

Staff Report

REGULATING OCCUPANCY IN RENTAL UNITS

September 12, 2017

BACKGROUND:

At the July 18, 2017 meeting, the staff reminded the City Council about the recently passed State law that stated “a city shall not, after January 1, 2018, adopt or enforce any regulation or restriction related to the occupancy of residential rental property that is based upon the existence of familial or non-familial relationships between the occupants of such rental property.”

A number of options were presented at this meeting to the City Council for regulating occupancy in rental units other than based on non-familial relationships. These options included limiting occupancy based on:

- The concentration of rental units in a specified geographic area
- A separation distance from each rental unit
- The total number of adults who can inhabit a rental unit
- A specified amount of square footage per adult person that inhabits a rental unit
- The number of off-street parking spaces
- The number of bedrooms
- Any combination of the options stated above

CITY COUNCIL DIRECTION:

After reviewing the information presented at the meeting, the City Council passed the following four motions directing staff to focus further analysis on only these issues:

1. Directed staff to solicit additional feedback from four specifically named neighborhoods impacted by the ISU campus as well as the landlord association regarding the issues discussed at the July 18th meeting. (SCAN, Oak to Riverside, CCOAMS, West of Campus)
2. Directed staff to present a proposal for increasing enforcement and inspection efforts in the above mentioned neighborhoods.
3. Directed staff to provide a tool that allows for the creation of an overlay district for the purpose of limiting rental units and assess what would be a healthy percentage to limit the concentration.
4. Directed staff to provide options for incentivizing the conversion of rental housing back to single-family units. (However, it was emphasized that this assignment could be completed later than the first three directives. Therefore, this issue will be addressed at a future date.)

1. FEEDBACK FROM LANDLORDS & NEIGHBORHOOD REPRESENTATIVES:

On August 17, 2017 the City staff hosted two separate meetings at the Library with rental property owners and neighborhood representatives. The purpose of this meeting was to provide both groups the information that was presented to the City Council at the July 10, 2017 workshop regarding regulating occupancy in rental units and obtain feedback regarding this important issue.

Attachment I summarizes the thoughts raised by those who spoke up at each of the two meetings. In addition to providing an opportunity to speak at these meetings, the staff made available a questionnaire to obtain input from those in attendance. Attachments II, III, IV reflect the responses and comments from those in attendance who chose to respond to the questionnaire or sent emails to the City staff. Attachment V includes charts that highlight the responses to the questionnaire by the 54 attendees who opted to provide this form of feedback.

A summary of the responses to the questionnaire reflected in Attachment II are highlighted below.

Issue	Landlord's Preference	Neighborhood Rep's Preference
Should the City regulate Occupancy?	NO	YES
If occupancy is enforced, what mechanism should be used to enforce occupancy?	BY Bedrooms	By Number of People
Should there be proactive enforcement of exterior property maintenance issues on rental property?	NO	YES
Which enforcement strategy is best?	Reactive enforcement without occupancy enforcement	Proactive enforcement with occupancy enforcement
Should the City limit the number of rental units in an area?	NO	YES
What is the best way to regulate percentage of rentals?	Rentals per block	Rentals per block

2. INCREASED ENFORCEMENT:

Two Housing Inspectors responsible for performing rental inspections for more than 13,000 units. Rental inspections include a review of both interior code compliancy of

dwelling units, but also the of exterior property maintenance items (garbage, furniture, outdoor storage, vegetation, etc.). Inspections occur can be required as often as annually, or as infrequently as every four years, depending on the violations identified during an inspection. In between scheduled inspections, enforcement of the rental code is generated by a complaint basis only.

Since July of 2011, Inspections has opened 1,899 exterior property maintenance enforcement cases, and 977 (51%) of those were rental properties. It is estimated that proactive enforcement on exterior property maintenance items would increase this case load by about 25%. Adding over-occupancy and other nuisance complaints (e.g., noise ordinance violations, parking, etc.) may also significantly contribute to increased time commitments for the current two Housing Inspectors.

New FTE Needed

Increasing enforcement to accomplish proactive, complaint driven, and scheduled inspection efforts in the four proposed neighborhoods will require additional resources. **Therefore, should the City Council decide to pursue a more aggressive rental housing inspection philosophy, it is recommended that an additional Housing Inspector position be approved.**

The availability of three Housing Inspectors will allow for:

- A more manageable annual inspection load, freeing up time for all inspectors to take on additional duties.
- Proactive neighborhood patrols by Housing Inspectors, in efforts to discover violations at rental properties.
- More responsiveness to exterior rental housing complaints.
- *Annual* interior and exterior rental inspections for all single family and duplex rental units in the four targeted neighborhoods. (Note: this change will require a modification to Chapter 13 of the Municipal Code)
- More time for community outreach regarding rental expectations targeting new student renters, tenants, and landlords; as well as acting as the initial point-of-contact with neighborhoods and their corresponding associations.

It should be emphasized that even if a more aggressive enforcement philosophy is adopted, the City staff would urge the City Council to support the current inspectors' practice to first educate the property owners regarding the Rental Code and violation process with the goal of correcting the situation rather than first citing them for a violation.

Cost Of New FTE

It is estimated that the first year total cost of this new position will be approximately \$104,000. **In our discussions with other cities who are contemplating increasing enforcement efforts as a result of this new State law, there was agreement that the additional costs should be recovered from rental housing fees, and not the**

General Fund. In order to accomplish this objective there are two approaches to funding the new position with rental housing fees.

The current rental housing fees are as follows:

Type of Unit	Current Units	Current Fees
Single Family	1,094	\$29.38
Duplexes	1,357	\$24.94
3-6 Apts	1,179	\$24.53
7-20 Apts	1,974	\$23.75
> 20 Apts	2,714	\$21.68
Lodg.&Board	10	\$24.00
Condominium	5,143	\$29.38

Approach 1. Assuming that the FY 2018/19 budget will require a 3% increase in expenditures for the existing program as well as the cost of this new position, the proposed fees spread among **all** of the rental units are currently estimated to be as follows:

Type of Unit	Current Units	Current Fees	Estimated Fees	Percentage Increase
Sgl. Family	1,094	\$29.38	\$38.33	30.48%
Duplexes	1,357	\$24.94	\$33.89	35.91%
3-6 Apts	1,179	\$24.53	\$33.48	36.51%
7-20 Apts	1,974	\$23.75	\$32.70	37.71%
> 20 Apts	2,714	\$21.68	\$30.63	41.31%
Lodg.&Board	10	\$24.00	\$32.95	37.31%
Condominium	5,143	\$29.38	\$38.33	30.48%

Approach 2. Assuming that the FY 2018/19 budget will require a 3% increase in expenditures for the existing program as well as the cost of this new position, the proposed fees spread among **only the Single Family and Duplexes** are currently estimated to be as follows:

Type of Unit	Current Units	Current Fees	Estimated Fees	Percentage Increase
Sgl. Family	1,094	\$29.38	\$79.30	169.91%
Duplexes	1,357	\$24.94	\$67.28	169.77%
3-6 Apts	1,179	\$24.53	\$25.27	3.02%
7-20 Apts	1,974	\$23.75	\$24.46	2.99%
> 20 Apts	2,714	\$21.68	\$22.33	3.00%
Lodg.&Board	10	\$24.00	\$24.72	3.00%
Condominium	5,143	\$29.38	\$30.26	3.00%

3. LIMITING RENTAL CONCENTRATION:

Staff researched a variety of methods to establish limitations on the number of rental properties within a defined area and found that such limitations are typically based upon a percentage limitation within a “block.” City Council previously reviewed this concept of managing rental properties in February 2015. Other methods include separation distances from one rental property to another or to create an overlay zone with specific limitations.

Percentage Limits

The following table highlights a number of communities that were found to regulate concentration of rental property. From staff’s cursory review of these ordinances, existing rental properties were typically “grandfathered” and permitted to continue unless they ceased to be a licensed rental property. Some communities’ ordinances were challenged and upheld in court, including Winona and East Lansing.

Table 1. Rental Percentage Limitation Examples

City	State	Restriction	Measurements
East Lansing	MI	0%*	Zoning Overlay*
Mankato	MN	25%	Block
North Mankato	MN	10%	Block
West St Paul	MN	10%	Block
Winona	MN	30%	Block
Northfield	MN	20%	Block
Berkeley	MO	30%	Block
Steubenville	OH	0%	Zoning Overlay
Philadelphia	PA	0%	Zoning Overlay Non-Owner Rentals

Notes: The zoning overlays are for limited areas of a community, whereas the percentage limits appear to be city-wide. Block is most commonly defined as what is understood as a square block. It would include properties bounded by street intersections, but does not include properties across the street. Block sizes would then vary depending on if it was a gridded street system or an area with curvilinear blocks and cul-de-sacs.

**East Lansing has variable rental standards for each overlay. Some prohibit all rental licenses while some allow for certain classes of rental licenses.*

Many of the communities that restrict the location of rentals include online resources to identify restricted areas with maps and calculated rental concentrations. For example, here is a link to the [Winona map](#). **There was no common basis for setting a percentage limitation between the communities. Often the approach was to identify issues for an area related to loss of single-family home owner occupied housing or for parking, crime, and property maintenance complaints.**

Distance Separation

Staff also identified that some communities focused their limitation on separation distances rather than percentage limits of rental properties. This approach could be applied to any type of rental property or to a specific type of rental property. Some communities focus the separation standards specifically on a defined use of student housing rentals. This separation approach typically allowed non-student rentals or lower

occupant levels of less than three individuals and then restricted locations of student based housing that did not meet these prescribed standards. Often student housing is a defined use or building type that was only permitted by an exception process with specific review standards. This appears to be a favored approach within Pennsylvania jurisdictions as some of the limitations were litigated and the communities' ordinances were upheld. The following table describes separation standards for defined student housing.

Table 2. Rental Separation-Student Housing Example

City	State	Restriction	Measurements
State College	PA	9x minimum lot width	Shortest distance lot to lot
West Chester	PA	20x minimum lot width	Shortest distance lot to lot
Merion Township	PA	500 feet	Shortest distance lot to lot
Newark	DE	10x minimum lot width	Shortest distance lot to lot
Allentown	PA	Limit 2 students or a family	Zoning Overlay
Kutztown	PA	500 feet	Shortest distance lot to lot
Greenburg	PA	500 feet	Shortest distance lot to lot
Altoona	PA	250 feet	Shortest distance lot to lot
St Paul	MN	150 feet	Zoning Overlay-lot to lot

Rental Concentration In Ames

The February 24, 2015 City Council staff report included analysis of single-family home rentals by zoning districts and discussed options for limiting rental licenses. The report included information for RL zoning finding that the percentage of total rental properties was almost 20% of the properties in the zoning district. RL zoning applies to older areas of town and it replaced a variety of older zoning districts that existed prior to 2000. The high percentage of rentals was due to a number of legal non-conforming duplexes and apartments in addition to single family home rentals. The RL rental percentage contrasts greatly with 4% rental percentage of FS-RL, which only permits single-family homes. The table below is an excerpt from the 2015 report with statistics for the most common zones that include single-family homes.

November 2014 Rental Licenses				
Zone	Rental Properties	Rental Properties in Zone	Single-Family Rental Properties	SF Rental in Zone
RL	1502	19.27%	560	7.18%
FS-RL	38	4.09%	35	3.77%
Village	501	47.04%	37	3.47%
RM	542	56.11%	34	3.52%
UCRM	342	19.64%	183	10.51%

Establishing Concentration Limitations for Single Family Rental Properties

From staff's review of literature on single-family rentals and the examples cited above there is no consensus on what is an appropriate balance of

homeownership and rental properties in a single-family area. Therefore, it appears most Cities analyze their individual community needs and try to stabilize neighborhood change with uniform rental concentrations. Even across Ames, there is wide disparity between individual blocks on rental concentration. **Limiting rentals to 20% in a defined area would match our general levels of concentration in RL. Setting a ratio at 20% would restrict any additional single-family home rentals in already concentrated areas, but would allow for other parts of the community to add single-family rental properties.**

Establishing a percentage limitation would require some upfront work to establish the boundaries of an area to broadly manage concentration of rentals while allowing for some latitude for individual properties. Staff believes the downside of setting a percentage restriction is that it may not address highly localized concentrations of rentals in one part of an area even though the overall percentage is met. For example, if a 20 property area is restricted to 20% rentals, it would allow for four properties to be rented. All four of the allowed rental properties could be concentrated together in a row or surround one property while the rest of the block has no rentals. However, in areas that are already over the threshold then this would not be an issue as no new rental licenses would be permitted.

Defining The Area For A Concentration Standards Has Four Main Options.

Option #1 - Citywide Definition

The city can define a uniform standard of a “block” for establishing the rental percentage limitation. Following the block model would mean areas as bounded by streets would be the defined block. The size of these blocks will vary across the City. In older gridded street blocks this may include a typical square block of approximately 16 properties while in newer areas with fewer intersections, such as Northridge, the block area could exceed 60 properties. Under this option the standard would likely be put into the rental license standards rather than as a zoning standard. This option would be consistent with the Winona example.

Option #2 - Property Owner Petition for a Zoning Overlay

The City could create an option for a Conservation District Overlay that would set rental limits within an individually defined area. Many Cities use conservation overlays and allow for property owners to petition for the overlay for a variety of reasons, including rental restrictions. This is similar to the Historic District petition process. The petition option is analogous to the East Lansing approach. Establishing an overlay would typically be based upon a minimum number of acres or properties and a requirement for a petition signed by a minimum percentage of property owners to have the City consider a rezoning request. The intent is to ensure the area fits a defined boundary and a sense of a neighborhood. East Lansing requires a minimum 50 properties and boundaries follow streets or other identifiable boundaries. The petition percentage requirement appears to vary between 51% and 66% of property owners to initiate the process and to have City Council consider a rezoning.

This approach would be part of the Zoning Ordinance. As a zoning regulation it should be noted that if 20% of the property owners affected by the regulation are opposed to the change, they can petition the City Council and require a 5/6 City Council approval rather than the typically 4 vote majority standard.

Option #3 - City Council Initiated Zoning Overlay

Rather than have a property initiated overlay, the City can apply a zoning overlay by its own volition. The City would create the terms of the Zoning Overlay in Zoning Ordinance and then proceed with the rezoning action for the defined area. No property owner concurrence is needed for this option. As a zoning regulation, it should be noted that if 20% of the property owners affected by the regulation are opposed to the change, they can petition the City Council and require a 5/6 City Council approval rather than the typically 4 vote majority standard.

Option #4- Separation Requirement

A different alternative to a rental percentage limitation would be a physical separation requirement. This approach would likely keep a distance of one or two properties between each rental to ensure there are not highly concentrated areas of single-family rental properties. In many instances this would be a more limiting approach than a percentage limitation. A separation distance for a license single-family rental could be established as part of the rental code standards.

The separation distance is meant to be an alternative to a percentage limitation without stating a maximum limit. While this approach generally does a good job of insulating individuals properties from having multiple properties become rentals adjacent to them, in some unique situations it could allow for a slightly higher overall percentage than a flat cap as described above if rentals were previously concentrated to one side of an a defined area or neighborhood. Staff estimates that a 150 to 200 foot separation distance would be roughly equal to a 15 %to 20% overall limitation unless lots are very large in width. A 150 foot separation would typically separate rentals by two or more properties from each other.

OCCUPANCY FORUM NOTES**General points raised by those that spoke at the forum on 8/17/17****Landlord/Property Owner Forum**

Jay Avellino – Any restriction by age would be immoral. If a restriction by bedroom size is used, 120 square feet is excessive and a lower minimum should be established. People per bedroom would be a good solution – either 1 person for every bedroom or one more than the number of bedrooms if there is enough parking. More people should be allowed in single-family homes so that the landlords can have more income and conduct better maintenance on their properties. Limiting the number of rentals would be okay as long as current rentals are grandfathered in. Would like to see a medium density buffer between low and high density so that single-family homes aren't looking at large complexes. An increase in multi-family units is decreasing his property value. Limiting by neighborhood would be an embarrassment.

Polly Gilbert – What we really need is good tenants. Established neighborhoods are getting smaller due to the increase in rental properties. A limit by neighborhood would be good as would a limit based on square footage. We need to maintain integrity for all properties and should allow the landlords to decide who lives in their property.

Stacy Woodward – There's a need for proactive enforcement and police enforcement. No need to limit rentals, we just need to better manage them.

Al Warren – Why is occupancy an issue now? There are plenty of open units in the City so people shouldn't be cramming into small homes. Landlords typically only want one person per bedroom because any more than that is hard on the house. Inspection's does an excellent job. In many areas, the owner-occupied homes are in worse condition than the rentals. If safety is the bottom line, owner occupied homes should also have to comply. Likes the mix in neighborhoods. The University Impact Area was established for a reason. Students will always be 20 years old while the owner occupied neighbors get older and less tolerant. Neighborhoods decline when older people stay in their homes longer and don't let younger families move in. We should wait to see if there is a problem with occupancy before reacting. Let's let the system work first and then see if we need a law.

Brian Torresi – The state was very clear in that they don't want occupancy regulated. Why do we keep trying to find ways to do something that an extremely bipartisan group agreed we shouldn't do? Expects enforcement and thinks that enforcement in itself should be enough to resolve the nuisance issues. At this point, we should do nothing and wait to see if proactive enforcement will work.

Mary Warren – There was clear support from the state to not regulate occupancy. We need to keep the supply of single family homes as rental options because not everyone wants to live in multi-family properties. In recent editorials, SCAN has laid out issues that are 25 years old. Too many multi-family rentals that have amenities that single-family rentals can't offer. This is making it harder to find tenants. We need to enforce nuisance laws. We should wait until after January 1, 2018 to address occupancy so we have time to determine if it's even necessary. Students don't want to be crammed into properties so occupancy won't be an issue. There are lots of for rent signs out right now so it's clear there's not a rental shortage. Students have changed since the 90's. Air B&Bs need to be regulated more.

Kayleen Catus – Garbage and furniture violations in campustown are crazy. Enforcement is important and we need to be more proactive. Police Officer has done a good job. Inspection's needs more staff. Garbage pick-up should be required. Landlords need to patrol their properties.

Keith Denner – Landlord has some responsibility to maintain properties. Enforcement should apply to all properties. Ames should require new rentals to be part of crime free housing. There won't be a huge wave of overcrowding. HUD's standard is two people per bedroom. If the state says we can't do three people how will we be able to do five people? There's always the property maintenance appeals board if you don't like the answer an inspector has given. Des Moines has a crime property ordinance in which the letter of compliance gets revoked if a property is determined a crime property. We should focus on the sensitive neighborhoods. Limiting rentals in a neighborhood is a challenge. What options does it leave someone who can't sell their home or goes on a sabbatical if they can't rent their property.

Blake Andera – The number of people per bedroom would be a good minimum standard. More community involvement. Rummage Rampage was great and we need more of it. Single-family homes are necessary.

Jim Gunning – The market will take care of things. Against grandfathering.

Clark Colby – Keep older rentals as rentals. Dislike multi-family housing. Need to integrate students into neighborhoods. Don't restrict the ability for someone to create a rental.

Becca Mills – More education and community building. Officer Snyder does a good job.

Justin Dodge – Entire city should bear the burden of increased enforcement. Code violations are city-wide.

General synopsis of the landlord meeting: An increase in enforcement could replace occupancy standards.

Neighborhood Representative Forum

Jon Wolseth – Lives in CCOAMS neighborhood which is in the most need of attention with 60% rental properties. Grandfathering will only keep the neighborhood the same instead of improve it. Need proactive enforcement and stricter rental inspections. Map of violations would be helpful.

Leslie Kawaler – Lives in SCAN. Please make powerpoint from July 18 Council Meeting part of her comments. Occupancy should be limited to three adults. Need stricter enforcement and rental fees should be raised. Owner-occupied houses should be considered rentals. Long term visitors are occupants. Would like a moratorium on rental permits – recently a six bedroom house was built.

Barbara Pleasants – Lives in SCAN. We should make it less attractive to convert homes to rentals. Create an overlay zone. Their neighborhood is 50% rental. Need to stabilize neighborhoods. Need to replace current occupancy code, not just increase enforcement. It cannot be based on parking because that won't solve it.

Ed Sorenson – His street should be changed to no parking because it is too narrow for parking.

Fern Kupfer – Student rentals are the problem. Want fewer students and more families. Proactive in stopping an increase in rentals. Increase fees for single-family homes.

Dilys Morris – More rules for landlords & consequences for violations. Rental fees are too low.

Marilyn Clem – More enforcement. Too many vacant homes, junk cars, break-ins in neighborhood. Not safe anymore.

John Pleasants – How do we determine a number of rental units that's appropriate? What's the tipping point? We need a simple occupancy code like a maximum number of people. Maintenance of units needs to be better. Not everyone wants to be the complainant so proactive enforcement would be good.

Mark Nettleson – Do we know how bad this is going to be? We can't know if attendance (ISU) keeps increasing. Staff should meet with ISU & Board of Regents to determine what their plan is.

Sharon Guber – Too many short term residents. We shouldn't choose between number of people or percentage of rentals. Instead, a combination of occupancy and percentage would be good. Don't want to be a complainer so proactive enforcement is

better for the neighborhood. Look at other towns outside of Iowa to see what they are doing.

Sheila Coady – We need to control the number of rentals in an area. Also need parking requirements.

Debbie Lee – Neighborhood stability is important. People need to respect the property they are renting and have an invested interest in the neighborhood. St. Paul restricted the number of rentals per block and it seemed to work. They also permitted on-street parking.

Evelyn Beavers – Increase in enforcement will cost money. Proactive enforcement will involve everyone. People don't understand that the city enforces reactively so they don't know that they need to file a complaint. Everyone is an enforcer.

Marsha Miller – Students in 'owner-occupied' houses don't sell the houses when they leave, they turn into landlords. Student housing is often unoccupied and neglected in the summer.

General synopsis of the neighborhood meeting: More enforcement/stricter standards and fewer (student) rentals.

ATTACHMENT II
QUESTIONNAIRE RESPONSES

	Landlord	Neighborhood Rep.	Total
Number of Respondents	32	22	54
Should the City regulate Occ?			
Yes	10	19	29
No	14	1	15
Not Sure	4	1	5
What mechanism should be used to enforce occupancy?			
Number of People	5	19	29
Age	1	6	7
Number of Bedrooms	20	2	22
Size of Bedrooms	4	0	4
Size of House	13	2	15
Number of Off Street Parking	10	7	17
Student Status	2	7	9
Which enforcement strategy is the best?			
Proactive Enforcement instead of Occupancy Enforcement	9	0	9
Reactive Enforcement instead of Occupancy Enforcement	12	0	12
Proactive Enforcement with Occupancy Enforcement	2	16	18
Reactive Enforcement with Occupancy Enforcement	2	3	5
Not Sure	5	0	5
Enforce exterior property maintenance Proactively?			
Yes	12	21	33
No	13	0	13
Not Sure	6	1	7
Should City limit the number of rental properties in an area?			
Yes	3	21	24
No	20	0	20
Not Sure	5	1	6
What is the best way to regulate the percentage of rentals?			
Distance from another rental	1	3	4
Neighborhood Assn. Boundaries	3	5	8
Number of Rentals per Block	6	14	20
Other	2	0	2
Should a moratorium be enacted?			
Yes	3	21	24
No	20	0	20
Not Sure	5	0	5
# of Attendees on Sign in Roster	53	23	76

Comments from Questionnaire

- No dormitory/group living in residential neighborhoods. N
- # people = # bedroom. Proactive enforcement is the most important factor. Not enforcing the owner occupied student house is a real issue in campustown. Most are likely not registered rentals and no enforcement is taking place. L
- Increase landlord fees/rental fees. N
- Increase rental permit fees for single houses significantly. Maintain database of rental violations. Actively enforce rental permit regulations and deny rental permits for violators. Proactive enforcement of rental permit rules paid by rental permit fees. Limit occupancy to 3 with exceptions made for families. Limit number of rentals per block in low density. N
- Money is needed for enforcement. Needs to become a priority. N
- Need some way to regulate parent-owned properties with student children and others as tenants. I'm ok with limiting number of rentals per block and gradually reduction (grandfathering) through expiration of permits. Would support limiting by 3 undergraduates. N
- Please speak to ISU student renters. Data: over the past 20 years, has resident's room availability (dorm rooms) kept pace with changes in student registration? Can the city incentivize the university to help with this situation? N
- No grandfathering of existing rentals except those that fit into the percentage of rentals per block. N
- Recommendations: no grandfathering, limit cars per rental, enforcement of numbers living in rentals, enforcement of the looks of the property. N
- We need a disorderly house law like Iowa City's. N
- Yes to prohibiting additions/alterations. N
- Crime free. HUD limits 2 per average bedroom. Zero tolerance.
- Not necessary! L
- Need better sound system for some speakers. Could not hear them when they faced the front sometimes. Thanks for having this meeting! L
- City has let too many new rental properties be built! Stop owner occupied exemption. L
- A property owner should be allowed to do what they wish with their property within reason-if a house structure has serious exterior or interior issues – upkeep should be required. Rental inspectors may need to take a harder look at properties when certifying them for occupancy and a rental permit. L
- We do not need more restrictions. We do not need brand new sprawl. We need quality rentals integrated into the community of Ames. We need to build community. I bought a foreclosure and was able to renovate and bring it back to life because it was a rental. L

- Each rental accommodates a different # of individuals. Cookie cutter rules do not work. Each unit needs a rating of # of tenants that will be allowed. L
- I would prefer occupancy regulations because if I am not allowed as a landlord to cap occupancy then I need help. I don't want a ton of people in the duplex because it causes problems with parking, and it is hard on the property itself. L
- Reactive enforcement may be the best method. L
- It may be time for a property maintenance code for all properties.L
- Check other cities (university cities) across U.S. San Luis Obispo was very organized, proactive in early 2000's. N
- I also live in Santa Cruz, CA and rent a 2 bedroom condo there. There is no occupancy restriction here. Santa Cruz is very similar to Ames, UCSC = ISU, small # of rentals. Their approach is to be hands off as much as possible. I appreciate their approach a lot. It works well for landlords. They have only started inspections 2 or 3 years ago, and I am allowed to self report. Santa Cruz has much more serious issues to deal with, so I think you are making a mountain out of a mole hill, but I understand where people here are coming from. They all complain about traffic on Duff, but believe me it's nothing compared to California. Landlord for 25 years. Grew up in Ames. Live here ½ time, in CA other half. Also landlord there. L
- #4 just use Chapter 4 of International Property Maintenance Code as more people are introduced in property the common area increases. #5 all properties need to be maintained to good standards – both Cedar Falls and Iowa City have stepped up nuisance ordinances on both owner & rental. The incidences of violations are representative across the population – ie Cedar Falls has 63% owner occupied, 37% rental and that's the same rate of nuisance violations owner vs. rental. #% -NO-NO as a financial planner for over 31 years people should be able to sell their property to whomever. A home can be the only asset for some retired people – they need to be able to sell to the highest bidder. Then just enforce nuisance code. L
- The city has been working and planning to increase density in certain areas. This is completely in contrast to limiting occupancy by age, bedroom size or parking. Also the use of medium density buffers between residential & commercial zones has been ignored as well buffers between high and low density. L
- Parking is a problem now – sight lines near my property at 711 Ash already poor with street parking allowed North of my drive on West side of Ash up to Storm. N
- There needs to be affordable housing for families. Our neighborhoods are very taken over by rental housing for students. N

EMAILED COMMENTS FROM THOSE WHO DID NOT ATTEND MEETINGS

Thank you for allowing us to be a part of the forum this evening. One topic that puzzled me is about the size of the bedroom. I could see the size of the apartment would matter, but many people spent less time in their bedrooms than they do in the rest of the apartment/duplex so the size of the apartment would weigh more than that of the bedroom. Am I overlooking something? Thanks, Helene

Am not sure if I will make it tonight, if you have another meeting might move the time to 6 or 7PM. Hard for us who work to make a 5PM meeting.

I do have a few questions, with the new law what will be the rule for rentals. What I mean by that if you have a 4 bedroom house how many people will be allowed to rent/live in it under the new rule.

As for me I don't agree with the current rule for Ames, I think it is stupid that you can have a 4 bedroom house but only rent it to 3 unrelated people, but if someone has a huge family of say 7 or more it is fine. I think you should be able to rent it to one more person then they have bedrooms. So if it is a 4 bedroom, 5 people should be OK. I don't think you should be able to have 6,7,8 etc. living in a 4 bedroom but 5 would be ok. I know one big thing the city is trying to do is lower rents in Ames but letting all these new rentals be built. I do not agree with that, it cost a lot to own a rental property and keep it up over building is not the answer. If they want lower rents for lower income people they should be building lower income property building and not new fancy ones right in or around campus to drive down prices of other rentals. Many people who only own a few rental properties live off the rent income or that is there retirement plan. Causing them to lower rents is not good.

But one good way to help lower rent cost per person is to allow a few more people to live in a property. If you have a 4 bedroom house renting for \$1600 but only allow 3 people to rent it cost around \$533 per person just for rent. If you would allow 4 or 5 to rent it would be \$400 or \$320 per person that is a lot less and still allows the owner of the proper to make an ok income on the property after expanses. So I think a happy middle would be best, the 3 unrelated person rule needs to be changed but at the same time you do need to have a cap so you don't have all the rental house turn if to frat houses. That is why I think the one person over the amount of bedroom in the house rule would be good.

Hope I can make it but don't think I can. Have a lot more I could say but the above is the bulk of it.

Thanks

Chris (Chris Marty, PSA)

Sirs,

I am unable to attend tonight's Occupancy Regulations Workshop. My input

is, following a model similar to St. Paul is bad idea. If you go with a City-wide percentage of home rental to single family occupied, then certain areas that are landlocked like Campustown/South Campus Area will be punished for having a smaller number of homes.

At the very minimum, any home that has passed the Rental Housing Inspection (RHI) should be allowed to continue to be a rental even if the property owner changes. It costs a lot of money to bring the old homes up to the City of Ames, Rental Housing Code, Chapter 13. The selling property owners would be financially punished for meeting or exceeding the 2006 International Residential Code.

I would add an observation. Those properties that have followed the rules and passed the RHI are better maintained than the single-family homes in the SCAN. I think the City would want housing that meets the housing quality standards to "ensure public health, safety and welfare" regardless of the occupants or their relationship.

Regards,

Scott Wannarka
2225 Donald Street

Please note for your purpose that any regulation by age might be seen as discriminatory and is specifically frowned upon by the constitution. Even if someone believes that a legal argument could be made to enforce age discrimination then they would a best be unethically advancing discrimination.

I hope to attend the meeting but in advance I hope the concept of house square footage is of particular interest. The size of a house is particularly limiting the the number of occupants and health and safety issues. Ass well Larger homes are in need of lenient occupancy guidelines to help the maintenance and quality of living. Larger and more expensive homes to upkeep need reasonable cash flow to justify clean and updated facility.

I hope to present this view and reference logical understanding of parameters for housing rental control.

I have canvassed mdozens of peopl on this matter and all seem to believe that one person per bedroom should be minimum guidelines. Literally all those I have spoken to (well over thirty in number) have brought this formula to my attention without my input. Of this I have been surprised.

It will be a difficult task to present over occupancy issues as numbers of persons per property given the city's determination to increase the person per square foot within the campus area. As well parking guidelines have been generous to the high rise structures now dominating the campus town region.

So, I am curious to hear some the city's tentative ideas before the meeting referencing "parking, families, etc." as directed in your letter.

Jay Avellino

I won't be able to attend, but I think any law that regulates occupancy by anything other than numbers would be discriminatory. It's no ones business who is living with who as long as it's safe, and occupancy levels can be used to ensure that without taking any other criteria into consideration with only one exception... immediate

family. A parent/guardian with minor children family should not be subject to occupancy restrictions as long as they are abiding by safety codes (like basement bedrooms and egress windows, etc).

Kirk Youngberg

.....

To whom it may concern:

As a former renter in Ames and a current owner of 2 single family investment homes in Ames, I certainly have a vested interest in the outcome of the City's decision regarding occupancy requirements. I currently serve on the Affordable Housing Board for the City of Fort Collins (Colorado) and we have a U+2 ordinance that has consistently been pointed to as one of the causes for the City's home inventory shortage and unaffordability issues. The City of Fort Collins is currently working towards funding a study to determine the effectiveness of the ordinance along with any impact to housing stock and prices.

I fully agree with the State of Iowa's stance that municipalities should not be defining family or relationships. It is not up to an ordinance to tell us who and who is not a relation. This progressive movement of Iowa leaves Colorado in dust and I could not be more proud of my Cyclone State for taking this measure.

Where both Ames and Fort Collins have failed it's citizens with the 3 unrelated rule is that it defines a triangle but requires it be put into any hole whether that hole be square, circle or octagon. If my husband and I chose to have a passel of kids and bring my mom with her husband, my father with his wife and my mother-in-law with her boyfriend to live in a 4 bedroom home we would meet your definition of the previous ordinance even though we'd be bringing in 8-12 people and at least 8 vehicles to the home. That would be very impactful to the neighbors' enjoyment of the property, for certain. On the other hand, if we had three individuals renting a 5 bedroom home, the impact would be less than nil. Whether they are related or not, should 10 people be crammed into a 3 or 4 bedroom house...probably not. Conversely, whether they are related or not, can 4-5 people be comfortably ensconced in a 3 or 4 bedroom house...it's not out of the question.

There are tools in the toolbox to address bad tenants, neglectful owners and inadequate property management. These tools include noise ordinances, parking regulations, couch ordinances, party permitting, landscape and weed standard ordinances, snow removal/sidewalk care ordinances and rental property inspection requirements. If these tools are being used effectively, it should be taking care of a good majority of the complaints. Does another standard need to be established and enforced to make the point?

If the City of Ames feels to put maximum occupancy limits in place then it would be of my opinion that these ordinances should be in place from a health/safety standpoint and applied to all homes, not just tenants. If occupancy is a problem then it needs to be addressed for tenant and owner occupied homes alike. Out of all the occupancy requirements I've reviewed, the rules that are established from a health/safety/overcrowding standpoint and address adult occupants by square foot seem to be the most fair. Here's an example:

The zoning ordinance also establishes maximum occupancy. The maximum occupancy of a single family dwelling is calculated from the total finished area of the home (plus finished basement area) as it is listed in the County's residential property records.

For a dwelling with a total finished area	Number of adult occupants
of up to 1000 square feet	3
from 1001 to 1500 square feet	4
from 1501 to 2000 square feet	5
from 2001 to 2500 square feet	6
from 2501 to 3000 square feet	7
from 3001 to 3500 square feet	8
from 3501 to 4000 square feet	9
over 4000 square feet	10

Additionally the Uniform Statewide Building Code requires that sleeping areas designated for one person are at minimum 70 square feet and two or more persons require 50 square feet minimum per person. There are other requirements for living and dining space, location of bathrooms etc. Contact Property Code Enforcement at 703-792-7018 for more detail and explanation.

Fort Collins is 23 short years away from anticipated full build out. The median home prices have been driven up to \$430,000. It is nigh on impossible to find a home for less than \$300,000. The rental side of things is just as bad with the average rent being \$1700/month. Affordable housing is seen as the number 1 problem facing tenants and owners in Fort Collins today. How will our food service workers, grocery checkers, school bus drivers, teachers and other middle to low income wage earners live in the city in which they work? I would hate to see Ames go in this same vein by defining max occupancy as 3 without any consideration to additional factors such as number of rooms or square footage. Furthermore, occupancy needs to be addressed consistently as a health/safety issue and should not be targeting tenants alone.

Thank you for your time and consideration with my remarks.

Sincerely,

Jennifer R. Bray



Dear Mayor and Council,

A much belated thank you for your interest in pursuing methods to mitigate the recent legislative change related to occupancy limits. I am writing with some comments to follow up on your initial July 18th discussion.

I would like to emphasize that the impact of rental occupancy is not limited to areas zoned RL or FS-RL. Many of the neighborhoods where occupancy limitation is of great concern are zoned UCRM or RM. I respectfully request that future discussions of plans to mitigate occupancy concerns expand beyond the 'low-density residential' categorization.

I would propose that you consider applying mitigation efforts to the entire community. My experience in Ames is that dwellings in the most improbable areas have been used for rental housing at one time or another. My hope is that we can design a plan that provides for the health and safety of residents of all housing types and preserves the anticipated density levels and quality of life in all areas of the community.

Sincerely,
Debbie Lee

Dear Ms. Gould I understand there is to be a meeting for Neighborhood Associations at the Ames Public Library on Aug. 17. Unfortunately I shall be out of the country on that date, so will be unable to attend - much as I should wish to. But I want to register my opinion with you to the effect that I totally oppose any change to the Rental Occupancy Law that limits the number of unrelated persons who can share a house or apartment. I don't know how much effect my opinion will have or what channels I should address beside you -- hence my email to you . I am going on vacation to Norway on Tuesday which is why I am writing to you so hurriedly. Thank you for your attention in this matter.

Yours sincerely,
Rhoda Mansbach, 512 Oliver Cir. Ames 50014.

Julie, I know coming up with an occupancy ordinance to effectively replace the current one in my neighborhood, which limits occupancy to three unrelated adults, is a difficult task, but I was truly surprised to read in Deb's summary that:

1. the City questions whether new occupancy regulations are necessary and
2. the focus seems to be on nuisances in low density neighborhoods only.

Occupancy limits are necessary in Urban Core Medium Density neighborhoods. I was unable to attend the July 18th work session, but I sent a short email to City Council members. Before I go on, thank you to Deb for summarizing. Because of

my absence at the July 18th session, I am not certain I understand the meaning of the phrase "whether new occupancy regulations are necessary". If the quoted phrase means the City is considering having no occupancy regulations in my neighborhood, then I am very concerned. Again, although replacing the current limitation is difficult, I certainly hope the City doesn't simply throw up its administrative hands and leave occupancy to landlords. When I was shopping for my home in the 1980's, one of my first questions of the real estate agent was, what is the occupancy zoning? I was moving to Ames and wanted to live in a single family residential neighborhood. At the time, I was told 311 was in what was referred to as R2, meaning no more than 3 unrelated adults could occupy the neighboring homes. That was fine with me. As my neighbors to the north and south eventually sold their homes to landlords, a series of almost exclusively student renters began. Most are good neighbors, but I've seen lots of loud, drunken behavior and congested parking with vehicles that significantly exceed the number of renters. The idea that no occupancy limit is necessary in a medium density neighborhood and stepped up enforcement alone will control overcrowding, unreasonably shifts the City's responsibility onto adjacent property owners, who would have the burden to monitor and complain about overcrowding and its unpleasant side effects. Its hard to tell where the overcrowding line is legally with no written limit. I don't want to call the City "occupancy clean up crew". If occupancy limitation is off the table, what is the basis for stepped up enforcement? Enforcement of what? Will the City be expanding its definition of nuisance? Is the City conceptualizing bringing property ejection proceedings against individual renters or simply fines for landlords? Does the City and District Associate Court actually have the resources and capacity for such an undertaking of increased size? Even if the resources are available, how long would each proceeding take? How much will it cost tax payers? If the focus is simply on the enforcement against violations of nuisance ordinances, how many and how long must a series of nuisance complaints go on? There is no guaranty a court will agree with City and neighbors in a nuisance challenge. It just seems a lack of occupancy ordinance will create a situation in my kind of neighborhood that could set property owner residents against renter neighbors, instead of providing Re: Oak-to-Riverside Neighborhood: Notice of public input session regarding an orderly ordinance system of occupancy control that is clear and definite to everyone. More and more apartment buildings are being built at the perimeter of my neighborhood. Not limiting occupancy in some way within my neighborhood will continue to contribute to the traffic, noise, lack of property respect and loss of what is given lip-service as the single family neighborhood atmosphere. It is unlikely I will attend the August 17th public forum. I will be away from Ames most of each day for the next week and a half. I will not have access to my email. I hope the City takes the time to gather and review approaches other cities have taken to sensibly limit occupancy.

Thank you, Tam Lorenz, 311 S. Maple, 232-8427

Julie Gould

As a long term City of Ames resident I desire to share my thoughts on a matter that has concerned me and has, what I believe, a huge impact on the quality of the life here in our wonderful community. It is my understanding that on January 1st, 2018 the law or regulation governing 3 unrelated persons living in a residential low density zoned home will be removed. This will allow landlords to have more than three unrelated persons living in houses in residential low density areas of Ames. Additionally, this will encourage landlords to purchase as many "cheaper" single family homes to rent out.

It is my opinion that the City of Ames, outside contractors, and local contractors, have currently met the demand and needs for student housing. As large apartment buildings have drastically changed the landscape of Ames the City is now approaching a saturated, and competitive, rental market. The days of needing rental housing in low density single family home area's has come and gone as the needs have been met elsewhere. With the removal of the 3 unrelated regulation, more single family homes will become rental properties packed full of people. My past experience is that most of these properties are very poorly maintained and become an eyesore for the residence residing in the block they are located in. Additionally, it has been shown that most first time home buyers in the City of Ames are looking to purchase homes in the \$120k - \$160K range. Unfortunately for them, landlords purchase these properties before a first time home buyer ever gets the opportunity. In a City that is looking to offer growth for new families and first time home buyers this is a recipe for disaster! I don't know if this is feasible or not but here is what I would like you to consider and pass on. I would adopt an ordinance, or whatever it would be called, that mandates the following:

Any single family home located in a zoned area of Residential Low Density (RL) **MUST BE OWNER OCCUPIED**. The exception would be existing duplexes and single family homes that are currently "2 Family Conversions"

Certainly, some type of "grandfathering" could be accommodated here too for those units that currently have letters of compliance and are being rented out as single family homes in RL zoning. Additionally, some areas of the City might need to be reviewed on their current zoning (Lincolnway Corridor). Some areas that are RL that are mostly rentals might need to be changed to an RM zoning or some other type of overlay. But that can all be worked out. If this was able to be implemented I feel that it would bring a great quality of life back to the City of Ames by encouraging and allowing young families and first time homeowners to buy housing in our community. Neighborhoods would return to a higher standard of care and well-being. State of Iowa Mandated changes to occupancy.

Thanks for attention to this matter
Taylor Outsly
Concerned citizen



7 September, 2017

As a resident within the Campustown neighborhoods (I live at 521 Hayward Avenue), I would like to see the City of Ames take a proactive response to the forthcoming changes to the regulations of rental units in Ames. I find it troubling that there will no longer be a limit on 3---unrelated people within a single residence.

When the rental regulations are loosened and it becomes potentially easier to market houses in Campustown as rental properties, the stability of the Campustown neighborhoods is threatened. I think that a solid core of permanent, year---round residents in Campustown houses is key to the vitality and sustainability of Ames.

To use a real, tangible example – I just noticed this week that 2215 Storm is now being offered as a rental. This single---family house went on the real estate market in July of 2017 and quickly sold. And, just as quickly, it is now “for rent.”

When single---family homes transfer over to rental properties in Campustown, the city of Ames assumes the burden to increase enforcement of inspections, noise ordinances, trash ordinances, etc. Furthermore, even if the tenants are responsible and respectful, these are not permanent, year---round residents who have an investment in their real estate property. Renters are transient, variable, and they are not truly part of the fabric of that neighborhood. The City of Ames can spend more money on enforcement to see that renters/landlords comply with city laws and ordinances, but this is just a “bandaid” for the real problem (which is that the Campustown neighborhood is eroding away).

I think a more productive, forward---thinking stance would be if the City of Ames would protect and encourage permanent residency in Campustown houses. By either discouraging more rental houses from being created or establishing an overlay district that preserves a core of permanent homeowners, the City of Ames sends a message that it values diversity

within the Campustown neighborhoods (and by diversity I mean that a variety of citizens live together: ISU students, faculty, young families, retired people, etc.)

I propose these ideas because I moved here from East Lansing, Michigan, where I was a resident for 12 years. I lived in a house that was adjacent to the commercial district and was also within walking distance to Michigan State University. My neighborhood in East Lansing was the Bailey neighborhood and it had large swaths where mostly MSU students resided. But, it also had a core overlay district where, with time, young families moved in and the rental houses reverted back to permanent residents. The neighborhood was stable with a strong sense of community: where neighbors invested in their homes, looked out for each other, and sent their children to the public schools. With this kind of community buy-in, we also saw a decrease in the number of houses purchased by parents for their university students to live in (this is also another current problem in the Campustown neighborhood and a round-about way to create rental houses).

In sum, I urge the City of Ames to take a very proactive approach to planning within the Campustown neighborhoods and to think about how these neighborhoods can be preserved to benefit a large variety of residents. Yes, students need to live in Campustown and be close to campus, but the City of Ames and ISU also need to market Campustown as a place where ISU faculty and staff can live so that they have easy access to the campus and where families can settle in and send their children to excellent schools, such as Edwards Elementary and Ames Middle School (both of which are on the southwest edge of Ames). It would be a real shame to see the Campustown neighborhoods become a majority of rental units and to see fewer and fewer permanent residents who invest in Campustown as a vital, safe, and dynamic place to live.

Thank you very much for considering my comments,

Anne Grevstad---Nordbrock
521 Hayward Avenue, Ames
515.708.4034

SCAN and CC/OAMS Regarding Occupancy Limits

Leslie

Friday, August 25, 2017 03:55PM

Kawaler

To:ANN CAMPBELL, CORRIERI AMBER, GLORIA BETCHER, GARTIN TIM, Chris Show Details
Nelson, Peter Orazem, BRONWYN BEATTY-HANSEN, Steve Schainker

Cc:jmphealth@aol.com, jwolseth@iastate.edu, Kelly Diekmann, Barbara Pleasants, Leslie Kawaler

To Members of the City Council, Mayor Campbell, and City Manager Schainker,

As a follow-up to last week's neighborhood forum on occupancy, and particularly in light of our looming January 1 deadline, we want to emphasize the following points:

1) The fact that other neighborhoods either did not attend the meeting, or raised issues unrelated to occupancy, confirms our assertion that **campus-impacted neighborhoods have unique problems when it comes to rental properties**. As we have suggested in the past, it would be appropriate to treat "campus-adjacent," or "campus-impacted" areas (SCAN and CC/OAMS) differently with respect to occupancy limits, perhaps through the use of a special overlay.

2) **We strongly urge you to keep any new rental occupancy ordinance as simple and easy-to-enforce as possible**. To maintain the spirit of the current ordinance, **we respectfully request that you limit occupancy in rental homes in campus-impacted areas to no more than three adults**. This solution would give Ames the flexibility to allow more than three adults in any other part of the city where student rentals are not an existential threat. The use of off-street parking or various square-footage measurements to determine appropriate occupancy could be easily abused and would be extremely difficult to enforce. If you do nothing to limit the number of occupants, then the six-bedroom mini-dorm recently constructed on Storm Street represents our neighborhoods' future.

3) While we still feel that **rental density caps should be instituted, they are only one component of a long-term solution**. Given our current high proportion of rentals, it would take decades for such caps to return the neighborhoods to a reasonable mix of owner-occupied and rental properties. **Rental caps will do nothing to help us as of January 1**.

4) While we appreciate the City's recognition of the need for increased enforcement, it will not stop the supply of affordable homes in our two neighborhoods from disappearing. Keeping the occupancy limit at three is our best option because **the greater the number of renters permitted in a home, the more economically attractive it becomes to convert an owner-occupied house to a rental property**. The longer we go with no occupancy limits, the higher our percent rental property will become, **taking us closer to the point where we are in danger of driving long-term residents away and becoming student-only neighborhoods**.

Sincerely,

Barbara Pleasants, President SCAN

Leslie Kawaler, Board Member SCAN

Joanne Pfeiffer, Co-President CC/OAMS

Jon Wolseth, Co-President CC/OAMS







