Ames, stated that last year, the Ames Progressive Alliance came together with the Body of Christ Church and the Ames Police Department to hold a community conversation about race. She thanked the City for adding a position in the Police Department to review and analyze arrest and traffic-stop data based on race. Ms. Colton noted that the City of Ames listened and acted.

Neysa Goodman, 2019 Friley Road, Ames, commented that she is a member of the Ames Progressive Alliance and thanked the City for taking measures to promote the growth of community solar energy in Ames.

Cindy Hicks, Executive Director of the Main Street Cultural District, 304 Main Street, Ames, recalled that the Council had allocated \$20,000 for its Downtown Lighting Project from its 2015/16 Contingency Fund. Ms. Hicks said that she was once again requesting \$20,000 for Downtown Lighting from the 2016/17 Contingency Fund to be extended from Main Street north to the alleyway on Douglas to Kellogg and Burnett and south on Kellogg to the tracks.

Jason Paull, 1007 Arkansas, Ames, and Eileen Gebbie, Ames United Church of Christ, 217-6th Street, Ames, requested \$33,567.31 from the City of Ames to help fund the Story County Housing Trust Fund. This would be to go towards the required local match of \$50,000 to leverage over \$207,973.30. According to Mr. Paull, state housing money is currently not available in Story County, and this would be a new source of funding to make housing more affordable in Story County.

Merlin Pfannkuch, 1424 Kellogg Avenue, Ames, asked the City to look at the order in which it does things procedurally pertaining to the budget. He suggested that the City add another time for public comment. Mr. Pfannkuch pointed out that currently, residents are asked to provide input at the Public Hearing, which he believes is too late. He would like public input to be taken after the amendments have been suggested, but not yet voted on.

SALARIES FOR COUNCIL APPOINTEES: Council Member Betcher stated that she and Council Member Gartin had been appointed by the Mayor to conduct the evaluation process for City Council appointees Steve Schainker, City Manager; and Judy Parks, City Attorney. Ms. Betcher noted that, this year, they had embarked on a new evaluation process that involves interfacing more with the City Manager and City Attorney. Evaluation surveys will be distributed to the remaining Council members for input. She said that she had been told that this would not cause a problem for completing the budget process. For now, they will leave the salaries the same, and once all the input has been gathered from the Council members, this topic will be revisited.

AMENDMENTS TO 2017/22 CAPITAL IMPROVEMENTS PLAN (CIP): Moved by Gartin, seconded by Beatty-Hansen, to approve the substitute page for the Multi-Modal Roadway Improvements with the recommendation by the Ames Bike Coalition.

City Manager Schainker reiterated that the funding amount remains the same, but it would be a shift of projects and funding between fiscal years.

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

Moved by Beatty-Hansen, seconded by Betcher, to replace the page for the Human Services Agency Capital Improvements Grant Program with a page that reflects an additional \$300,000 for FY 2016/17 out of the General Fund balance and leave FY 2017/18 at \$200,000.

Council Member Orazem commented that the Local Option Sales Tax (LOST) does not just fund human services and the arts; it funds a lot of things. The Community Enrichment budget is approximately \$14 million. Mr. Orazem pointed out that the City needed funding to purchase the Middle Parcel at the Old Middle School site for low- to moderate-income housing. It could have taken that money from the LOST, but it took it from the Community Development Block Grant allocation and will provide tax abatement. He said that if the Council is going to only fund certain things with certain funds, that would be subverting the entire budget process. If it did that, they would have to cut the Parks System in half. Mr. Orazem believes that the Council needs to look at the needs of the City and determine what makes sense; the goal is to improve the community as a whole. Council Member Orazem asked Council to review the priorities asked for by the respondents to the Resident Satisfaction Survey.

Council Member Corrieri noted that the uncertainty at the federal and state levels has created a lot of unknowns. There is no one-size-fits-all as it relates to human services agencies. What she has heard is that many agencies have operational needs support. Ms. Corrieri said that they know there is a need; however, what they have missed here is having a larger conversation about the needs of the community. She suggested that the City have substantial conversation with human services agencies before moving ahead with this. Ms. Corrieri commented that unreserved fund balance could be used to really have a significant impact to meet more needs of the community without it being facilities.

