

**MINUTES OF THE REGULAR MEETING OF THE
AMES CONFERENCE BOARD AND
REGULAR MEETING OF THE AMES CITY COUNCIL**

AMES, IOWA

FEBRUARY 26, 2013

REGULAR MEETING OF THE AMES CONFERENCE BOARD

The regular meeting of the Ames Conference Board was called to order by Chairperson Ann Campbell at 6:31 p.m. on January 22, 2013. Present from the Ames City Council were Jeremy Davis, Matthew Goodman, Peter Orazem, Victoria Szopinski, and Tom Wacha. Story County Board of Supervisors present were Wayne Clinton and Paul Toot. Representing the Ames School Board were Teresa Simpson and Bill Talbot. Ames City Council Member Jami Larson arrived at 6:32 p.m. Gilbert School District and United School District were not represented.

MINUTES OF THE JANUARY 22, 2013, SPECIAL MEETING OF THE CONFERENCE BOARD: Moved by Davis, seconded by Clinton, to approve the minutes of the Regular Meeting of the Conference Board held January 22, 2013.

Vote on Motion: 3-0. Motion declared carried unanimously.

APPOINTMENT TO BOARD OF REVIEW: Moved by Goodman, seconded by Clinton, to adopt RESOLUTION NO. 13-062 approving the reappointment of Judy Albright to the Board of Review. Vote on Motion: 3-0. Motion declared carried unanimously.

PUBLIC HEARING ON PROPOSED FY 2013/14 BUDGET FOR AMES CITY ASSESSOR'S OFFICE: Chairperson Campbell opened the public hearing. No one came forward to comment, and the hearing was closed.

Moved by Clinton, seconded by Goodman, to adopt the proposed FY 2013/14 Budget for the Ames City Assessor's Office.

Vote on Motion: 3-0. Motion declared carried unanimously.

ADJOURNMENT: Moved by Davis, seconded by Clinton, to adjourn the Ames Conference Board at 6:33 p.m.

Vote on Motion: 3-0. Motion declared carried unanimously.

REGULAR MEETING OF THE AMES CITY COUNCIL

The Regular Meeting of the Ames City Council was called to order by Mayor Campbell at 6:37 p.m. on February 26, 2013, in the City Council Chambers in City Hall, 515 Clark Avenue. Present from the Ames City Council were Davis, Goodman, Larson, Orazem, Szopinski, and Wacha. *Ex officio* Member Sawyer Baker was also present.

CONSULTATION FOR ANNEXATION: Wayne Clinton, representing the Story County Board of Supervisors, and Steve Howell, representing the Franklin Township Trustees, were present.

City Planner Charlie Kuester stated that, in accordance with state law, a consultation with the Franklin Township Board of Trustees and the Story County Board of Supervisors is the first step in the annexation process. The purpose of the consultation is to identify any issues that the affected entities may raise concerning the proposed annexation. Within seven business days following the consultation, the Supervisors and Trustees may then make written recommendations for modification to the proposed annexation. Within 30 days of the consultation, the Supervisors are also to pass a resolution stating whether or not they support the application or whether they take no position in support of or against the application.

Mr. Kuester reminded the Council that the first territory contains two parcels owned by the Phyllis Athen Revocable Trust, the James Athen Revocable Trust, and Ricky Madson, collectively known as the Athen properties. The territory, totaling 121.02 acres, lies west of George Washington Carver Avenue in Sections 20 and 29 of Franklin Township. Annexation of the second territory was initiated by Quarry Estates, LLC. In order to avoid creating an island, the City is also including three non-consenting properties, as allowed under *Code of Iowa* Section 368.7(a). The additional properties are owned by Harold and Bette Frame, Harold and Bette Frame on contract to Brian and Jamie Frame, and Hunziker Land Development, LLC. The properties lie along 190th Street and Grant Avenue in Section 22 of Franklin Township and total 105.12 gross acres. Mr. Kuester pointed out that Hunziker Land Development, LLC, is listed as non-consenting because they are awaiting resolution of the rural water issues before filing annexation petitions for their two properties along Grant Avenue. Prior to the actual annexation of these territories, the rural water issue must be worked out and pre-annexation agreements signed for the Athen properties, Quarry Estates, and the two Hunziker properties.

Mr. Howell advised that, even though Franklin Township will be losing some tax revenue from the properties, the Gilbert School District will benefit greatly from the developed land. Since the properties will be annexed to Ames, it will not present a burden on Story County fire and rescue. Story County Supervisor Clinton advised that a written letter of support from Story County had already been submitted.

Mayor Campbell noted that no action was being requested; the purpose was to allow for conversation among the affected entities.

Council Member Goodman asked to know the status of the properties between the Athen property and Quarry Estates. Mr. Kuester advised that staff had met with the Sturgeses, and with the direction previously given by the Council, started to work on development agreements that might offer those property owners an incentive to annex. The development agreement would initially offer a reduced rate for a single homestead, but upon further development, they would pay the balance. No progress has been made in actually getting Annexation Petitions in hand from those non-consenting owners. At this time, only the Athen and Quarry Estates properties would move forward to a public hearing on April 9, 2013. Staff would not recommend taking any further action until there were development agreements in hand for all the property owners along Grant.

Council Member Goodman questioned whether there was any legal risk to the City if it allowed the process to move forward even though the water issue has not been resolved. Interim City Attorney Judy Parks said it would be advisable for the City to move forward and work on resolving the water situation; that would be taken out of the development agreements at this point. Mr. Goodman recalled that the Council had directed staff not to annex the properties until the water issue was resolved.

At the inquiry of Council Member Orazem, Assistant City Manager Bob Kindred reported that City staff has a meeting scheduled with the Xenia Rural Water District for March 6, 2013, to hopefully lay out clearly what approach it would take to Ames annexing the property and serving it with water. In addition, the City is still pressing Central Iowa Rural Water District for an answer in writing to the fundamental questions of whether they would provide full municipal water service to the eastern industrial area, and if not, how much they would charge the City to buy the right to service that territory. Staff is hopeful that answers, in writing, will be received by April 9, 2013.

Mayor Campbell told the Council that late this afternoon the Subcommittee in the Iowa House did vote out a piece of amended legislation pertaining to rural water districts that will go to the Full

Committee of the Economic Development Committee on Thursday. She noted that City staff and lobbyists from the Iowa League of Cities had worked very hard on that potential legislation. City Manager Schainker added that City staff will also be working on this at the federal level. The Mayor noted that she and Assistant City Manager Bob Kindred will be in Washington, D.C., and will meet with officials from the U.S.D.A. and possibly the Ag Committee in both the House and the Senate.

Supervisor Clinton stated that he would be going to Washington, D.C., as part of the Iowa Association of Counties Legislative Conference. He volunteered to discuss the issue at the federal level as well.

CONSENT AGENDA: Moved by Davis, seconded by Szopinski, to approve the following items on the Consent Agenda:

1. Motion approving payment of claims
 2. Motion approving Minutes of Regular Meeting of February 12, 2013, and Special Meeting of February 1, 2013
 3. Motion approving Report of Contract Change Orders for February 1-15, 2013
 4. Motion approving renewal of the following beer permits, wine permits, and liquor licenses:
 - a. Class C Beer – Almost Always Open, 419 Lincoln Way
 - b. Class C Beer & B Native Wine – Casey's General Store #2905, 3612 Stange Road
 5. RESOLUTION NO. 13-063 approving Iowa Clean Air Attainment Program (ICAAP) Grant application for Mortensen Road Improvements
 6. RESOLUTION NO. 13-064 approving CyRide Memorandum of Agreement with Iowa State University Intermodal Facility Construction for additional construction at the Ames Intermodal Facility not to exceed \$74,300
 7. RESOLUTION NO. 13-065 approving preliminary plans and specifications for 2012/13 Shared Use Path Maintenance project; setting March 20, 2013, as bid due date and March 26, 2013, as date of public hearing
 8. RESOLUTION NO. 13-066 approving up to four two-month fuel contracts at a total price not to exceed \$619,500 and accept fixed rate and mark-up/deduct for remainder of CyRide's fuel purchases
 9. RESOLUTION NO. 13-067 awarding contract to Stivers Ford Lincoln of Waukee, Iowa, for four 2013 Ford Taurus Interceptor sedans for a total cost of \$100,380
 10. RESOLUTION NO. 13-068 awarding contract to Titan Machinery of Des Moines, Iowa, for Wheel Loader and Clam Bucket for \$156,360 with buyback guarantee
 11. RESOLUTION NO. 13-069 awarding contract to O'Halloran International of Altoona, Iowa, for the purchase of medium-duty truck chassis in the amount of \$84,465
 12. RESOLUTION NO. 13-070 awarding contract to Bobcat of Ames of Ames, Iowa, for one 2013 Bobcat VH417 Material Handler with attachments in the amount of \$62,002
 13. RESOLUTION NO. 13-071 approving contract and bond for 2009/10 Low-Point Drainage (Crystal Street)
 14. RESOLUTION NO. 13-072 approving Plat of Survey for 3621 Lincoln Way
- Roll Call Vote: 6-0. Resolutions declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

PUBLIC FORUM: No one spoke during this time.

5-DAY LICENSES FOR OLDE MAIN BREWING COMPANY: Moved by Davis, seconded by Szopinski, to approve the following:

- a. Special Class C Liquor (Feb. 26 - Mar. 2) at ISU Alumni Center, 420 Beach Avenue
- b. Special Class C Liquor (Mar. 1 - 5) at Reiman Gardens, 1407 University Boulevard
- c. Special Class C Liquor (Mar. 11 - 15) at Reiman Gardens, 1407 University Boulevard

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

REQUESTS FOR HOPE RUN ON JUNE 15, 2013: Moved by Goodman, seconded by Davis, to adopt the following:

- a. RESOLUTION NO. 13-073 approving closure of portion of Mortensen Road from 7:00 a.m. to approximately 8:15 a.m. and portion of State Avenue from 7:45 a.m. to approximately 9:00 a.m.
- b. RESOLUTION NO. 13-074 approving waiver of Road Race permit fee

Melissa Rowan, Event Co-Chair, said that this was the 15th year of the Hope Run. At the question of Council Member Orazem as to how participants are to register, Ms. Rowan advised that there will be a page on the Mary Greeley Medical Center Web site; however, it is not available yet. The proceeds of the Run will go to benefit the Hospice House.

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

REQUESTS FROM MAIN STREET CULTURAL DISTRICT (MSCD) FOR SUMMER EVENTS: Moved by Davis, seconded by Orazem, to adopt/approve the following:

- a. Main Street Farmers' Market, Saturdays from May 4 to September 28:
 - i. RESOLUTION NO. 13-075 approving closure of street and parking spaces in 400 block of Main Street; closure of Burnett Avenue, from Main Street north to the alley; and eight parking spaces in 300 block of Main Street, from 6:00 a.m. to 1:00 p.m.
 - ii. Motion approving blanket Temporary Obstruction Permit and blanket Vending Permit for entire Central Business District from 8:00 a.m. to 6:00 p.m.
 - iii. RESOLUTION NO. 13-076 approving waiver of fee for blanket Vending Permit
- b. Art Walk on Friday, June 7:
 - i. RESOLUTION NO. 13-077 approving waiver of parking meter fees and enforcement for MSCD from 3:00 p.m. to 6:00 p.m.
 - ii. Motion approving blanket Temporary Obstruction Permit for MSCD sidewalks from 3:00 p.m. to 8:00 p.m.
 - iii. Motion approving blanket Vending Permit for MSCD from 8:00 a.m. to 8:00 p.m.
 - iv. RESOLUTION NO. 13-078 approving waiver of fee for Blanket Vending Permit
 - v. RESOLUTION NO. 13-079 closing six parking spaces near intersection of Main Street and Kellogg Avenue for food vendors
- c. 4th of July Parade and Festival on Thursday, July 4:
 - i. RESOLUTION NO. 13-080 approving closure of Clark Avenue between 5th Street and 6th Street from 6:00 p.m. on Wednesday, July 3, until conclusion of parade on July 4 for City Council Community Pancake Breakfast
 - ii. RESOLUTION NO. 13-081 approving closure of portions of Main Street, Northwestern Avenue, Fifth Street, Douglas Avenue, Burnett Avenue, Kellogg Avenue, Clark Avenue, Allan Drive, and Pearle Avenue from 6:00 a.m. to approximately 3:00 p.m. for parade
 - iii. RESOLUTION NO. 13-082 approving waiver of parking meter enforcement for the entire Central Business District on July 4
 - iv. RESOLUTION NO. 13-083 approving closure of Parking Lot MM, Parking Lot N, Parking Lot Q, Depot Lots V and TT, and south half of Parking Lot M from 6:00 a.m. to 3:00 p.m.
 - v. Motion approving blanket Temporary Obstruction Permit and blanket Vending Permit for MSCD from 8:00 a.m. to 6:00 p.m.
 - vi. RESOLUTION NO. 13-084 approving waiver of utility fees for use of outlets and water in Tom Evans Plaza and waiver of Vending Permit fee

- d. July Sidewalk Sales, July 25 - 27:
 - i. RESOLUTION NO. 13-085 approving suspension of parking regulations in CBD from 8:00 a.m. to 6:00 p.m, July 25 - 27
 - ii. Motion approving blanket Temporary Obstruction Permit and blanket Vending Permit
 - iii. RESOLUTION NO. 13-086 approving waiver of fee for Blanket Vending License

Representing the MSCD, Director Cari Hague and Events Coordinator Rachel Miller thanked the Council for its past support.

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

TAX ABATEMENT FOR 127 STANTON AVENUE: City Planner Jeff Benson noted that the background on this issue had been presented at the Council meeting held February 12, 2013. In summary, 127 Stanton Avenue is located within the Campustown Urban Revitalization Area, for which Council had established an Urban Revitalization Plan. Improvements have been completed consistent with the requirements of that Plan except for screens that were to be installed on all balconies of the adjacent building at 119 Stanton that overlook the property at 127 Stanton. The property owner estimates that installation of the screens will be completed by March 31, 2013; however, the owner requests that City Council forward approval of tax abatement to the City Assessor before March 1, 2013, so that tax abatement can commence for the current levy year. The City Council had directed staff to prepare an agreement whereby the property owner would agree to repay to the City any tax abatement received if the screens are not completed by March 31, 2013.

According to Mr. Benson, Campus Investors has now signed and returned the Agreement for Maintenance and Management, as required by the City Council. Mr. Benson advised that, in accordance with the Council's direction and by approving the Supplemental Agreement, Campus Investors has agreed to forfeit and repay the tax exemption if the screens are not completely installed by March 31, 2013. Planner Benson further explained that the Supplemental Agreement provides that if all of the screens are not installed by March 31, 2013, the owner of the property at 127 Stanton will forfeit and repay the tax exemption allowed against property taxes levied on that property. Under the Supplemental Agreement, the City Council would agree to approve and forward the property owner's application for urban revitalization tax exemption to the City Assessor before March 1, 2013.

Council Member Larson noted that the clawback would pertain to the total cost of abatement, not just the City's portion. He also expressed concerns about not setting a specific date for the completion of the screening on 119 Stanton. It was Mr. Larson's concern that the screening would never get done or get done only after a catastrophic incident, and the objective of the screening in the first place was a safety issue.

Assistant City Attorney Parks notified the City Council that she had received an email today that 24 of the total 44 actual screen structures were now in place. She said that staff has confirmed that the screens have been fabricated and are on-site. The Inspections Division has issued a building permit for the installation, and that work is now underway.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 13-087 approving the Supplemental Agreement for Urban Revitalization Tax Exemption for 127 Stanton.

Roll Call Vote: 5-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting nay: Wacha. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 13-088 approving the Agreement for Maintenance and Management.

Roll Call Vote: 5-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting nay: Wacha. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

Moved by Goodman, seconded by Orazem, to adopt RESOLUTION NO. 13-089 approving tax exemption and directing staff to forward to the City Assessor.

Council Member Wacha said he was dismayed that this issue had taken up so many staff resources. He noted that it was not the City's fault that materials were not ordered on time, and the screening did not get done.

Council Member Goodman said he felt that the real argument to the compromise was that the objective was to make Campustown safer. He contended that this agreement met that objective.

Roll Call Vote: 5-1. Voting aye: Davis, Goodman, Larson, Orazem, Szopinski. Voting nay: Wacha. Resolution declared adopted, signed by the Mayor, and hereby made a portion of these Minutes.

LAND USE POLICY PLAN (LUPP) AMENDMENT PERTAINING TO ZONING DESIGNATIONS OF ANNEXED LAND:

Planner Charlie Kuester said that, prior to the adoption of the Ames Urban Fringe Plan, the City's Land Use Policy Plan had land use designations within the City that were the same as outside the City. For instance, outside the City an area would be designated Village/Suburban Residential. After the land was annexed, it would retain that LUPP designation. With adoption of the Ames Urban Fringe Plan in 2007, a new designation was created for areas outside the city limits intended for residential development. This designation of Urban Residential is similar to Village/Suburban Residential, although the different terminology does not allow for the retention of the LUPP designation after annexation.

Mr. Kuester advised that, under current policy, the assigning of an LUPP designation is not automatic, but requires a deliberate action by the City Council. In contrast, however, upon annexation zoning is automatic. Section 29.302 of the Zoning Code assigns an Agricultural zoning classification when a tract of land is annexed. The City Council would thereafter change it to the appropriate zoning designation through the specified process for a zoning map amendment. Staff is now proposing language for the LUPP that would automatically allow for the designation of newly-annexed property consistent with the LUPP. Since the Urban Fringe Plan allows for annexation only of land designated Urban Services, it would be possible to ensure LUPP designations that correlate directly with the Urban Fringe designations. In addition, language in the LUPP is proposed to designate Natural Areas in the Urban Fringe Plan as Environmentally Sensitive Areas in the LUPP. The descriptions of these land uses are similar and are intended to designate areas of steep slopes, flood plains, and areas of natural vegetation. The proposed language also allows the City Council, at the time it considers an annexation petition, to direct the applicant to seek a different LUPP designation. This would occur if the City Council felt that the automatic designation was not the most appropriate land use due to changing circumstances or development patterns.

According to Mr. Kuester, the proposed amendment to the Land Use Policy Plan will streamline processes by eliminating one step in the annexation and development of land in the Urban Services

area. Staff resources and customers' time will be more effectively used and development timetables can be better met, while the public will still receive notification and have opportunities for input.

Mr. Kuester advised that the Planning & Zoning Commission had, at its February 6, 2013, unanimously recommended approving of the change.

Moved by Davis, seconded by Szopinski, to adopt RESOLUTION NO. 13-090 approving a Land Use Policy Plan Amendment pertaining to zoning designations of annexed land (Appendix C).

Council Member Larson commended staff for coming up with the recommended amendment. He felt that the former process had created an extra step.

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

URBAN REVITALIZATION AREA FOR 205 SOUTHEAST 5TH STREET: Planner Kuester recalled that, in 2010, the City Council adopted new criteria for commercial development in the Highway-Oriented Commercial zoning district. That new criteria had been prompted by an application for a Minor Site Development Plan that had been submitted by Ruhl and Ruhl Commercial Company. At that time the applicant also sought designation of 205 SE 5th Street as an Urban Revitalization Area in order to receive a tax exemption for the development of the property. The proposal, however, did not meet the criteria of City policy at that time.

Mr. Kuester defined the new criteria that were established in 2010. Under Criteria No. 4, the developer must demonstrate that the proposed project cannot be configured or designed in a manner to avoid significant extra impact to the project because of its location near a City well head. According to Planner Kuester, the applicant is seeking this Urban Revitalization Area designation based on the fourth criterion of the Commercial Urban Revitalization Policy. It was further explained by Mr. Kuester that the property in question is located within the HOC zoning district. Approximately 23 percent of the property lies within 1,000 feet of one of the City's water supply wells and about 97.5 percent of the property lies within the Floodway Fringe overlay district. According to Mr. Kuester, the City's well head protection ordinance does not allow the placement of storm water detention areas within that protected area. Instead, the ordinance allows development to meet water quality-based treatment, or a combination of quantity- and quality-based treatment as approved by staff. Further, it does not allow for permanent excavation below the natural grade, although structures and foundation footings may be constructed in that area. In addition, the Floodway Fringe requires that development be elevated (or floodproofed) to three feet above the base flood elevation (the 100-year flood level). In this case, approximately five to seven feet of fill has been placed over the natural grade to meet the Floodway Fringe requirements. The criterion also requires "that the proposed project cannot be configured or designed in a manner to avoid significant extra impact to the project because of its location near a City well head." According to Mr. Kuester, the applicant states that the location of the well head protection area, covering approximately the southeast 23 percent of the lot, restricts their ability to manage storm water as they had originally planned.

According to Planner Kuester, the original 2009 site plan showed 31,300 square feet of buildings, supported by 191 parking spaces. In addition, the site plan had a detention area of about 7,100 square feet in the southeast corner of the property. He advised that the applicant had submitted a new site plan for the development, which will consist of two businesses: Petco and Sports Authority. The site plan is very close to being approved by City staff as a Minor Site Development Plan. The application for a Flood Plain Development Permit has also been submitted and appears to meet all the requirements. Mr. Kuester told the Council that it needed to decide whether the applicant met the fourth criteria, i.e., did the project suffer significant impact due to the proximity of the well head within 1,000 feet.

Mr. Kuester said that the 2009 site plan showed a major building in the back of the property and a restaurant outlot in the southwest corner with a detention pond in the southeast corner. He reported that City staff had not approved that plan because a detention pond is not allowed within 1,000 feet of a well head. The site was then reconfigured: the detention pond was moved to the north side of the lot, the building was enlarged, the restaurant pad in the front has been deleted; and, since the City's parking requirements were changed, the lot is larger. The applicant has alleged that the reconfiguration necessary to meet the well head protection zone has lost the developer the pad in the front of the property that was going to be occupied by a restaurant. However, according to Mr. Kuester, staff is not convinced that the developer has suffered any impact due to the reconfiguration. It is staff's opinion that the enlargement of the building as a result of the separate outlot was a choice made by the developer. Staff believes that the location of the detention area could be placed elsewhere on the lot, as long as it is outside of the well head protection area. It may be possible with minimal earth movement to redirect the storm water to a different portion of the lot.

It was stated by Mr. Kuester that Petco and Sports Authority are qualifying uses; however, a Development Agreement would still be prepared and brought for Council approval at the time that the Urban Revitalization Plan were to be approved.

Steve Scott, 1701 - 48th Street, West Des Moines, representing the property owner and developer, told the Council that Ruhl and Ruhl has tried to develop the site since 2006. He provided a chronological history dating back to the developer's pre-application meeting with City staff in 2006 and its submittal of the first site plan in 2009. Referencing the 2009 site plan, Mr. Scott told the Council that he had correspondence from City staff indicating that that site plan would probably be approved, and the developers decided to go ahead and purchase the property and closed the deal in April 2007. Shortly after the purchase, Target approached the new owners and asked them to wait on development as it planned to expand its store to make it a Super Target. Due to the recession, Target decided, approximately one year later, not to expand.

Mr. Scott told the Council that the project does not work financially if Ruhl and Ruhl cannot obtain tax abatement that was structured by the City for the site in 2010. Since several years have elapsed since they purchased the property, they had incurred carrying costs – interest on the loan, property taxes, maintenance on the property. In addition, rent costs have lowered and construction costs had increased. Ruhl & Ruhl had assumed that they would get the tax abatement from the actions taken by the Council in 2010 and had used that assumption when structuring its economic deals with the two tenants. Mr. Scott said that, even though the total square footage of the commercial center now proposed is greater, the rents that Petco and Sports Authority pay are less per square foot than what a restaurant in the front of the lot would pay. In addition, Mr. Scott advised that the developer raised the site due to the flood plain issue, but mainly because City staff had told the developers that they could not retain water in the lower southeast corner of the property. They then had to redesign the site, and by so doing, the outlot was lost. According to Mr. Scott, the tax abatement is being requested simply to make it affordable to develop the site. He said that he was not asking for any reimbursement or guarantee of a profit, but only trying to structure a deal that is capable of being financed by their lender. Council Member Larson refuted that having two good tenants was not as good as having a restaurant or a bank.

Mayor Campbell asked if the tax abatement was needed in order to make it a good business deal because the land had remained undeveloped and the developer had incurred expenses, e.g., taxes, maintenance, during that time. Mr. Scott replied that any deal did not include those expenses; "that horse left the barn a long time ago." It is simply what the tenants will pay, what it costs to develop the site, build the buildings, and have a project that can be financed.

Council Member Szopinski said that it is unfortunate that the two prospective tenants are not high-dollar rent payers; however, they appear to be welcomed retailers in the community. She added that the area in question is one of the better areas in Ames for high traffic and others have built in the same area

without receiving tax abatement. Mr. Scott replied that the challenge is related to the additional costs of developing the site that have been caused by its proximity to the water wells. Council Member Szopinski said that it was not a Council issue that the two tenants would not pay high enough rents.

At the inquiry of Council Member Goodman, Mr. Scott answered that the developers had purchased the property without the well head ordinance being in place. Mr. Scott clarified that the developers had not requested tax abatement until after the well head ordinance was enacted. He advised that, after learning of the ordinance, the developers met with the City Manager and Planner Benson

Council Member Davis said that he would like to see if it would be worthwhile for the City to approve tax abatement. Mr. Scott said that he would like an opportunity to show the business pro-formas to the Council. He suggested that the City Council consider what the properties are now paying in property taxes, which is \$39,000/year, compared to what taxes would be paid when developed, which is approximately \$154,000/year. Mr. Scott noted that the \$300,000 in tax abatement would be offset in two years.

Council Member Davis asked how many jobs would be created by the two prospective tenants. Mr. Scott said Petco would employ a total of 50, and Sports Authority would employ 75.

Moved by Szopinski, seconded by Goodman, to deny the application for tax abatement.

Council Member Orazem asked if the design would be the same as its first site plan if there were no well fields, specifically, would there then be three tenants. Mr. Scott said that is not entirely known, depending on how much square footage each tenant would require.

Vote on Motion: Goodman, Larson, Szopinski. Voting nay: Davis, Orazem, Wacha.
Mayor voted aye to break the tie. Motion carried.

HEARING ON ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED \$10,000,000: Mayor Campbell opened the public hearing. No one asked to speak, and the hearing was closed.

Moved by Goodman, seconded by Wacha, to adopt RESOLUTION NO. 13-092 authorizing a Loan Agreement and providing for the levying of taxes.

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

HEARING ON 2012/13 ASPHALT STREET RECONSTRUCTION/SEAL COAT RECONSTRUCTION AND 2012/13 WATER MAIN REPLACEMENT: The public hearing was opened by the Mayor. She closed same after no one requested to speak.

Moved by Davis, seconded by Wacha, to adopt RESOLUTION NO. 13-093 approving final plans and specifications and awarding a contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$957,521.70.

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

HEARING ON 2012/13 AMES MUNICIPAL CEMETERY PAVING IMPROVEMENTS: The Mayor opened the public hearing. There being no one wishing to speak, the hearing was closed.

Moved by Davis, seconded by Goodman, to accept the report of bids and reject the bid.
Vote on Motion: 6-0. Motion declared carried unanimously.

HEARING ON HICKORY DRIVE IMPROVEMENTS (LINCOLN WAY TO WESTBROOK DRIVE): Mayor Campbell opened the public hearing. After no one came forward to speak, the Mayor closed the hearing.

Moved by Szopinski, seconded by Davis, to adopt RESOLUTION NO. 13-094 approving final plans and specifications and awarding a contract to Manatt's, Inc., of Ames, Iowa, in the amount of \$167,500.48.

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

HEARING ON TORONTO AREA WATER MAIN REPLACEMENT: The hearing was opened by the Mayor. She closed the hearing as no one asked to speak on the subject.

Moved by Goodman, seconded by Davis, to adopt RESOLUTION NO. 13-095 approving final plans and specifications and awarding a contract to J&K Contracting, LLC, of Ames, Iowa, in the amount of \$298,735.47.

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

HEARING ON 2013 UNDERGROUND TRENCHING FOR ELECTRIC SERVICES: The public hearing was opened by Mayor Campbell. She closed same after no one asked to speak.

Moved by Wacha, seconded by Davis, to adopt the following:

RESOLUTION NO. 13-096 approving final plans and specifications and awarding the Primary Contract to Ames Trenching & Excavating, Inc., of Ames, Iowa, in an amount not to exceed \$136,500.00.

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

RESOLUTION NO. 13-097 awarding the Back-Up Contract to Communication Technologies of Des Moines, Iowa, in an amount not to exceed \$58,500.

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

ORDINANCE MAKING MODIFICATIONS TO *MUNICIPAL CODE* CHAPTER 21 (SIGN CODE) [Tabled from January 8, 2013]: Management Analyst Brian Phillips recalled that, in November staff reported to Council on several "clean-up" concerns that existed in the Sign Code, as well as an issue related to the removal of sign structures. Staff was seeking clarification regarding how to deal with sign structures that (1) had no sign face when a business was no longer in existence or (2) remained in existence when the building was already demolished.

Mr. Phillips and Neighborhoods Inspector Sara VanMeeteren showed pictures of sign structures on businesses that no longer exist. Rather than approve the ordinance that was presented for consideration on January 8th, the City Council directed staff to prepare a modification to the sign requirements stating that, in the event a business closes and the primary building is demolished, the sign structure on that premises must also be taken down. The change also specifies that a sign

structure must always have a lawfully permitted sign or a blank panel of a solid color in its frame (the frame or electrical elements of the sign structure cannot remain exposed.) The remainder of the ordinance was to be unchanged from that which was presented to the City Council on January 8th. Mr. Phillips gave a summary of the changes. He explained that two ordinances were needed because the proposed modifications fall into two different sections of the *Municipal Code*: 5 and 21. Several of the corrections are necessary because the Sign Code was moved out of Chapter 5 and into its own chapter in 2010. Some references to Chapter 5 needed to be amended to reflect the correct chapter. It was also noted that, until 2010, a Sign Code violation was charged with a \$500 fine. Because the fine schedule does not currently refer to the correct chapter, a violation of the Sign Code has been charged on the standard municipal infraction schedule (\$30 per violation). In correcting the reference to its original intent, a violation of the Sign Code would revert to its original fine of \$500 per violation.

Mr. Phillips also recalled that Council had directed staff to address electronic signs in addition to the Code clean up. He advised that staff intends to bring recommendations on electronic signs in a separate report at a later date.

Council Member Goodman wanted to ensure that the “blank” concept would apply for cabinets and awnings. Mr. Phillips confirmed that the proposed ordinance does address it.

Moved by Goodman, seconded by Davis, to remove the item from the table.
Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Goodman, seconded by Orazem, to pass on first reading an ordinance making modifications to *Municipal Code* Chapter 21 (Sign Code).
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE MAKING MODIFICATIONS TO *MUNICIPAL CODE* APPENDIX N RELATING TO THE TITLES OF CHAPTERS 5 AND 21 [Tabled from January 8, 2013]: Moved by Goodman, seconded by Wacha, to remove the item from the table.
Vote on Motion: 6-0. Motion declared carried unanimously.

Moved by Wacha, seconded by Larson, to pass on first reading an ordinance making modifications to *Municipal Code* Appendix N relating to the titles of Chapters 5 and 21.
Roll Call Vote: 6-0. Motion declared carried unanimously.

ORDINANCE STRIKING REFERENCES TO BOARD OF HEALTH IN *MUNICIPAL CODE* CHAPTER 11 (HEALTH AND SANITATION): Moved by Davis seconded by Wacha, to pass on third reading and adopt ORDINANCE NO. 4140 striking references to Board of Health in *Municipal Code* Chapter 11 (Health and Sanitation)
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

ORDINANCE STRIKING REFERENCE TO BOARD OF HEALTH IN THE INDEX OF THE *MUNICIPAL CODE*: Moved by Goodman, seconded by Davis, to pass on third reading ORDINANCE NO. 4141 striking references to Board of Health in the index.
Roll Call Vote: 6-0. Ordinance declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

COUNCIL COMMENTS: Moved by Szopinski, seconded by Goodman, to refer to staff the request for FY 2014 funding from the ACCESS Shelter.

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

Moved by Szopinski, seconded by Goodman, to direct the City organization to participate in the World Wildlife Federation's Earth Hour on March 23 at 8:30 p.m. by encouraging citizens to participate.

Mayor Campbell noted that the Council normally does not make such proclamations unless there is local agency participation.

Vote on Motion: 3-3. Voting aye: Goodman, Orazem, Szopinski. Voting nay: Davis, Larson, Wacha. Mayor elected not to vote. Motion failed.

Moved by Szopinski, seconded by Orazem, to refer to staff the letter from Luke Jensen on behalf of the Story County Veterans Affairs, requesting free parking around 516 Kellogg Avenue for an event on March 15, 2013.

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

Moved by Goodman, seconded by Orazem, to refer to staff the letter dated December 17, 2012, from Kathy Svec, on behalf of the Ames Historical Society, requesting that \$1203.15 of its allocation for FY 2011/12 be carried forward into the FY 2012/13 Budget.

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

ADJOURNMENT: Moved by Davis to adjourn the meeting at 8:17 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor