

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

AMES, IOWA

MARCH 20, 2018

The Special Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on the 20<sup>th</sup> day of March, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue. Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, David Martin, and Chris Nelson were present. *Ex officio* Member Rob Bingham was also in attendance.

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

1. Motion directing staff to add an Acquisition and Reuse Program in the amount of \$140,000 to the proposed 2018-19 Annual Action Plan for Community Development Block Grant (CDBG) projects, moving \$125,000 from the Homebuyer Assistance project and \$15,000 from the Public Infrastructure Improvements for State Avenue project; and directing staff to prepare the Draft 2018-19 Plan that includes the Acquisition and Reuse Program
2. RESOLUTION NO. 18-124 approving the Final Plat for Village Park Subdivision, 2<sup>nd</sup> Addition. Roll Call Vote: 6-0. Motion/Resolution declared approved/adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**DISCUSSION OF RENTAL HOUSING ORDINANCE:** Mayor Haila noted that this meeting was to serve as a work session. No formal action will be taken by the City Council. Any motions approved will be providing direction to staff to come back to Council with information that will be considered at a future City Council meeting. Regarding the format to be followed for this work session, Mayor Haila stated that six issues will be considered. Regarding Issue 1 (Concentration): Information will be presented by staff; after which public input will be accepted on Issue 1 only. Each person will have three minutes to present. Each speaker was asked to be succinct, factual, and respectful. If a speaker has the same opinion as a previous speaker, he or she is welcome to come to the podium and note that he or she has the same opinion; however, are asked not to repeat. Council will then have discussion, ask questions of staff, deliberate, and determine what direction should be. Regarding Issues 2 (Parking Spaces Tied to Occupancy), 3 (Increasing Number of Bedrooms), 4 (Dependent Exclusion), 5 (Owner-Occupied Definition), and 6 (How to Handle Short-Term Rentals), staff will present information on the last five issues and public input will be accepted on those.

Mayor Haila explained that there are approximately 66,000 residents of Ames. He and the Council Members attempt do what is best for all members of the community, not just a select group; compromise is going to be necessary.

Staff members presenting were Planning and Housing Director Kelly Diekmann, Building Official Sara Van Meeterern, and City Planner Julie Gould.

### **Issue 1 - Options for Rental Concentration Limits**

Planning and Housing Director Kelly Diekmann showed a map denoting the neighborhoods included in the Moratorium. The Council was told that the options regulating rental property concentrations range from separation distances between single-family rental properties to setting a maximum

percentage for a defined area that could have registered rental properties. A table highlighting a number of communities that were found to regulate concentration of rental property. The Table showed that Iowa City, Iowa; East Lansing, Michigan; Mankato, Minnesota; North Mankato, Minnesota; West St. Paul, Minnesota; Winona, Minnesota; Northfield, Minnesota; Berkeley, Missouri; Steubenville, Ohio; and Philadelphia, Pennsylvania, regulated the concentration of rental property. It was noted that some cities did so by creating a zoning overlay, and others did so by restricting a certain percentage of each block.

Director Diekmann presented a table of information listing information on the total number of parcels, the percentage of rentals, and the number of registered rentals for the neighborhoods within the Moratorium Area. The Moratorium Area contains Area 1 - Edwards Neighborhood Association (NA), 2 - Westside NA, 3 - Oak-Wood-Forest NA, 4 - College Creek NA, 5 - SCAN North NA, 6 - SCAN South NA, 7 - Colonial Village, and 8 - Oak-Riverside NA.

Public Input on Issue 1. Barbara Pleasants, 516 Lynn Avenue, Ames, identified herself as the President of the SCAN. She provided a map of the SCAN that showed the number of rentals in the Neighborhood, which indicated the Neighborhood is 40% rentals. Ms. Pleasants relayed information from SCAN's annual meeting that had occurred on March 4, 2018. There were 35 attendees from all parts of the Neighborhood. Ms. Pleasants noted that an anonymous ballot of those in attendance indicated that 100% wanted the 20% rental cap applied to the entire Neighborhood with the goal of preventing any additional rentals. Ms. Pleasants indicated that SCAN was in favor of a freeze on rentals for the entire neighborhood. It is not wanting to limit rentals by block; that might be a good idea proactively, but it would not work for SCAN as it is way beyond that. Ms. Pleasants reiterated that it is the preference of the Neighborhood that the cap be 20%; 30% is too high, but that would be better than what is there now. The residents just don't want it to get any worse.

Leslie Kawaler, 2121 Hughes Street, Ames, added that they want a City-imposed overlay in Campus-adjacent areas with a 20% cap on rentals by neighborhood. Duplexes should be counted toward the rental cap. However, if an owner-occupier of one-half of a duplex wants to sell the property, they should be granted a LOC even if it exceeds the rental cap. Pertaining to grandfather, SCAN believes that existing LOCs should be grandfathered; however, they would like the Council to consider having the LOC expire when the property is sold. Regarding the definition of "owner-occupied, SCAN recommends that parents should be given a reasonable amount of time to either add the child's name to the Deed or make other living arrangements if the property exceeds the cap. Even if the child's name has been added to the Deed, if the child has more than one roommate, it must be registered as a rental and obtain a LOC. Parent owners who have not registered their property as a rental are in violation. SCAN disagrees with the addition of parking spaces in Campus-adjacent neighborhoods. They already compromised on the issue of stacked parking. Since many details need to be address, SCAN also asked that the current Moratorium be extended for six months so all issues can be worked-out with all the parties involved.

Dick Horton, 2119 Country Club Boulevard, Ames, said that he was an over-55-year resident of the SCAN. He noted that he had seen this issue in other cities over the years. Giving an historical

perspective, he said it started in Ames in the 50s when Iowa State University (ISU) was not that large. However, throughout the years, the University was not able to keep up with student housing. Families who lived along Welch Avenue eventually left due to the concentration of students; the density was too much for a residential neighborhood. According to Mr. Horton, the South Campus area was formerly occupied by University deans, professors, and others who worked at ISU. Mr. Horton believes that there are too many loopholes when using the term “owner-occupied.” He said that the City Council has to come up with some way to limit regulate rental properties, otherwise, what is attractive and special about Ames will be lost.

Tam Lorenz, 311 South Maple, Ames, noted that she had sent the Council members an email stating that she was in favor of the distance separation. She noted that she believes the concentration limits needs to be applied throughout, not just in certain neighborhoods. Ms. Lorenz also asked that the Council make it so LOCs expire when the property is transferred to a different owner.

Tony McFarland, 323 - 5<sup>th</sup> Street, Ames, offered his opinion that the free market will balance the problem out, especially if the student population decreases. As fewer students come to Iowa State, demand for rental properties will go down. Mr. McFarland stated that he believes that creating overlays will cause a significant decrease in property values and selling options when people want to sell their properties. He noted the very large number of apartment units that have been constructed. Mayor Haila asked if Mr. McFarland had any data to back up his belief that the free market will balance the problem out. Mr. McFarland said he did not have numbers, but he knows that with the large number of apartments that have been constructed, there is less demand for rental units now. The Mayor asked if students will gravitate to new construction, rather than choosing to live closer to Campus. Mr. McFarland commented that it was his opinion that students want new development and large apartment complexes because they want their own bedroom and their own bathroom. At the question of Council Member Corrieri, Mr. McFarland said he did not have the vacancy rates; however, he knows that the number is rising as it is getting more difficult to rent the older units. Council Member Gartin said he felt that Mr. McFarland should be advocating for action opposite of what he is doing. He explained that, to him, existing landlords have almost a monopoly power. Mr. Gartin sees this as a windfall for landlords as, by creating overlays, the City is artificially constraining the number of rental properties. McFarland said that is fundamentally opposed to the government creating a monopoly and doesn't see it in the same way as Council Member Gartin.

Mike Frisk, 2425 Kingston Drive, Ames, advised that he is a landlord and has been a long-time resident of Ames. He does not believe that overlays create a windfall for landlords. Mr. Frisk said he wants the SCAN to be cleaned up. He wants to do things the right way; by enforcement of the current laws and get neighborhoods cleaned up. If there are truly issues, use enforcement methods and see how it goes. Mr. Frisk gets the feeling that some in the community believe that all landlords are bad. He is not opposed to changing things; however, he wants data. Mr. Frisk said he wants staff to be asked how many problems are out there right now; get that data first, and then work together to improve what needs to be fixed.

Mary Reilly McIntire, 517 Ash Avenue, Ames, stated that her home is on the National Register; it

is known as the “McDonald House.” Ms. Reilly McIntire told the Council that she had been unable to attend the past meetings on this issue. She described what it is like to live in her neighborhood. Ms. Reilly McIntire asked if any of those who believe that the free market will balance the problem out have actually lived next to college students. She noted that she had spoken with the owner of the rental house close to their home and was told that three girls had rented the home. When the renters moved in, there were five girls, not three. The girls invite friends over, have parties, urinate in the yard, and use profanity, which makes it impossible for her family to enjoy her home. At the question of Council Member Gartin, Ms. Reilly-McFarland said that her family moved into their home at 2011, and they knew there were Iowa State students living in the area. She said she liked the mixed neighborhood, but it has gotten too concentrated with students.

Mr. Diekmann said that staff was asking for direction as to what approach the Council wanted to use. Further direction from the Council would be needed based on what approach was approved by the Council.

Council Member Nelson asked how staff had defined the areas. He questioned if staff would show rental concentrations for the entire City. Director Diekmann indicated that, if the Council has interested in creating certain areas based on something such as RL zoning, staff would develop those maps. The Moratorium Areas contained certain neighborhood associations plus Colonial Village, as directed by the Council. The Central Ames Map contains what staff felt were logical square block areas. Mr. Diekmann said that staff would like direction from the Council if they wanted to use the separation standard. Council Member Gartin asked if using the percentage limitation would make it easier for staff to enforce. Building Official Sara VanMeeteren said that it was difficult for her to say that using one or the other would be easier for staff to enforce.

Council Member Corrieri noted that there are some neighborhoods that have organized and are very active. She asked if notice had been sent to all residents. Planner Gould advised that notice was sent to the contact of any neighborhood association that is registered with the City. Director Diekmann stated that dependent on what action will be taken by the Council tonight, the notification process would begin.

*Ex officio* Member Bingham asked to know the time frame to get the neighborhoods into compliance if one of the concentration limits is chosen. Director Diekmann said it would take years.

Council Member Betcher pointed out that the Council had been discussing incentives to get people to convert rentals back to owner-occupied units. She noted that creating overlays allows time to see if it will stabilize the neighborhoods.

Council Member Gartin asked Director Diekmann to guide the Council through the process of providing direction to staff. Director Diekmann advised that the first question is whether there should be a concentration limit city-wide or only in specific areas.

Moved by Gartin, seconded by Beatty-Hansen, to direct staff to come back with a proposed ordinance that would provide for a 25% restriction in the University-adjacent neighborhoods.

Council Member Nelson asked how that 25% would be defined. Staff's recommendation is that it be based on the calculation of registered rental units that are in that single-family zone.

Moved by Gartin, seconded by Beatty-Hansen, to amend the motion to include that the 25% be based on the calculation of registered rental units that are in that single-family zone in the University-adjacent neighborhoods.

Council Member Nelson cited his concern that there are some other neighborhoods that are close to that cap, and it will force more rentals into those neighborhoods.

Council Member Gartin commented that he is struggling with whether to impose limits City-wide as he believes similar situations with rental concentrations are occurring in other neighborhoods, e.g., Old Town, even though the City has received zero comments from any residents of those neighborhoods. Council Member Gartin said he would like to hear from residents of other neighborhoods that might be impacted that they, too, might want to limit rentals to a certain percentage. It was noted by Council Member Corrieri that the Council had only heard from three neighborhoods in the University-adjacent neighborhoods (SCAN, College Creek, and Colonial Village). Council Member Martin agreed. He acknowledged that he had heard one comment from a resident of the Westside NA. Ms. Corrieri said that she wanted to have hard data before decisions of this magnitude are made. She doesn't think that she can be supportive of any cap as the City doesn't know the results of decisions that had already been made by the Council. Ms. Corrieri specifically noted that the City doesn't know the impact of the proactive enforcement that has just started, the impact of the number of newly constructed apartments, and the change in the Occupancy Ordinance. She said that she was in favor of trying to find solutions to balance neighborhoods. Ms. Corrieri reiterated that the Council doesn't have data on any of the changes that have already occurred, and it won't for several months. Ms. Corrieri added that the vast majority of complaints that she has heard has been related to nuisance and property maintenance issues. Council Member Beatty-Hansen pointed out that if there is a balance of rental and owner-occupied homes, the nuisance issues can be addressed by enforcement.

Moved by Martin, seconded by Corrieri, to approve a second amendment to the motion to restrict the cap to include only the neighborhoods listed as Areas 4 through 8.

Mr. Martin explained that his reasoning behind making that motion was that there had been little or no input received by the City Council from residents of Areas 1, 2, or 3 (Edwards, Westside, Oak-Wood-Forest Neighborhoods, respectively).

Council Member Betcher pointed out that the issue could be due to who had been notified and who has been paying attention. She suggested that Areas 1 through 7 be included. Residents of those Areas would be notified and could provide input when it is on a future agenda.

Second amendment withdrawn.

Council Member Corrieri again expressed her concerns that some property owners are going to be

shocked because they will not be able to sell their homes as rentals. Council Member Betcher commented that Ms. Corrieri was looking at the impact on individuals, instead of neighborhoods.

City Manager Schainker said that staff would come back with a proposed ordinance. Director Diekmann advised that it might be an amendment to the Rental Code, rather than being part of the zoning process. Staff would need to check with the City Attorney. Director Diekmann advised that approximately 1,000 properties (owners) would be notified. Planning and Housing Department would do the notification if it is determined that the change would be part of the Rental Code; Council would need to provide direction to Council to start the notification process. Council Member Gartin noted his preference that RH property owners in those areas also be notified because those neighborhoods would be impacted. Director Diekmann advised that Council would direct staff as to whom is notified if it is determined to be an amendment to the Rental Code.

Council Member Martin asked someone to speak as to the rationale of 25%. Council Member Betcher offered that it was a compromise between 20 and 30%. She noted that SCAN originally proposed a 25% cap. At the question of Mr. Martin, staff confirmed that that percentage could be changed by the Council in the future if it was felt it should be 20 or 30%.

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

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

Motion by Betcher, seconded by Gartin, to direct staff to notify all property owners in the University-Adjacent neighborhoods that will be covered by the 25% overlay before the first reading of the ordinance.

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

Council Member Gartin pointed out that the Moratorium will end on April 30, 2017. He asked if the Council should extend the Moratorium. According to Director Diekmann, the first meeting that formal action extending the Moratorium could come back to Council would be April 10. He also told the Council that it would need at least another month to finalize the concentration decisions.

Moved by Gartin, seconded by Betcher, to direct staff to place the issue of extending the Moratorium on the City Council Agenda for March 27, 2018.

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

Mr. Diekmann asked the Council members to decide how they wanted to view duplexes if both units were not rented. He said that staff had recommended that the unit be counted toward the cap, but if they're over the cap, they still be allowed to get that second part of the duplex registered.

Moved by Beatty-Hansen, seconded by Nelson, to direct that a duplex be counted toward the cap, but if they are over the cap, they still be allowed to get that second part of the duplex registered.

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

Director Diekmann said staff needed direction on whether to allow grandfathering.

Moved by Beatty-Hansen, seconded by Betcher, to include grandfathering status for current LOCs.  
Vote on Motion: 6-0. Motion declared carried unanimously.

Mr. Diekmann asked if staff should come up with some provision to allow for a temporary hardship claim. Building Official VanMeeteren explained Transitional Letters of Compliance, which are currently allowed by the Code.

Moved by Corrieri, seconded by Betcher, to ask staff to explore some sort of hardship option.

Building Official Van Meeteren advised that a Transitional Letter of Credit is currently available to anyone regardless of their scenario, whether they are selling their home doesn't matter; it is available to anyone regardless of their situation. City Manager Schainker clarified that that option would not count those with Transitional Licenses toward the cap.

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

Moved by Martin, seconded by Gartin, to request periodic reports on the number of Letters of Compliance that had been issued over the first year for all neighborhoods throughout the City.

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

The meeting recessed at 7:57 p.m. and reconvened at 8:06 p.m.

## **ISSUE 2 - PARKING SPACES TIED TO OCCUPANCY**

Mayor Haila reiterated that staff comments will be heard first and then public input will be taken on Issues 2 through 6.

Building Official VanMeeteren stated that, at the February 20, 2018, Council Workshop, the Council had directed staff to modify the parking section of the current Ordinance to maintain the parking requirements in the Moratorium areas and to remove the parking requirements in all areas outside of the moratorium areas. That direction will permit property owners to add parking in non-moratorium areas consistent with the current language of the ordinance. She added that if the City Council should decide to maintain the parking requirements in the Moratorium areas, but remove them in all other area, Section 13.406(5)(d-e) would need to be amended.

A table showing the data answering a question posed at the February 20, 2018, Rental Housing Ordinance Workshop, when the City Council requested "data within the moratorium area to estimate the number of four-bedroom or greater properties that do not have sufficient parking to allow for four or more occupants under the current Ordinance. It was noted that, of the 29 dwellings, 17 or 10% have the ability to add bedrooms, which would mean that there would only be 23 additional occupants/bedrooms that could be added..

## **ISSUE 3 - INCREASING NUMBER OF BEDROOMS**

Building Official VanMeeteren recalled that, at the Workshop on February 20, 2018, Council directed staff to tie the occupancy to the number of bedrooms that were counted as of January 1, 2018, and that that number be frozen in the moratorium areas only. It was noted that the City Council had determine that there would be no prohibition on the issuance of Building Permits in any area. The changes to Section 13.503(4) will allow Building Permits for additional bedrooms to be issued City-wide, but freezes the number of occupants in University-Adjacent Neighborhoods only in accordance with the number of bedrooms in existence as of January 1, 2018. Therefore, a four-bedroom dwelling in the SCAN could add a fifth bedroom, but would still be limited to four adults for occupancy purposes. However, in a zone outside of a moratorium area, the same situation would allow five adult occupants to reside in the home.

#### **ISSUE 4 - DEPENDENT EXCLUSION**

The Council was reminded by Ms. VanMeeteren that, at the February 20, 2018, Council Workshop, the City Council determined that it should exclude adult dependents from the number of adults allowed for occupancy purposes. The Council had indicated that it preferred to more precisely define what constitutes a dependent. Staff proposed first defining the word “adult” as it used in the occupancy standards and then exclude dependents.

#### **ISSUE 5 - OWNER-OCCUPIED DEFINITION**

At the February 20, 2018, the City Council had directed staff to remove the language in the Rental Code that allowed any person other than the owner as listed on the Deed to be considered an owner of a property. Currently, the owner’s relative is also considered an owner of the property and is allowed to reside in the dwelling without the owner also residing in the dwelling. The relative may have one additional occupant before triggering the rental inspection process. Once the owner, or the owner’s relative has two roommates, they would be required to register as a rental property.

Public Input. Jamin Hitchcock, 515 Grand Avenue, Ames, said he recently moved into the SCAN and is a member of the SCAN Board. He voiced his support for not being able to add bedrooms to increase the occupancy limit.

#### **ISSUE 6 - HOW TO HANDLE SHORT-TERM RENTALS (E.G., AIRBNBS)**

According to Director Diekmann, staff’s primary concern for short-term rentals is consistency in the definitions of Household Living and Short-Term Lodging as it relates to single-family neighborhoods and zoning. The defining element between the two types of uses is the duration of a stay within a living unit (home). When a short-term rental is accessory to the Household Living use, it is generally consistent with single-family zoning; however, if it is allowed to have dwellings with no primary resident rented for short periods of time as a business, that makes the use short-term lodging, which is not consistent with single-family zoning. A table describing the types of short-term rentals was detailed by Mr. Diekmann.

#### Council Discussion.

Issue 2: Moved by Martin, seconded by Corrieri, based on the evidence received, to request an amendment to the Occupancy Ordinance from January 9, 2018, to eliminate the count of parking



spots as a factor in computing the allowable occupancy in a rental dwelling unit throughout the entire City of Ames.

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

Issue 3: Direction given on February 20, 2018, was unchanged; that being: Directed staff to tie the occupancy to the number of bedrooms that were counted as of January 1, 2018, and that number be frozen in the Moratorium areas only.

Issue 4: Moved by Nelson, seconded by Betcher, to add Section 13.201. TERMS DEFINED, as follows:

“ADULT. For purposes of determining occupancy, an “adult” is an individual 18 years of age or older; excluded from this definition is the dependent of an adult, both sharing as their primary residence the location of the registered rental property. Dependent status shall be demonstrated through a current tax return or court-ordered guardianship or court-ordered conservatorship.”

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

Issue 5: Moved by Martin, seconded by Beatty-Hansen, to keep the consanguinity clause, and add a statement clarifying that if a dwelling unit has more than one roomer, it is not owner-occupied; thus, if there is more than one roomer, the unit may be subject to registration and inspection requirements.

Council Member Betcher contended that by leaving the consanguinity clause in, it would be an owner-occupied home that is being used as a rental. Ms. Van Meeteren clarified that the City exempts owner-occupied properties from being registered. She said that if the unit does not meet the definition of owner-occupied, the unit is subject to registration and rental inspections. She said that they could, under “What is Exempt” in the Rental Code, include the definition of owner-occupied. Mr. Martin said that a statement clarifying that a dwelling unit is not owner-occupied if there is more than one roomer should be added.

Council Member Betcher commented that the issue is the confusion that arises over how many people may live in a house when the son or daughter of the home owner is living there. In the majority of those instances, the unit is not registered as a rental. Ms. Betcher asked how those would fit into the overlay cap. Council Member Martin commented that if they are already operating illegally, then adding a statement that they are operating illegally doesn’t change things.

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

Issue 6: Director Diekmann advised that the Council had provided direction to staff to proceed with developing standards for both owner-occupied shared short-term rentals and whole-house rentals where the owner is absent. Staff had prepared a table showing the types of short-term rentals single-family residences and potential standards, which was reviewed by Mr. Diekmann. There are four types of short-term rentals: Type 1: Hosted Home Share; Bed & Breakfast; Type 2: Home Share;

and Type 3: Vacation Rental.

According to Mr. Diekmann, staff's primary concern for short-term rentals is consistency in the definitions of Household Living and Short-Term Lodging as it relates to single-family neighborhoods and zoning. The defining element between the two types of uses is the duration of a stay within a living unit. When a short-term rental is an accessory to the Household Living use, it is generally consistent with single-family zoning. However, if the City were to allow for dwellings with no primary resident to be rented for short periods of time as a business, that makes the use short-term lodging and that type of use is not consistent with single-family zoning. According to Director Diekmann, staff believes absentee whole house rentals are more of a business use than a household living use and should only be allowed in zones that permit short-term lodging and not within single-family neighborhoods.

Council Member Betcher asked how the City regulates Bed-and-Breakfast establishments. Director Diekmann advised that Bed-and-Breakfasts must have a Special Home Occupation from the Zoning Board of Adjustment.

Mr. Diekmann said that the premise for allowing for short-term rentals is that they are an accessory use to a principal residence as an owner-occupied home that is not subject to the Rental Code. Staff proposed that if the duration of the stay exceeds 30 days, the property owner would need to comply with the Rental Code so as not to become a loophole of avoiding registering a rental dwelling. Director Diekmann said that staff believes allowing for the principal resident to either have a shared homestay or rental of a whole house in accordance with the requirements only reflected in Type 1 and Type 2 can be found to be consistent with the current Zoning Ordinance hierarchy of Household Living residential uses. He noted that staff would have to develop a full ordinance reflecting the Council's preference, which would be an amendment to the Zoning Ordinance and require a recommendation from the Planning and Zoning Commission prior to the hearing before the Council.

Ryan Houck, 65697 - 190<sup>th</sup> Street, Nevada, said that he was a local real estate appraiser and an owner of an Airbnb. He noted that there is always an owner present at his Airbnb. Mr. Houck stated that he bought an eye sore and improved it. He encouraged the Council to go with Type 3: Vacation Rental.

Shannon Stack, 1313-24th Street, Ames, stated that she lives on the premises of their Airbnb. She noted that allowing a maximum of 90 days per year is not enough. At the inquiry of Council Member Gartin, Ms. Stack said that they are Type 1: Hosted Home Share.

Rebecca Christianson, 304 E. 16<sup>th</sup> Street, Ames, advised that she has had an Airbnb since last March. She indicated that she has a Type 1: Hosted Home Share. Ms. Christianson uses the proceeds of renting part of her home to pay property taxes. She would like to see the maximum number of 90 days/year extended.

Ashley Houck, 65697 - 190<sup>th</sup> Street, Nevada, an owner of a Type 3, indicated that she and her family want to make a great impression to that their guests want to come back to this area. The City

benefits from guests coming to Ames.

At the inquiry of Council Member Gartin, City Manager Schainker said that Airbnbs pay Hotel/Motel Tax to the state of Iowa; a portion of it will come back to the City.

Susan Chadworth, currently living at 1700 Amherst Drive, Ames, said she was speaking as a Type 1 guest. The Airbnb option has provided her a home-away-from-home. She will be in Ames for 120 days, and hopes that the City will extend the maximum stay of 90 days/year.

Council Member Betcher indicated that she is mostly concerned about the whole house rentals. If there are vacation rentals, she is not sure how those are different from rentals where there are annual leases. The population of Airbnbs is transient. Council Member Corrieri said she believes that the industry regulates itself better than other rentals. Ms. Betcher would prefer that the resident be on site. She is unclear as to why Airbnbs or other short-term rentals are treated differently than other rentals. Director Diekmann noted that Type 3, Vacation Rentals, are currently not legal in Ames. Ms. Betcher noted that approval of Bed & Breakfasts in Ames is a process; it requires permission from the Zoning Board of Adjustment, so neighbors are notified. He noted that Type 3 is never going to have a resident owner present.

Moved by Gartin, seconded by Beatty-Hansen, to adopt Types 1, 2, and 3.

Director Diekmann clarified that staff will create an ordinance incorporating the standards prepared by staff and bring it back to the Council for review.

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

Moved by Corrieri, seconded by Beatty-Hansen, to not set a maximum number of days/year for Type 1.

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

Council Member Corrieri asked how the City is going to enforce Airbnbs who are not registered. Director Diekmann indicated that the City would first educate after the Ordinance is adopted and then staff would need direction from the Council as to enforcement.

Building Official Van Meeteren offered that the Council's direction on Issue 2, 3, 4, and 5 could come back on the meeting of March 27 if so desired. Mayor Haila said he would leave that up to staff; however, Council wants to keep it going as quickly as possible.

**COUNCIL COMMENTS:** Council Member Betcher reported on a session on the 2020 Census that she had attended while at the National League of Cities Conference. She specifically noted a question that had been proposed by the Department of Justice, which is to ask if the respondent is a citizen of the United States. Ms. Betcher noted that the question has not been vetted in the normal fashion; it has not been run through the same type of approval as other questions to be included on

the Census survey. Cities have concerns about the question because it could cause some persons to opt not to be counted, and lowered numbers of residents can prove very detrimental to the amount of federal funding to be received by cities. According to Ms. Betcher, the National League of Cities has asked that any city that has concerns about the question write the Commerce Secretary before the deadline of March 23, 2018.

Moved by Betcher, seconded by Martin, to ask the Mayor to write a letter to the Commerce Secretary opposing the addition of the citizenship question on the 2020 Census on the basis of the impacts that it could have on Ames.

After being asked to do so by Council Member Betcher, City Manager Schainker explained that most federal funding decisions are made based on the population. It is very important that all persons living in Ames be counted.

Council Member Gartin noted that this is a federal government survey. He believes that the federal government deserves some sort of deference as to how it runs the Census. Mr. Gartin noted that the Council had received information on this fewer than 24 hours ago, and he is reluctant to oppose the question. Council Member Betcher noted that it was the representative from the Census Bureau who had encouraged cities to write to the Commerce Secretary; they stated that input from cities was wanted.

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

**ADJOURNMENT:** Moved by Betcher to adjourn the meeting at 9:50 p.m.  
Vote on Motion: 6-0. Motion declared carried unanimously.

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Diane R. Voss, City Clerk

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John A. Haila, Mayor