Council Member Nelson pointed out that there are needs that are all across the board. A lot of those needs are on the small side of things. He asked how the Council would pick and choose which projects to fund. Mr. Nelson shared that has no problem with the current level of funding; however, a lot of small things can be done with that money. There is not a lot that can be done on a very large project with the amount of money proposed to be allocated without being to the

detriment of other potential projects. Mr. Nelson said that it had taken a long time to build up the fund balance. He commented that he has strong reservations about this proposed program with the information that is currently available.

Council Member Gartin thanked the Ames Progressive Alliance for having a heart for these issues and conducting community conversations. He noted that if the City is going to spend large sums of money, it should be done consistently with the way it does everything else – have a process that involves substantial public input. Mr. Gartin also noted that it doesn't necessarily mean that all of the funding needs to come from the City's coffers; however, he doesn't believe that it is good governance requires that there be public conversation. He shared that he can't support the large increases without public conversation and suggested that the City actually have a workshop on this topic. Mr. Gartin noted that it has now become apparent that there is a great shortage for mental health funding.

Council Member Orazem offered that the ASSET funders need to be included in the conversation.

Council Member Betcher said she was seeing the funds as being allocated, not necessarily spent. She agreed that there must be a conversation about the grant program to make sure that the City is comfortable with the process so that it does not end up lacking equity.

Council Member Corrieri pointed out that the Council has to also noted that there are critical areas that need to be addressed based on City goals.

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

Moved by Betcher, seconded by Gartin, to approve the amended CIP sheet that brings in an additional \$100,000 for FY 16/17 from the General Fund (totals \$300,000) and \$200,000 for 2017/18 from the LOST Fund.

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

APPROVAL OF 2017/22 CIP, AS AMENDED: Moved by Gartin, seconded by Betcher, to approve the Capital Improvements Plan for 2017/22, as amended.

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

AMENDMENTS TO FY 2016/17 BUDGET: Moved by Gartin, seconded by Beatty-Hansen, to add \$100,000 from the General Fund balance to the Human Service Agency Capital Improvements Grant Program.

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

Moved by Gartin, seconded by Betcher, to remove \$28,000 from the Legal Services budget for the purchase of a two-year subscription to American Jurisprudence.

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

Moved by Nelson, seconded by Beatty-Hansen, to add \$68,000 for a two-year commitment of funding (2016/17 and 2017/18) to support the Story County Housing Trust Fund Task Force from the 2016/17 General Fund balance.

At the inquiry of Council Member Gartin as to what was the big draw for this, Council Member Corrieri replied that the City would get to access state resources that it does not have now because it does not have an established Housing Trust Fund. She listed a number of projects that had been done in other communities and could be done here. Council Member Gartin said he was supporting the motion, but not for the reason of drawing down federal funds. He pointed out that there is a finite pot of money, so what is taken for one need, another need is not being funded. Mr. Gartin did not believe the goal should be to leverage other people's money, but if she felt good things could be done in Ames, he would support the motion.

Roll Call Vote: 5-0-1. Voting aye: Beatty-Hansen, Betcher, Gartin, Nelson, Orazem. Voting nay: None. Abstaining due to conflict of interest: Corrieri. Motion declared carried.

Moved by Orazem, seconded by Orazem, to approve \$15,000 from the 2016/17 General Fund Contingency Account in support of the Leadership Ames entryway sign project.

Mr. Schainker advised that there would be an agreement that they would raise the matching funds (\$15,000).

Ms. Betcher pointed out that the last two funding requests had come to the City. She is hopeful that Leadership Ames will come up with other ideas for funding.

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

Moved by Corrieri, seconded by Orazem, to allocate \$20,000 for Downtown Lighting out of the 2016/17 General Fund Contingency, contingent upon matching funds being raised.

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

Moved by Gartin, seconded by Corrieri, to allocate \$2,700 from 2016/17 General Fund Contingency Fund.

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

Council Member Schainker advised that with those last three out of the Contingency Fund, the balance would be approximately \$38,000 (in the General Fund Contingency account).

APPROVAL OF BUDGET FOR FY 2016/17, AS AMENDED: Moved by Betcher, seconded by Gartin, to approve the FY 2016/17 budget, as amended.

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

SET PUBLIC HEARING DATE ON BUDGET AMENDMENTS FOR FY 2016/17: Moved by Nelson, seconded by Betcher, to set March 7, 2017, as the date of public hearing on the proposed budget amendments for FY 2016/17.

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

AMENDMENTS TO PROPOSED FY 2017/18 BUDGET: Moved by Gartin, seconded by Orazem, to approve the following amendments:

- a. Remove one Transit FTE (two .5 FTE receptionists) from the FY 2017/18 Budget
- b. Allocate \$1,355,711 to ASSET
- c. Allocate \$41,000 to Public Art Commission
- d. Allocate \$145,114 for Outside Funding Requests, as follows:

- I. Ames Historical Society: \$40,000
- ii. Ames Partner Cities Association: \$ 8,000
- iii. Campustown Action Association: \$27,000
- iv. Hunziker Youth Sports Complex \$28,925
- v. Main Street Cultural District: \$41,189

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

Moved by Orazem, seconded by Corrieri, to allocate \$163,979 to The Commission on The Arts. Roll Call Vote: 5-0-1. Voting aye: Beatty-Hansen, Betcher, Corrieri, Nelson, Orazem. Voting nay: None. Abstaining due to a conflict of interest: Gartin. Motion declared carried.

Moved by Betcher, seconded by Beatty-Hansen, to raise City Council salaries to \$10,000/year and the Mayor's salary to \$11,000.

Ms. Betcher said that she came up with the amount based on research she had done regarding what other City Council members are paid. She noted that if this is not done for 2017/18 Budget, they would have to wait another four years since salaries for the Mayor and City Council members can only be changed when a Mayor's term is up. It has been 12 years since there has been an increase in the Mayor's and City Council members' salaries.

Council Member Corrieri stated that she would like to see a mechanism put into place where there was a process for a review based on the Mayor's term.

City Manager Schainker noted that the impact on the 2017/18 budget would be approximately \$11,842 since it would not go into effect until July 1, 2018 (\$23,680/year). This would result in an increase in the tax rate by approximately \$.0087.

Council Member Gartin said that he did not believe the amount was unreasonable; however, to him, it is about the process. He did not think it was right for the public to first hear this proposal at this meeting and suggested that a committee, not made up of the Mayor or City Council members, to research what is paid in other cities.

Ms. Beatty-Hansen noted that the funds would just be allocated, they might not get spent.

Roll Call Vote: 4-2. Voting aye: Beatty-Hansen, Betcher, Corrieri, Nelson. Voting nay: Gartin, Orazem. Motion declared carried.

Moved by Gartin, seconded by Beatty-Hansen, to direct staff to research what comparable communities are paying their Council members and have public input on the proposal.

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

APPROVAL OF PROPOSED BUDGET FOR FY 2017/18, AS AMENDED: Moved by Gartin, seconded by Corrieri, to approve the proposed 2017/18 Budget, as amended.

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

SET PUBLIC HEARING DATE ON PROPOSED BUDGET FOR FY 2017/18: Moved by Gartin, seconded by Beatty-Hansen, to set March 7, 2017, as the date of public hearing on the proposed budget for FY 2017/18.

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

The meeting recessed at 7:22 p.m. and reconvened at 7:29 p.m.

REGULAR MEETING OF THE AMES CITY COUNCIL

PRESENTATION: John Cunningham, representing Iowa Ready Mixed Concrete Association, presented the *2016 Excellence in Concrete Award* to the City for the Skunk River Trail Extension. Accepting the Award on behalf of the City were Public Works Director John Joiner and Municipal Engineer Tracy Warner.

CONSENT AGENDA: Moved by Nelson, seconded by Gartin, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meetings of January 31, February 3, February 7, 8, and 9, 2017, and Regular Meeting of January 24, 2017
3. Motion approving certification of civil service applicants
4. Motion approving Report of Contract Change Orders for January 16-31, 2017
5. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
 - a. Class C Liquor & Outdoor Service – Cy’s Roost, 121 Welch Avenue
 - b. Class C Liquor & Outdoor Service – Mickey’s Irish Pub, 109 Welch Avenue
 - c. Class E Liquor, C Beer, & B Wine – Fareway Store #386, 619 Burnett Avenue
 - d. Class E Liquor, C Beer, & B Wine – Fareway Store #093, 3619 Stange Road
 - e. Class C Liquor & Outdoor Service – El Azteca, 2727 Stange Road (pending dram)
 - f. Class B Liquor – Holiday Inn Ames, 2609 University Boulevard
 - g. Class C Beer & B Wine – Gateway Expresse, 2400 University Boulevard
 - h. Class C Liquor – Taking It Easy Lounge, 129 Lincoln Way
 - i. Class C Liquor – Ge’Angelo’s, 823 Wheeler Street, #9
 - j. Class C Liquor & Outdoor Service – The District, 2518 Lincoln Way (pending dram)
 - k. Class E Liquor, C Beer, & B Wine – Wal-Mart Supercenter #4256, 534 S. Duff Avenue
 - l. Class C Liquor & Outdoor Service – Buffalo Wild Wings, 400 S. Duff Avenue
 - m. Special Class C Liquor & Outdoor Service – Stomping Grounds, 303 Welch Avenue (pending dram)
 - n. Class C Beer & B Native Wine – Casey’s General Store #2905, 3612 Stange Road
6. Motion approving transfer for Class E Liquor, C Beer, & Class B Wine permit for Wal-Mart Store #749, to new location at 3105 Grand Avenue (pending final inspection)
7. Motion approving new Special Class C Liquor License & Outdoor Service for Blaze Pizza, 2320 Lincoln Way
8. Motion approving ownership change for Class B Liquor License for Quality Inn & Suites, Starlite Village Conference, 2601 E. 13th Street
9. Motion approving ownership change for Class C Beer & Class B Native Wine Permit for Tobacco Outlet Plus #530, 204 S. Duff Avenue
10. RESOLUTION NO. 17-047 approving 2016 Resource Recovery Annual Report
11. RESOLUTION NO. 17-048 approving Memorandum of Understanding for Law Enforcement Services at National Center for Animal Health
12. RESOLUTION NO. 17-049 approving appointment of Lauris Olson to serve as alternate to Central Iowa Regional Housing Authority (CIRHA) Board of Commissioners
13. RESOLUTION NO. 17-050 setting date of public hearing for March 7, 2017, on General Obligation Loan Agreement in an amount not to exceed \$8,000,000
14. RESOLUTION NO. 17-051 approving preliminary plans and specifications for 2016/17

Asphalt Street Pavement Improvements and 2016/17 Water System Improvement Program #2 – Water Main Replacement; setting March 1, 2017, as bid due date and March 7, 2017, as date of public hearing

15. RESOLUTION NO. 17-052 authorizing upgrades and new purchases for Electric Services to be paid with monies previously accumulated in the Fleet Replacement Fund for units being taken out of service
16. RESOLUTION NO. 17-053 awarding contract for FY 2016/17 Boiler Maintenance Services for Power Plant to TEI Construction Services, Inc., of Duncan, South Carolina, in an amount not to exceed \$200,000
17. RESOLUTION NO. 17-054 approving contract and bond for Water Pollution Control Facility Switchgear Rehabilitation Project
18. RESOLUTION NO. 17-055 approving contract and bond for CyRide 2016 Security Entry System, Phase 1
19. RESOLUTION NO. 17-056 approving contract and bond for 2016/17 CDBG Public Facilities Improvement Program (Mainstream Living Parking Lot)
20. RESOLUTION NO. 17-057 approving contract and bond for South Skunk River Basin Watershed Improvements (City Hall Parking Lot)
21. RESOLUTION NO. 17-058 approving contract and bond for 2016/17 Water System Improvements Program #1 - Water Service Transfer (8th Street, Hayward Avenue, Little Street)
22. RESOLUTION NO. 17-059 accepting completion of the WPC Trickling Filter Pump Station Repainting Project
23. RESOLUTION NO. 17-060 approving Plat of Survey for 601 and 603 South 16th Street and 1420 South Grand Avenue

Roll Call Vote: 6-0. Resolutions/Motions declared adopted/approved unanimously, signed by the Mayor, and hereby made a portion of the Minutes.

PUBLIC FORUM: Mayor Campbell opened Public Forum. Merlin Pfannkuch, 1424 Kellogg Avenue, Ames, wished to comment about the City Development Board hearing on the Eastern Industrial Annexation. He stated that the *Tribune* had reported that the hearing was closed and all that was left to be done was for the decision to be made at the Board's March meeting; however, the hearing was not closed - it was continued to the March meeting. Mr. Pfannkuch also noted that the meetings are live-streamed so citizens may participate from a conference room in City Hall. He just learned that that was an option, but it wasn't known to very many people. Mr. Pfannkuch reiterated his belief that the City's process on this was deficient. He stated that the proposal should have been an agenda item or a workshop so that it could be explained and discussed in detail. Mr. Pfannkuch alleged that, instead, it had been buried in the budget; the specific proposal was never presented until it was being discussed in the budget. Mr. Pfannkuch contended that the process was unconstitutional.

No one else came forward, and the Mayor closed Public Forum.

HEARING ON ANNEXATION OF PROPERTY LOCATED AT 4605 HYDE AVENUE: City Planner Charlie Kuester advised that the City had received an Annexation Petition from Hunziker Land Development, LLC, representing a 68.19-acre parcel owned by Erben and Margaret Hunziker Apartments, LLC. This property is commonly addressed as 4605 Hyde Avenue and also known as Auburn Trail. It is located on the west side of Hyde Avenue immediately north of Bloomington Heights and south of Rose Prairie.

Staff presented this annexation request to the City Council on December 13, 2016, for direction on annexation boundary options. One of the main issues was that it was not possible to annex the entire original parcel at that time as it would create an island. Staff presented future annexation options that would allow for all of the properties along Hyde Avenue to eventually be annexed. The City Council directed staff to require the application to create a 50-foot strip of land along the north edge of the property and then to proceed with annexation. Staff was also directed to maximize the amount of property that could be included in an 80/20

Mayor Campbell opened the public hearing.

The hearing was closed after no one came forward to speak.

Moved by Nelson, seconded by Corrieri, to adopt RESOLUTION NO. 17-061 approving the annexation of 4605 Hyde Avenue.

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

HEARING ON 2014/15 LOW-POINT DRAINAGE IMPROVEMENTS: The public hearing was opened by the Mayor. She closed the hearing after no one asked to speak.

Moved by Orazem, seconded by Betcher, to adopt RESOLUTION NO. 17-062 approving final plans and specifications and awarding a contract to J&K Contracting, LLC, of Ames, Iowa, in the amount of \$332,881.

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

HEARING ON RESOURCE RECOVERY TIPPING FLOOR REPLACEMENT: The Mayor opened the public hearing and closed same after there was no one wishing to speak.

Moved by Betcher, seconded by Gartin, to adopt RESOLUTION NO. 17-063 approving final plans and specifications and awarding a contract to Con-Struct, Inc., of Ames, Iowa, in the amount of \$129,929.

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

JOINT USE PARKING AGREEMENT FOR 3500 UNIVERSITY BOULEVARD: Planning and Housing Director Kelly Diekmann indicated that the Zoning Ordinance establishes that if there is an approved agreement for shared parking, the ratio is reduced to 1 space/200 square feet of floor area (5/1,000 square feet). McFarland Clinic requests to take advantage of this reduced parking rate as part of the Joint Use Parking Agreement.

Moved by Gartin, seconded by Corrieri, to adopt RESOLUTION NO. 17-064 approving the Joint Use Parking Agreement for 3500 University Boulevard.

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

1017/18 CDBG PROPOSED ANNUAL ACTION PLAN PROJECTS: Housing coordinator Vanessa Baker-Latimer told the Council that on January 30 and 31, 2017, City staff hosted public forums to gather input regarding possible projects for consideration for the 2017/18

Community Development Block Grant (CDBG) Annual Action Plan as part of the City’s CDBG Program. A total of seven persons attended and participated in the forum discussions, including representatives from Habitat for Humanity of Central Iowa, ACCESS, YSS, and the press (Ames Tribune). The overall feedback centered around the continual need of affordable housing for low-income households in the areas of rental, shelters, transitional, and homeownership units and around the continuation of public services, such as Security Deposit, First Month’s Rent, and Transportation Assistance.

Ms. Baker-Latimer advised the Council that the City has not been notified what amount the City will receive in funding next year. The Department of Housing and Urban Development has advised staff to assume the same amount of funding as last year. The upcoming annual allocation is assumed to be \$490,986. Staff has budgeted the allotted maximum of 20% of the funding for administration of the Program, which leaves approximately \$392,789 available for programming in addition to any anticipated rollover of unspent funds and program income. Staff is cautiously anticipating a rollover balance of approximately \$392,789 and program income of \$36,000, which would provide approximately \$821,578 of program funds to be available for the 2017/18 program year. In light of the anticipated revenue resources and taking into consideration the public input and prior discussions with the City Council regarding 321 State Avenue, staff is recommending the following proposed projects and budget for the 2017/18 Annual Action Plan:

1. First-Time Homebuyer Assistance Program	\$ 150,000
2. Public Infrastructure Improvements Program in relation to 321 State Avenue (Old Middle School site)	550,000
3. Renter Affordability (deposits, first month’s rent, and transportation assistance) Programs	45,000
4. Single-Family Housing Improvement Programs	60,000
5. Disposition of Properties	<u>16,578</u>
Total Programming	\$ 821,578
2017/18 Program Administration	<u>98,197</u>
 GRAND TOTAL	 <u>\$ 919,775</u>

It was noted by Ms. Baker-Latimer that noticeably outside of the proposed programs is the disposition of the 6th Street property purchased with CDBG funds in Summer 2014. She provided the history behind the City’s attempts to find a developer interested in constructing low-income housing on the site. Based on the direction on how to proceed with development of 321 State Avenue and the difficulty in partnering on the development of the site on its own with affordable housing, staff has begun to explore with HUD the likely resale of the property and its effect on the former property acquisition program. The resale of the property could generate additional funds to support other programs identified in the new Action Plan. If the City Council agrees to sell the property at a future date, the funding that remains after applying HUD regulations for recapture of costs will then be allocated to the programs in the Plan.

Moved by Corrieri, seconded by Betcher, to approve the proposed 2017/18 Annual Action Plan Program projects and proposed budget in connection with the City's Community Development Block Grant Program.

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

CHANGE ORDER FOR WATER TREATMENT PLANT CONTRACT NO. 2: Moved by Orazem, seconded by Nelson, to adopt RESOLUTION NO. 17-061 approving Change Order No. 14 with Knutson Construction Services, Inc., of Minneapolis, Minnesota, for Water Treatment Plant Contract No. 2.

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

SIDEWALK CAFÉ REQUIREMENTS: Assistant City Manager Brian Phillips recalled that at the September 20, 2016, City Council meeting, City staff presented a list of proposed changes to the Sidewalk Café Ordinance. Those changes originated from a letter sent by the Campustown Action Association (CAA) to the City Council in 2012. A Draft ordinance was prepared to implement both CAA's requested changes and modifications proposed by City staff. At the September 20, 2016, meeting, the City Council raised several issues related to Sidewalk Cafes. Mr. Phillips presented the staff's responses to those issues. Also in response to the Council's requests specific to two items, he provided a summary of comparable cities' requirements regarding bringing in sidewalk café elements at the end of each day. The Council had also asked to know the ways through which alcohol service can be provided at a sidewalk café for places that are not restaurants. Mr. Phillips said that he had spoken with the Police Department, and it would be satisfied if the furniture was securely fastened down with chains or cables. Regarding ways through which alcohol could be served at a sidewalk café, Mr. Phillips stated that it was initially proposed that only those establishments that permit minors on the premises would be able to serve alcohol at their sidewalk cafes. However, it was his belief after the Council's previous discussions, that it was desirable to give them some alternatives. Those were presented as:

1. Exception to the regulation to be reviewed and granted by the City Council. City staff would do an analysis to provide to the City Council on each request.
2. Allow with increased safety standards for all establishments that are considered bars.
3. Proceed with only those establishments (restaurants) that allow minors on the premises and revisit it after a trial period.

Council Member Beatty-Hansen asked to hear her colleagues' viewpoints on the allowance of serving alcohol at the sidewalk cafes. Council Member said she believed the alcohol service should be time-limited (state that alcohol can't be served outside after a certain time); that would eliminate many of the potential conflicts, in her opinion.

Ms. Beatty-Hansen shared that the establishment where she works uses compliance training that alcohol sales persons must be certified. She felt that would help ensure that any exceptions would not be abused and provide a little

Ryan Jeffrey, Arcadia Café, 116 Welch, Ames, who said he was also a representative of the Campustown Action Association, commented that, generally, they are in favor of the concept.

Mr. Jeffrey said that requiring the compliance training should be part of it. Also, if there was a violation, the privilege of having alcohol at its sidewalk café should be revoked. He shared that he preferred that the outdoor furniture be required to be locked down, rather than brought in. At the inquiry of Council Member Corrieri, Mr. Jeffrey said that, in Campustown, basically the streets are pretty empty until 9:45 p.m. and by 10:30 p.m., they are full.

Nick Bottenfield, General Manager at Café Beaudelaire, 2504 Lincoln Way, Ames, said that he would prefer the outdoor furniture be required to be locked down, preferably with cables. He also liked the idea of requiring the compliance training for the staff of the establishment. They currently require that of all of their staff.

At the request of Council Member Nelson, Mr. Phillips stated that if the Council requested the exception route, staff would provide the compliance history on the existing Liquor License. Council Member Betcher said that that would work for renewals, but not for new establishments; there would be no track record. She wondered if Council should not approve alcohol service at a sidewalk café until the establishment had been in business for a period of time. Mr. Phillips replied that Council would have options to determine what criteria they would choose.

Moved by Betcher, seconded by Corrieri, to implement an ordinance that is worded like Cedar Falls' pertaining to outdoor furniture (requires removal or locking down) except that it state "while staff is on premises."

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

Ms. Betcher clarified that it meant after the sidewalk café closed.

Moved by Nelson, seconded by Orazem, that alcohol service at the sidewalk café cease at 10:00 p.m.

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

Council Member Beatty-Hansen pointed out that the Council had not addressed the rest

Moved by Beatty-Hansen, seconded by Corrieri, to direct staff to explore the exception process: City Council Granted Exception. A business that does not meet the "restaurant" criteria, but wishes to provide sidewalk café service, could submit a request for an exception allowing the service of alcohol, providing that all staff has taken the compliance training and the establishment has been in compliance, and if there are any compliance issues, the privilege is revoked.

Mr. Phillips advised that the City Council would receive a staff report indicating the establishment's alcohol compliance history and the measures proposed to control the service of alcohol. The City Council could then decide whether to allow an exception for that establishment to serve alcohol at its sidewalk café.

Council Member Gartin asked Mr. Phillips if local law enforcement had weighed in on this. Mr. Phillips replied that Ames Police Chief Cychosz had offered an opinion; however, Iowa State University Department of Public Safety (ISU DPS) had not. Mr. Gartin indicated that he felt it was important to involve ISU DPS because it will affect students.

Council Member Gartin said he was going to take a more conservative approach on the first pass. He said he would feel more comfortable knowing the opinion of ISU DPS and input from students.

Council Member Betcher said that she wished to have some regulations for those bars that have “drink specials.”

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

Council Member Nelson wanted it clarified that this would pertain only to sit-down service, so people could not just walk up and order a drink. Mr. Phillips indicated that under the requirements of the Sidewalk Café Ordinance, it would be sit-down service.

Moved by Corrieri, seconded by Beatty-Hansen, to direct staff to draft an ordinance.

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

ORDINANCE SETTING PARKING REGULATIONS ON CLARK AVENUE: Moved by Nelson, seconded by Betcher, to pass on first reading an ordinance making Clark Avenue “No Parking” at all times on both sides of street from Lincoln Way to Main Street.

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

COUNCIL COMMENTS: Moved by Betcher, seconded by Beatty-Hansen, to direct that Planner Kuester talk to the Main Street Cultural District requesting that its Firefly Night not be held on the Thursday before CyHawk Weekend.

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

ADJOURNMENT: Moved by Betcher to adjourn the meeting at 8:45 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor