

**AGENDA**  
**REGULAR MEETING OF THE AMES CITY COUNCIL**  
**COUNCIL CHAMBERS - CITY HALL - 515 CLARK AVENUE**  
**JULY 31, 2018**

**NOTICE TO THE PUBLIC:** The Mayor and City Council welcome comments from the public during discussion. **If you wish to speak, please complete an orange card and hand it to the City Clerk. When your name is called, please step to the microphone, state your name for the record, and limit the time used to present your remarks in order that others may be given the opportunity to speak.** The normal process on any particular agenda item is that the motion is placed on the floor, input is received from the audience, the Council is given an opportunity to comment on the issue or respond to the audience concerns, and the vote is taken. On ordinances, there is time provided for public input at the time of the first reading. In consideration of all, if you have a cell phone, please turn it off or put it on silent ring.

**CALL TO ORDER:** 5:00 p.m.

**CONSENT AGENDA:** All items listed under the consent agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time the Council members vote on the motion.

1. Motion approving payment of claims
2. Motion approving Minutes of Regular Meeting of July 10, 2018, and Special Meeting of July 17, 2018
3. Motion approving certification of Civil Service applicants
4. Motion approving Report of Contract Change Orders for July 1 - 15, 2018
5. Motion approving 5-day (Aug. 4-8) Class C Liquor License & Outdoor Service for Gateway Market at ISU Alumni Center, 420 Beach Avenue
6. Motion approving 5-day (Aug. 11-15) Class C Liquor License & Outdoor Service for Gateway Market at ISU Alumni Center, 420 Beach Avenue
7. Motion approving 5-day (Aug. 25-29) Class C Liquor License & Outdoor Service for Gateway Market at ISU Alumni Center, 420 Beach Avenue
8. Motion approving 5-day (Aug. 4-8) Class C Liquor License & Outdoor Service for Your Private Bartender at Reiman Gardens, 1407 S. University Boulevard
9. Motion approving 5-day (Aug. 9-13) Class C Liquor License for Olde Main Brewing Company at Reiman Gardens, 1407 S. University Boulevard
10. Motion approving temporary transfer on August 12, 2018, for Class C Liquor, Class B Wine, & Outdoor Service for Della Viti from 323 Main Street # 102 to 500 block of Main Street for Farm to Table Supper (replacing 5-day liquor license issued to Ames Main Street Farmers' Market)
11. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
  - a. Class C Liquor – Sportsman’s Lounge, 123 Main Street
  - b. Class E Liquor, C Beer, & B Wine – AJ’s Liquor II, 2515 Chamberlain St.
  - c. Special Class C Liquor – HuHot Mongolian Grill, 703 S. Duff Ave., Ste. #105
  - d. Class C Beer – HuaChao Snacks, 127 Welch Ave.
  - e. Class C Liquor, Catering, & Outdoor Service – Cyclone Experience Network, Jack Trice Stadium
  - f. Class C Liquor & Catering – Olde Main Brewing Co., 316 Main Street

- g. Class C Liquor, B Native Wine, Catering, & Outdoor Service – The Mucky Duck Pub, 3100 South Duff Ave.
- h. Special Class C Liquor & Outdoor Service – India Palace, 120 Hayward Ave.
- 12. Resolution adopting revised Investment Policy
- 13. Resolution approving Investment Report for Fiscal Year ending June 30, 2018
- 14. Resolution approving Encroachment Permit for monitoring wells 122 North Oak Avenue
- 15. Resolution approving Encroachment Permit for fenced sidewalk café area at 2302 Lincoln Way
- 16. Resolution approving Contract for Services with Ames Economic Development Commission for Workshop Development Program in an amount not to exceed \$15,000
- 17. Resolution accepting 2017 U. S. Department of Justice Edward Byrne Grant
- 18. Resolution approving Agreement with The Ames Foundation to provide construction management services for the Miracle League Field and Inclusive Playground project
- 19. Watershed Management:
  - a. Resolution terminating 28E for Keigley Branch Watershed Management Authority
  - b. Resolution approving 28E Agreement creating Headwaters of the South Skunk River Watershed Management Authority
- 20. Resolution approving 18-month extension to Airport Hangar Land Lease with Hap’s Air Service until June 30, 2019
- 21. Resolution approving bow hunting within the Park System, on City property, and at other eligible property as detailed in Urban Deer Management Ordinance and rules
- 22. Resolution approving closure of portion of Hayward Avenue, between Mortensen Road and Storm Street, from 6:00 a.m. to 4:00 p.m. for 2018 Big 12 Conference Cross Country Championships on Friday, October 26, 2018
- 23. Resolution approving waiver of Road Race Permit fee for Run for the Roses on Sunday, October 7, 2018
- 24. Resolution approving preliminary plans and specifications for 2017/18 Right of Way Restoration; setting August 15, 2018 as bid due date and August 28, 2018 as date of public hearing
- 25. Resolution approving preliminary plans and specifications for Power Plant Maintenance Services Contract; setting August 29, 2018, as bid due date and September 11, 2018, as date of public hearing
- 26. Resolution waiving Purchasing Policy requirement for competitive bidding for purchase of parts for the DCS System and award a contract to Emerson Process Management Power & Water Solutions, Inc., of Pittsburgh, Pennsylvania, in the amount of \$69,735 with sales taxes to be paid directly by the City to the State of Iowa
- 27. Resolution awarding contract to Primoris Aevenia, Inc., of Johnston, Iowa, for Furnishing and Installation Services for 69kV UG Power Cable for Top-O-Hollow Substation
- 28. Resolution awarding contract to Excellence Opto, Inc., of Pomona, California, for LED Luminaires Supply Contract for Electric Distribution in accordance with unit prices bid
- 29. Resolution approving contract and bond for 2007/08 Shared Use Path System Improvements (Bloomington to Ada Hayden) (IDOT project)
- 30. Resolution approving contract and bond for 2017/18 Low Point Drainage Improvements (Ridgetop Road)
- 31. Resolution approving contract and bond for 2016/17 Arterial Street Pavement Improvements - West Lincoln Way
- 32. Resolution approving Change Order No. 1 with Communication Data Link, LLC, Grimes,

- Iowa, for the secondary contract for the Underground Trenching Contract for Electric Services in an amount not to exceed \$33,000
33. Resolution approving Change Order No. 5 with TEI Construction Services, Inc.; Duncan, South Carolina, for Boiler Maintenance Services Contract for Power Plant in the amount of \$230,000
  34. Resolution approving Change Order No. 13 with Ritts Law Group of Alexandria, Virginia, for specialized environmental legal support, analysis, and Iowa DNR Construction Permit preparation work in the amount of \$100,000
  35. Boiler Tube Spray Coating and Related Services and Supplies:
    - a. Resolution approving contract renewal with Integrated Global Services, Inc., Richmond, VA, for approval date through June 30, 2019, in an amount not to exceed \$350,000
    - b. Resolution approving contract and bond
  36. Resolution accepting completion of Lime Ponds/Ash Ponds Fence Installation
  37. Resolution accepting completion of 2017/18 Right-of-Way Appearance Enhancements
  38. Resolution approving Plat of Survey for 2715 and 2721 E. 13<sup>th</sup> Street
  39. Reinhart Farm Subdivision, 2221-220th Street, Boone County:
    - a. Resolution waiving requirements for installation of public improvements and accepting Covenants pertaining to future annexation, water territory buy-out, and assessment districts
    - b. Resolution approving Final Plat

**PUBLIC FORUM:** This is a time set aside for comments from the public on topics of City business other than those listed on this agenda. Please understand that the Council will not take any action on your comments at this meeting due to requirements of the Open Meetings Law, but may do so at a future meeting. The Mayor and City Council welcome comments from the public; however, at no time is it appropriate to use profane, obscene, or slanderous language. The Mayor may limit each speaker to five minutes.

**ASSET:**

40. Discussion with ASSET volunteers regarding 2019/20 ASSET Priorities:
  - a. Motion approving City of Ames ASSET Priorities for FY 2019/20 funding cycle

**ORDINANCES:**

41. Second passage of ordinance revising the Rental Cap Ordinance regarding Letters of Compliance for duplexes
42. Third passage and adoption of ORDINANCE NO. 4365 pertaining to exceptions and hardships to Rental Concentration Cap (Tabled from July 10, 2018)

**HEARINGS:**

43. Hearing on proposed Campustown Self-Supporting Municipal Improvement District (SSMID):
  - a. First passage of Ordinance creating Campustown SSMID
  - b. Motion directing staff to prepare a Memorandum of Understanding between the City and Campustown SSMID Board prior to approval of a budget for the SSMID
44. Hearing on Zoning Text Amendment relating to a proposal to allow dry cleaning and laundry facilities to be located in Highway-Oriented Commercial Zone by Special Use Permit:
  - a. First passage of Ordinance

45. Hearing on Major Amendment to 2014-18 Community Development Block Grant Consolidated Plan:
  - a. Resolution approving Amendment
46. Hearing on Proposed 2018/19 Community Development Block Grant Annual Action Plan (continued from May 8, 2018):
  - a. Resolution approving Annual Action Plan

**PLANNING & HOUSING:**

47. Staff Report regarding request for amendment to the Land Use Policy Plan and rezoning of 3125 and 3115 Grove Avenue
48. Staff Report regarding request for Urban Revitalization Area designation for 127, 121, and 115 Dotson Drive
49. Staff Report regarding request of Paul and Margot Eness for a waiver of City policy to allow Boundary Line Adjustment within Suburban Residential Area of Ames Urban Fringe (east of Hyde Avenue)
50. Staff Report regarding request for Zoning Text Amendment relating to height limit of interior climate-controlled mini-storage facilities adjacent to residential uses in Highway-Oriented Commercial Zone
51. Staff Report regarding Minimum Height and Floor Area Ratio Standards in the Downtown Service Center Zoning District

**PUBLIC WORKS:**

52. Discussion of possible revisions to parking regulations on McKinley Drive:
  - a. Motion directing City Attorney to draft Ordinance revising parking regulations

**ADMINISTRATION:**

53. Staff Report regarding proposed I-35 entryway signage:
  - a. Motion directing staff regarding outstanding issues
  - b. Resolution approving Funding Agreement with The Ames Foundation in the amount of \$20,000

**POLICE:**

54. Staff Report regarding Special Event Parking

**DISPOSITION OF COMMUNICATIONS TO COUNCIL:**

**COUNCIL COMMENTS:**

**ADJOURNMENT:**

**Please note that this Agenda may be changed up to 24 hours before the meeting time as provided by Section 21.4(2), *Code of Iowa*.**



**MINUTES OF THE MEETING OF THE AMES AREA METROPOLITAN PLANNING ORGANIZATION TRANSPORTATION POLICY COMMITTEE AND REGULAR MEETING OF THE AMES CITY COUNCIL**

**AMES, IOWA**

**JULY 10, 2018**

**AMES AREA METROPOLITAN PLANNING ORGANIZATION (AAMPO)  
TRANSPORTATION POLICY COMMITTEE MEETING**

The Ames Area Metropolitan Planning Organization (AAMPO) Transportation Policy Committee meeting was called to order by Ames Mayor and voting member John Haila at 6:00 p.m. on the 10th day of July, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. Other voting members present were: Bronwyn Beatty-Hansen, City of Ames; Gloria Betcher, City of Ames; Amber Corrieri, City of Ames; Tim Gartin, City of Ames; David Martin, City of Ames; Chris Nelson, City of Ames; Lauris Olson, Story County, and Bill Zinnel, Boone County Supervisor. As it was impractical for him to attend in person, Transit Representative Juan Bibiloni joined the meeting telephonically. AAMPO Administrator and Ames Public Works Director John Joiner, City of Ames Transportation Planner Tony Filippini, and Andy Loonan, Iowa Department of Transportation, were also present. Voting member Jonathan Popp, Gilbert Mayor, was absent.

**HEARING ON FY 2019-2022 TRANSPORTATION IMPROVEMENT PROGRAM (TIP):**

Transportation Planner Filippini explained that, to receive funds for transportation improvement projects, it is necessary for the projects to be part of the approved statewide plan. The first step in that process is for the AAMPO to develop a Draft Transportation Improvement Plan. Mr. Filippini stated that the Draft Plan before the AAMPO Policy Committee tonight was first presented on May 22, 2018, and provides for projects for street improvements, CyRide improvements, and trail projects. Since that date, the Draft TIP was made available for public comment and sent to the state and federal partners for review. According to Mr. Filippini, the AAMPO staff has received and addressed comments from the Iowa Department of Transportation (Iowa DOT), Federal Highway Administration, and Federal Transit Administration. Two revisions have been made: (1) a financial table has been included demonstrating the Iowa DOT's fiscal capacity and (2) the performance-based planning language has been updated to the Iowa DOT's standard language. No revisions were requested by the public. Mr. Filippini concluded by stating that, if approved, the TIP will be submitted to the Iowa DOT to be included with the State TIP to become effective on October 1, 2018.

Mayor Haila opened the public hearing. There being no one wishing to speak, the hearing was closed.

Moved by Betcher, seconded by Olson, to adopt RESOLUTION NO. 18-409 approving the FY 2019-2022 Transportation Improvement Program.

Vote on Motion: 10-0. Resolution declared adopted unanimously, signed by the Mayor, and hereby made a portion of these Minutes.

**ADJOURNMENT:** Moved by Zinnel to adjourn the AAMPO Transportation Policy Committee

meeting at 6:05 p.m.

Vote on Motion: 10-0. 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 John Haila at 6:08 p.m. on July 10, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law. The following Council Members were present: Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, David Martin, and Chris Nelson. *Ex officio* City Council Member Allie Hoskins was also present.

**PROCLAMATION:** Mayor Haila proclaimed July 2018 as Parks and Recreation Month. Accepting the Proclamation on behalf of the City of Ames Parks and Recreation Department were Director Keith Abraham and Parks and Recreation Commission Members Sarah Litwiller and Ed Moran, Chairperson. Director Abraham highlighted this year's theme, which is "A Lifetime of Discovery," and encouraged the public to explore Ames and each of its 36 parks.

**CONSENT AGENDA:** Council Member Corrieri requested to pull Item 10, the request from the Ames Soccer Club for the Post TIM Cup event. Council Member Betcher asked to pull Item No. 11, the requests from the Ames Farmers' Market Farm to Table Supper. Mayor Haila pulled Item No. 5, Report of Contract Change Orders for June 16-30, 2018; and Item 20, the contract and bond for the 2017/18 South Duff Avenue Improvements project.

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

1. Motion approving payment of claims
2. Motion approving Minutes of Special Meetings of June 19, 2018, and July 2, 2018, and Regular Meeting of June 26, 2018
3. Motion approving certification of Civil Service applicants
4. Motion approving 5-day (July 12-16) Class C Liquor License for Olde Main Brewing Company at Reiman Gardens, 1407 S. University Boulevard
5. Motion approving 5-day (September 8-12) Class B Beer & Outdoor Service for Bethesda Lutheran Church, 1517 Northwestern Avenue
6. Motion approving ownership change for Class C Liquor License for Deano's, 119 Main Street
7. Motion approving renewal of the following Beer Permits, Wine Permits, and Liquor Licenses:
  - a. Class C Liquor – Red Lobster #747, 1100 Buckeye Avenue
  - b. Class C Liquor – Welch Ave. Station, 207 Welch Avenue
  - c. Class C Liquor & Outdoor Service – Bar, 823 Wheeler St., Ste. 1
  - d. Class B Beer – Panchero's Mexican Grill, 1310 S. Duff Ave., Ste. 103
  - e. Class C Liquor – Applebee's, 105 Chestnut St.
  - f. Class C Liquor, Catering, & Outdoor Service – Iowa State Center - Scheman Bldg., Scheman Bldg., Iowa State University
  - g. Class C Beer & Class B Native Wine – Hampton Inn & Suites Ames, 2100 SE 16<sup>th</sup> St.
8. Request from Ames Historical Society for Historical Plaque Program:
  - a. RESOLUTION NO. 18-413 authorizing carry-over of unspent funds from FY 2017/18 to FY 2018/19

- b. RESOLUTION NO. 18-414 authorizing carried over funds to be used for the production of program brochures
- 9. RESOLUTION NO. 18-415 approving FAA Grant Agreement for 2017/18 Airport Master Plan Update
- 10. RESOLUTION NO. 18-416 approving Revised 2018/19 Agreement with Ames Economic Development Commission
- 11. RESOLUTION NO. 18-417 approving preliminary plans and specifications for the WPC Clarifier Launder Cover Project; setting August 15, 2018, as bid due date and August 28, 2018, as date of public hearing
- 12. RESOLUTION NO. 18-418 waiving formal bidding requirements and authorizing approving of FY 2018/19 Public Safety Software Maintenance Contracts with Superior Public Sector at a cost of \$159,994
- 13. RESOLUTION NO. 18-419 awarding contract to Ames Ford Lincoln of Ames, Iowa, for two Ford F150 trucks for \$60,266.72 for Public Works Engineering
- 14. RESOLUTION NO. 18-420 awarding a contract to LawnPro L.L.C., of Colo, Iowa, for the 2018/19 Tree Trimming and Removal Program in an amount not-to-exceed \$95,000
- 15. RESOLUTION NO. 18-421 approving contract and bond for Water Pollution Control Facility Primary Clarifier Replacement Project
- 16. RESOLUTION NO. 18-423 accepting completion of 2016 CyRide Interceptor Pit Upgrades project
- 17. RESOLUTION NO. 18-424 accepting completion of 2016/17 Shared Use Path System Expansion
- 18. RESOLUTION NO. 18-425 approving Plat of Survey for 1407 Florida Avenue
- 19. RESOLUTION NO. 18-426 approving Plat of Survey for 1503 Top-O-Hollow Road
- 20. RESOLUTION NO. 18-427 approving Plat of Survey for 447 Westwood Drive
- 21. RESOLUTION NO. 18-428 approving Final Plat for ISU Research Park Subdivision, Phase III, Third Addition

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

**REPORT OF CONTRACT CHANGE ORDERS FOR JUNE 16-30, 2018:** Mayor Haila asked for an explanation of the two Change Orders listed pertaining to the Engineering Services Contract for the South Grand Avenue Extension project. Municipal Engineer Tracy Warner advised that the \$48,250 included the addition of traffic and bus pull-outs in the vicinity of the Boys and Girls Club area on South 5<sup>th</sup> Street. Change Order No. 1 in the amount \$102,891 had been previously approved by the City Council. It included a design modification changing where the storm sewer will be placed so it would not have to be torn out if South Grand were to be expanded in the future, some right-of-way acquisition, and grading and realignment work that was needed in order to line up with the Worle Creek Channel.

At the request of City Manager Steve Schainker, Ms. Warner explained the process of working with contractors on Change Orders to ensure the change is necessary and negotiating the costs associated with the Change Order.

Moved by Gartin, seconded by Corrieri, to approve the Report of Contract Change Orders for June 16-30, 2018.

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

**REQUEST FROM AMES SOCCER CLUB FOR POST TIM CUP EVENT AT HUNZIKER YOUTH SPORTS COMPLEX ON AUGUST 11:** Council Member Corrieri indicated that she had requested to pull this item from the Consent Agenda as she has a conflict of interest and would be abstaining from the vote.

Moved by Gartin, seconded by Beatty-Hansen, to approve/adopt the following:

- a. Motion approving blanket Vending License for the event
- a. RESOLUTION NO. 18-410 approving waiver of fee for blanket Vending License

Roll Call Vote: 5-0-1. Voting aye: Beatty-Hansen, Betcher, Gartin, Martin, Nelson. Voting nay: None. Abstaining due to a Conflict of Interest: Corrieri. Resolution declared carried, signed by the Mayor, and hereby made a portion of these Minutes.

**REQUESTS FOR AMES MAIN STREET FARMERS' MARKET FARM TO TABLE SUPPER ON AUGUST 12, 2018:** Council Member Betcher asked to have this new event explained. LoJean Petersen, Manager of the Downtown Farmers Market, 2814 Duff Avenue, Ames, explained that the Farm to Table Supper is a meal that will be put on for the community where the source of as many ingredients as possible will come from the Ames Main Street Farmers' Market vendors. Chefs from Aunt Maude's restaurant will be preparing the meal. Ms. Petersen said that the net proceeds from the Supper will go to expand the Market for the community. Council Member Betcher said her only concern about this event was that it had been advertised before the City Council had approved the requests. Ms. Petersen said the organizers had gotten a little behind and needed to get the event advertised. At the inquiry of Council Member Betcher, Ms. Petersen stated that tickets may be purchased from the Ames Chamber of Commerce or by going to the Main Street Farmers' Market Web site.

Moved by Betcher, seconded by Corrieri, to approve/adopt the following:

- a. Motion approving blanket Temporary Obstruction Permit
- b. Motion approving 5-day (Aug. 10-14) Special Class C Liquor License & Outdoor Service for the event
- c. RESOLUTION NO. 18-411 approving closure of the 500 block of Main Street from 12:00 p.m. on August 12 to 12:00 a.m. on August 13
- d. RESOLUTION NO. 18-412 approving waiver of fees for usage of electricity

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

**CONTRACT AND BOND FOR 2017/18 SOUTH DUFF AVENUE IMPROVEMENTS:** Public Works Director John Joiner advised that, if the contract and bond for this project is approved at this meeting, staff will meet with the contractor tomorrow to discuss Change Orders, which may contain slight schedule changes. Mr. Joiner said that staff prefers that the contractor wait until RAGBRAI riders have passed through Ames to close South Duff. If that occurs, the 30-day closure period would then be extended and would not be completed until late August; it would be before the start of football season, but would creep into the first week of Iowa State University's Fall Semester. Staff will also be negotiating with the contractor on the costs associated with those Change Orders.

According to Director Joiner, the public will be informed of any change in the closure dates by the Project Manager, Public Works Analyst, and Public Information Official Susan Gwiasda.

Moved by Gartin, seconded by Betcher, to adopt RESOLUTION NO. 18-422 approving the contract and bond to the 2017/18 South Duff Avenue Improvements project.

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

**PUBLIC FORUM:** Chuck Haselhoff, 325 Bell Avenue, Ames, voiced his concerns over the new Permit and application policy that Inspections Division is implementing, especially the on-line payment. He referenced the letter that had been sent to the Mayor and City Council from Jerry Cable, who has similar concerns. Mr. Haselhoff indicated that he pulls many permits per month. He would prefer to be billed once per month and be allowed to pay by check. He said he does not want to have to put a Credit Card on file with the City.

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

**ORDINANCE PERTAINING TO EXCEPTIONS AND HARDSHIPS TO RENTAL CONCENTRATION CAP:** City Attorney Mark Lambert summarized the amendments to the Ordinance as a result of the three motions that had been made by the City Council at its meeting of June 26. Specifically:

1. To rewrite Section 13.300(10)(a) to ensure that all of the conditions for receiving the exception were applied also to the property owners who had obtained a Building Permit prior to October 27, 2017. This was accomplished by deleting subparagraph “vi,” which included the Building Permit language and incorporating it into subparagraph “I.”
2. To add “electrical, plumbing, or mechanical” to “building permit.” That was accomplished by putting that language into subparagraph “I” [under 13.300(10)(a)(I).]

In addition, the words “of a primary residence” were stricken from subparagraph “iii” because not only primary residence owners, but also certain building/etc., permit holders, can qualify for the exception. This was a necessary clean-up to address the Council’s motions. The sentence, “The exception only applies to the primary residence of a property owner established prior to the date of application” was deleted from the first paragraph under Paragraph (10), as it was not accurate given the building/etc., permit exception.

3. To strike the words “and current mortgage balance” from (11)(a)(v). Also, the word “and” was inserted between the two items remaining.

Council Member Betcher stated that she had realized that she had missed an opportunity to make a motion to insert language regarding the Letter of Compliance (LOC) terminating when the property changes owners. She is not certain whether that would constitute too major of a change to the Ordinance at this point. City Attorney Lambert indicated that that amendment would not be too

major; it could be made to the Ordinance and be included when the Ordinance comes back on third reading.

Moved by Betcher, seconded by Beatty-Hansen, to amend the Ordinance to insert language under 13.300(10)(a) that the LOC will terminate when the property changes hands.

Ms. Betcher believes that by adding that, it may limit the number of long-term exceptions that are generated from the exception clause and would help maintain the integrity of the Cap. She would prefer not to create additional long-term LOCs, if that is possible. Discussion ensued on what that could mean to the total number of new LOCs. Council Member Gartin voiced his concern over not having public input on the possible change; therefore, he indicated that he would not be voting in favor of the motion. Ms. Betcher said that she did bring this topic up at the last meeting, and there had been conversation about it at that time.

Mayor Haila offered the option to the Council to table the second reading to a date certain, perhaps July 31, and have public input prior to second passage.

City Attorney Lambert cautioned that there are application deadlines contained in the Ordinance, and those deadlines might need to be adjusted if the second reading of the Ordinance is tabled.

Council Member Beatty-Hansen suggested that the motion could be withdrawn, and public input could be accepted at the Council Workshop on July 17.

Motion withdrawn.

Council Member Martin asked for a change to be made regarding a sentence in the Property Sale Hardship Exception section under (i) describing abutting sides. He pointed out that it would not be considered to be an “abutting side” unless it’s 20 feet or greater; that is a requirement, but that is not clear in that sentence.

Moved by Martin, seconded by Beatty-Hansen, to clean-up the language in the Ordinance to clarify the definition of “abutting side.”

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

Council Member Beatty-Hansen asked what had been decided regarding the date when a property owner had to be the primary resident. She noted that the Ordinance states that the owner has to be the primary resident as of the date of the application for an exception.

Moved by Beatty-Hansen, seconded by Corrieri, to require that the property owner be the primary resident on October 27, 2017.

Further explanation was given by Director Diekmann as to when a person becomes the primary resident and when that person is eligible to apply for an exception.

Motion withdrawn.

Council Member Betcher noted that under 13.300(10)(a)(i), it appears that the property owner could have obtained a building, electrical, plumbing, or mechanical permit any time “prior” to October 27, 2017. She pointed out that, the way it is now written, a permit could have been obtained in 2014 and the owner would still be eligible. Building Official Sara VanMeeteren said that some property owners have done work on their property in stages, and if the Council were to remove the word “prior,” it would exclude those people.

In looking at a spreadsheet listing the Permits provided by Ms. VanMeeteren, Ms. Betcher believed that there would be the potential for 52 properties to become rentals, which seemed, to her, like a substantial number. She believes that large of a number appears to undermine the intent of the Rental Cap Ordinance. Council Member Martin noted that there were 35 Building Permits closed from October 2016 to the present; 31 of those closed in 2017.

Council Member Nelson indicated that he thought it was the intention of the Council to be as accommodating as possible and give people options who have hardships. He noted that it has been said that it will take 20, 30, or 40 years for the Cap to have an effect on a neighborhood. Council Member Betcher agreed that it will take a long time for the Cap to make a difference; however, in the short term, people need to make a decision if they want to buy a house that abuts an existing rental. There is less certainty when there are 52 potential new LOCs out there because they don't know if the property next door was going to be rental. Council Member Martin stated that, with the Building Permit style exception, there is a requirement that the property be used as a rental within a certain time period; you have to “use it or lose it.”

Moved by Beatty-Hansen, seconded by Corrieri, to amend the Ordinance at Section 13.300(10)(a), Paragraph 2, to state that the property owner had obtained, on or after October 28, 2016, and prior to October 27, 2017, a building, electrical, plumbing, or mechanical permit, which would indicate an intent to convert the property to a rental property.

Council Member Gartin indicated that that motion was more of a clarification, not anything new.

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

Council Member Nelson pointed out that the Council knows of at least one property owner who was the primary resident for years and was eligible on October 27, 2017, but got transferred due to a job. With the dates just voted on, that property owner would not be eligible now because he is no longer the primary resident. Ms. VanMeeteren noted that he might qualify under the Property Sale Hardship and she knows that that person has already been granted a Transitional LOC.

Council Member Betcher stated that one item that the Council had not considered was a duplex that does not have a LOC for either side because the owner's family members live on the other side. Ms. VanMeeteren stated that there are 12 duplexes in the Cap Areas that are not registered. Ms. Betcher

asked if there was a way to allow a duplex that existed before the date of the Moratorium to apply for a LOC. Director Diekmann noted that that is not part of the Ordinance being discussed; it is part of the Occupancy Ordinance. Ms. Betcher asked if a duplex then needs to get two LOCs. Director Diekmann explained that if a property owner, who now lives on one side of the duplex, decides they wanted to sell, they could apply for a Property Sale Hardship Exception. They would have to meet the prerequisites, including marketing the property for nine months, which is part of the other Ordinance.

Moved by Betcher, seconded by Beatty-Hansen, to table the second passage of the Ordinance until the July 17, 2018, meeting and take public input on what was just discussed, i.e., the non-transferability of the LOC.

Motion withdrawn.

Moved by Betcher, seconded by Beatty-Hansen, to take public input on the issue of the non-transferability of the LOC.

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

Moved by Betcher to table the second passage of the Ordinance to July 31, 2018.

Motion withdrawn.

Moved by Betcher, seconded by Beatty-Hansen, to bring back the possible Ordinance amendments discussed at this meeting for public input on July 17, 2018, and table the second passage of the Ordinance to that date.

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

**ALCOHOL SERVICE AT SIDEWALK CAFÉ AT MOTHER’S PUB, 2900 WEST STREET:**

Assistant City Manager Brian Phillips stated that Mother’s Pub had submitted a request to implement a sidewalk café with the serving of alcohol. They have a Class C Liquor License, and according to *Municipal Code* Section 17.16, because the majority of its sales come from selling alcoholic beverages, they may not have minors on the premises after 4:00 PM. Approval from the City Council is required to allow alcohol service at its proposed sidewalk café. Mr. Phillips reviewed the factors that must be considered by the City Council before approving such a request.

According to Mr. Phillips, Mother’s Pub has had a good compliance record, and the site conditions and other factors lend to a more easily controlled environment where alcohol would be served. He noted that the approval is for only the 2018 sidewalk café season (April through October) according to the *Municipal Code*. Sidewalk café applications must be completed each season; they do not carry over from year to year. Mr. Phillips noted that the first approval for an exception of this type was for Della Viti. Della Viti was required to obtain approval for the exception from the City Council each year; thereby allowing staff to report regarding the safety and success of the alcohol



service. Staff anticipates taking a year-by-year approach to Mother's Pub as well.

Assistant City Manager Phillips noted that alcohol service at sidewalk cafes and the other changes implemented by the City Council last year have generally been safe and successful. An increasing number of restaurants are taking advantage of the opportunity to host sidewalk cafes, and City staff has identified a few establishments that have struggled to meet all of the requirements when setting up for their second season. Staff has had constructive conversations with the owners/managers of those establishments.

Council Member Martin asked if the neighbors had been contacted. Andrew Thompson, General Manager of Mother's Pub, stated that they have had some input from their neighbors. Mr. Thompson explained the Pub's policy of playing music out on the sidewalk. He said that he goes to the street to check the volume of the music. Mr. Martin said that he had walked by this establishment and heard very loud music. Mr. Thompson replied that when they have bands, it is louder. Mr. Martin expressed his concern about what impact the service of alcohol at a sidewalk café might have on the neighborhood. He pointed out that this establishment is in a primarily residential area. Council Member Gartin noted that there is pretty much the same situation on Main Street, as there are more and more people living Downtown.

Moved by Betcher, seconded by Beatty-Hansen, to adopt RESOLUTION NO. 18-429 approving an exception to *Municipal Code* Section 22.32(c)(2)(v) to allow alcohol service in Sidewalk Café at Mother's Pub, 2900 West Street.

Council Member Martin stated that he still had concerns about the impacts this might have on the neighborhood, but believed it was fair to give the establishment an opportunity to try it.

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

**PROPOSED CAMPUSTOWN SELF-SUPPORTING MUNICIPAL IMPROVEMENT DISTRICT (SSMID):** City Planner Julie Gould stated that a SSMID is a self-taxing body that assesses and applies a levy rate to commercial properties within an approved district. Chapter 386 of the *Iowa Code* contains the process and requirements to be met in order to create a SSMID. The initial steps require the submittal of a petition that included the signatures of a minimum of 25% of all property owners within the SSMID boundaries and signatures of property owners that make up at least 25% of the assessed property value within the SSMID boundaries. The Campustown Action Association (CAA) has submitted a Petition to create a SSMID, and staff has verified that the CAA Petition includes 45.8% of the property owners that represent 41.8% of the assessed property value.

According to Ms. Gould, some of the properties located within the proposed SSMID boundary are residential or a mix of residential and commercial uses. She noted that all residential properties are exempt from the SSMID levy and those properties and values are not included in the Petition. Other properties that are exempt from paying property taxes are exempt from the SSMID levy as well. It was also pointed out by Ms. Gould that, if approved, the SSMID levy will apply to all commercial properties within the District regardless of the property owner's signature of support for the Petition.

Ms. Gould stated that the levy rate for a SSMID is proposed by the entity presenting the Petition. The Petition submitted by the CAA details why the rates were chosen and what type of projects the revenues would fund. It was said by Ms. Gould that the combined levies will generate approximately \$50,000 to \$70,000.

Karin Chitty, Director of Campustown Action Association, and Ann Taylor, owner of Dog Town, were present. At the inquiry of Council Member Gartin, Ms. Taylor answered that they had been working on creating a SSMID for a full four years.

Council Member Gartin stated his concern about dividing the burden of this proposal. He asked how it had been designed to ensure equity. Ms. Taylor advised that the single biggest property owner is Kingland; that property is already under a TIF arrangement and is not being included as part of the proposed SSMID.

Mr. Gartin asked if there were other communities in Iowa who have created a SSMID. Ms. Taylor said there have been many smaller communities who have, one she knew of was Spencer, Iowa.

Moved by Gartin, seconded by Betcher, to adopt RESOLUTION NO. 18-430 setting the date of public hearing as July 31, 2018, regarding the proposed Campustown Self-Supporting Municipal Improvement District.

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

Council Member Gartin asked about the notification requirements. Ms. Gould explained all impacted property owners will receive notice sent by certified mail at least 15 days prior to the hearing. Ms. Chitty indicated the outreach that had already been done by the CAA.

**PUBLIC WORKS MAJOR PROJECTS UPDATES:** Public Works Director John Joiner and Municipal Engineer Tracy Warner provided information on the East Industrial Area Utility Extension, Flood Mitigation - River Flooding (Squaw Creek near S. Duff Avenue), and the Grand Avenue Extension.

East Industrial Area Utility Extension. Ms. Warner advised that the latest cost estimate is approximately \$500,000 over the budgeted amount of \$5,000,000. Staff is continuing to evaluate cost savings options as part of the plan review process.

Council Member Gartin brought up the issue of determining the size of the water pipes, sanitary sewer. City Manager Schainker told the Council that recent discussions with the Ames Economic Development Commission (AEDC) staff have indicated that they are recruiting companies that are larger users of water/sewer than originally planned. He emphasized that the City will have to have discussions with the AEDC about what type of industries should be recruited. Mr. Schainker advised that the City has to be selective; it has to balance the benefits of bringing the industry to Ames with the costs of infrastructure and providing services. Mayor Haila asked if there was a limiting factor, such as the aquifer. Director of Water and Pollution Control John Dunn explained that, at some point, the City might have to be concerned about that; however, at this time, the biggest challenge

is finding the sites for new wells. City Manager Schainker indicated that the Council will need to have a discussion and provide guidance. Discussion ensued about increasing capacity at the Water Plant and treating the additional capacity. Potential expansion costs could cost up to \$100 million.

Mayor Haila noted that this project is expected to be let for bid in late summer with construction to begin in Fall 2018. If the Council wants to have a workshop on the recruitment of certain industries and the costs associated with infrastructure and services, it should not wait until staff has bids in hand.

Merlin Pfannkuch, 1424 Kellogg Avenue, Ames, shared his opinion that the Council should have had this discussion prior to including this project in the Capital Improvements Plan. He feels that there had been very little public discussion on this project; the public is being left in the dark. Mr. Pfannkuch would like the AEDC to come before the Council to inform the public on what types of businesses they are working to recruit. In addition, Mr. Pfannkuch said that it struck him as odd that staff is asking Council for direction on whether or not to establish an assessment district along this corridor as he thought that was already decided.

Moved by Beatty-Hansen, seconded by Betcher, to direct staff to establish an assessment district along this corridor so that any new industries locating there would have to pay a hook-up fee to receive water or sanitary sewer service.

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

Flood Mitigation - River Flooding (Squaw Creek Near S. Duff Avenue). Municipal Engineer Warner told the Council that staff had been notified on March 23, 2018, that the City was not successful in receiving nationally competitive FEMA grant funds for the Flood Mitigation - River Flooding project. Ms. Warner said that, in talking with the Iowa Department of Homeland Security and Emergency Management staff, it was suggested that staff evaluate the project further for phasing options and offered to help City staff in pursuing other grant funding. FEMA was also asked for feedback about the submitted grant application to aid in considering whether re-application in Fall 2018 would be an option. Feedback from those agencies has been received, and staff feels optimistic that they can supplement and repackage the grant application.

Council Member Betcher asked if there would be a \$2.3 million shortfall, instead of the \$786,050 that had previously been anticipated if grant funding is not received. She indicated that she had not been in favor of this project when it was presented, and it appears that the cost is increasing. City Manager Schainker reviewed some of the numbers. Ms. Betcher asked when it would be known if the City was going to receive grant funding. Ms. Warner answered that the City should be informed by March 2019 with the money being available no earlier than 2020.

Ms. Warner showed a map indicating the concept of full-build (channel shaping). with a re-connection to the floodplain; the map was from November 2016 when a workshop on this project was held. It would mean a flood reduction of an estimated 0.5 - 2.0 feet at various locations in the S. Duff Avenue area.

Chuck Winkleblack, Hunziker & Associates, 105 S. 16<sup>th</sup> Street, Ames, said that they have properties on 2.7 acres that are adjacent to the river in this area, but are not located in the flood plain. He believes that 1.7 acres are buildable. There are uses for the properties, and they have some potential buyers, but they need to know what is going to happen and whether it is the City's intention to move forward with this project. Municipal Engineer Warner recommended that the Council move forward to acquire some smaller-valued easements.

Council Member Gartin asked if the City knows enough about the project to be able to give closure to the Carneys, whose property would be impacted and is for sale. Municipal Engineer Warner said that the City could provide the boundaries for this project to the property owner. Mr. Winkleblack indicated that he does not know if the Council is committed to this project. It needs to be determined if the City would be requesting an easement or would be purchasing the property. Council Member Betcher asked if the City would be committed to this project even if the grant funding is not received. City Manager Schainker commented that staff needed to send the Cost/Benefit Analysis to the Council that had been prepared when the project was first presented.

Grand Avenue Extension. Municipal Engineer Warner stated that the current CIP reflects a significant amount of funding for this project coming from state/federal grants. Ms. Betcher noted that a funding deficiency of \$2,345,000 remains at this time. Ms. Warner acknowledged that was the deficiency at this point; however, grant applications are continuing to be submitted. City Manager Schainker indicated that the funding deficiency will need to be addressed at budget time for the CIP. After being asked by Mayor Haila, Ms. Warner said the biggest impediment to this project going forward is land acquisition.

Chuck Winkleblack, 105 S. 16<sup>th</sup> Street, Ames, noted that the Kmart property is going to be redeveloped and will likely be much more intensive than it was previously; that will result in even more traffic on South Duff and South 16<sup>th</sup> Street.

**NORTH RIVER VALLEY WELL FIELD AND PIPELINE PROJECT:** Moved by Nelson, seconded by Corrieri, to adopt RESOLUTION NO. 18-431 approving the Purchase Agreement with David A. Kepley Revocable Trust for 2.81 acres for the construction of North River Valley Well Field and Pipeline Project.

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

**HEARING ON SALE OF VACATED RIGHT-OF-WAY ADJACENT TO 1604 TRUMAN DRIVE:** Mayor Haila opened the public hearing. No one came forward to speak, and the Mayor closed the hearing.

Moved by Betcher, seconded by Corrieri, to pass on third reading and adopt ORDINANCE NO. 4263 vacating the right-of-way adjacent to 1604 Truman Drive.

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

Moved by Betcher, seconded by Corrieri, to adopt RESOLUTION NO. 18-432 approving the sale and conveyance by Quit Claim Deed to Marvin R. Orth and Donna J. Orth, subject to payment of \$3,116.

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

**HEARING ON INSTALLATION SERVICES FOR 69kV UG POWER CABLE TOP-O-HOLLOW SUBSTATION:** The public hearing was opened by Mayor Haila and closed after no one came forward to speak.

Moved by Gartin, seconded by Corrieri, to accept the Report of Bids and delay award for the Installation Services for 69kV UG Power Cable Top-O-Hollow Substation.

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

**DISPOSITION OF COMMUNICATIONS TO COUNCIL:** Moved by Betcher, seconded by Gartin, to put on a future agenda the request from Heath D. Bullock for rezoning property at 3115 and 3125 Grove Avenue.

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

Moved by Nelson, seconded by Gartin, to place on a future Agenda the request from Hendra Hardi to establish an Urban Revitalization Area for 115-127 Dotson Avenue.

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

Moved by Gartin, seconded by Betcher, to place on a future Agenda the options pertaining to the request of Margot Eness for a Boundary Line Adjustment within the Ames Urban Fringe.

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

Moved by Betcher, seconded by Beatty-Hansen, to get a memo from staff pertaining to the concerns expressed in a letter from Jerry Cable, Sr., and in person by Chuck Haselhoff during Public Forum at this meeting, about a change in the issuance and payment of permits from the Inspections Division.

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

Moved by Beatty-Hansen, seconded by Betcher, to get a memo from staff regarding the request of OnPoint Development, LLC, for a Zoning Text Amendment to Section 29.1308(8)(d) pertaining to Interior Climate Controlled Mini-Storage Facilities.

Motion withdrawn.

Moved by Gartin, seconded by Corrieri, to place on a future agenda the request of OnPoint Development, LLC, for a Zoning Text Amendment to Section 29.1308(8)(d) pertaining to Interior Climate Controlled Mini-Storage Facilities.

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

Moved by Betcher, seconded by Beatty-Hansen, to request that the Mayor write to the owner/manager Pro Nails and explain that the Council is unable to do anything because the requirement is per Code.

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

**COUNCIL COMMENTS:** Moved by Gartin, seconded by Betcher, to ask the City Attorney to draw up language for the Council to consider pertaining to the hanging issue about duplexes that lack a Letter of Compliance for both units.

At the inquiry of City Manager Schainker, Council Member Gartin indicated that he was in favor of allowing a LOC for both units.

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

Moved by Gartin to set a workshop for a broad discussion of infrastructure needs of the community pertaining to the East Industrial Area.

Motion died for lack of a second.

Council Member Nelson commented that perhaps the Council should request the Ames Economic Development Commission to provide its recruitment strategy for businesses to be located in that area.

**ADJOURNMENT:** Moved by Beatty-Hansen to adjourn the meeting at 9:58 p.m.

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Diane R. Voss, City Clerk

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John A. Haila, Mayor



***Smart Choice***

**To:** Mayor Haila and City Council

**From:** Diane Voss, City Clerk

**Date:** July 26, 2018

**RE:** Minutes of Special Meeting (Workshop) of July 17, 2018 – Item 2b

The above-referenced Minutes are still being worked on and will be sent to you on Monday.

Thank you!

/drv



# MINUTES OF THE AMES CIVIL SERVICE COMMISSION

AMES, IOWA

JULY 26, 2018

The Ames Civil Service Commission convened in regular session at 8:31 a.m. on July 26, 2018, in the Council Chambers of City Hall, 515 Clark Avenue. Because it was impractical for the Commission members to be present in person, Commission Members Mike Crum and Charlie Ricketts were brought into the meeting telephonically. Commission Member Harold Pike was absent. Interim Human Resources Director Bob Kindred also attended the meeting.

**APPROVAL OF MINUTES:** Moved by Crum, seconded by Ricketts, to approve the Minutes of the June 28, 2018, Civil Service Commission meeting, as written.

Vote on Motion: 2-0. Motion declared carried unanimously.

**CERTIFICATION OF ENTRY-LEVEL APPLICANTS:** Moved by Ricketts, seconded by Crum, to certify the following individuals to the Ames City Council as Entry-Level Applicants:

Account Clerk:	Carlene Aspengren	78
	Cathy Beck	76
	Carrie Engelman	75
	Debra Milliken	73
WPC Assistant Superintendent:	Joseph Krebs	83

Vote on Motion: 2-0. Motion declared carried unanimously.

**COMMENTS:** Interim Human Resources Director Kindred shared that the first of two candidates for Fire Chief was on site today and would be holding a public presentation this afternoon at 4 PM. Mr. Kindred also stated that the City had contracted with a recruiter to assist in finding the next Human Resources Director. He is expecting that the list of potential candidates will be received by the City in the next month and a half.

The next regularly scheduled Civil Service Commission meeting will be August 23, 2018, at 8:15 a.m.

**ADJOURNMENT:** The meeting adjourned at 8:34 a.m.

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Michael R. Crum, Chair

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Diane R. Voss, City Clerk





## REPORT OF CONTRACT CHANGE ORDERS

<b>Period:</b>	<input checked="" type="checkbox"/>	1 <sup>st</sup> – 15 <sup>th</sup>
	<input type="checkbox"/>	16 <sup>th</sup> – End of Month
<b>Month &amp; Year:</b>	July 2018	
<b>For City Council Date:</b>	July 31, 2018	

Department	General Description of Contract	Contract Change No.	Original Contract Amount	Contractor/ Vendor	Total of Prior Change Orders	Amount this Change Order	Change Approved By	Purchasing Contact (Buyer)
Water & Pollution Control	Lime & Ash Pond Fencing	1	\$61,988.00	Midwest Fence & Gate Company	\$0.00	\$1,116.70	J. Dunn	MA
Parks & Recreation	Homewood Golf Course Clubhouse Design Services	1	\$50,000.00	Design Alliance, Inc.	\$0.00	\$1,500.00	J. Thompson	MA
Public Works	2016/17 Shared Use Path System Expansion (Grand Avenue (16 <sup>th</sup> -Murray Ave))	1	\$49,920.40	Manatts, Inc.	\$0.00	\$4,203.92	J. Joiner	MA
Electric Services	Valve Maintenance, Related Services and Supplies Contract for Power Plant	1	\$12,000.00	Pioneer Industrial Corp.	\$0.00	\$12,000.00	D. Kom	CB
Electric Services	Top O Hollow Substation Construction	1	\$1,511,291.16	Primoris Aevenia, Inc	\$0.00	\$0.00	L. Cook	CB
			\$		\$	\$		

**Applicant License Application ( )**

<b>Name of Applicant:</b> <u>Orchestrate Management</u>		
<b>Name of Business (DBA):</b> <u>Gateway Market</u>		
<b>Address of Premises:</b> <u>ISU Alumni Center</u>		
<b>City</b> <u>Ames</u>	<b>County:</b> <u>Story</u>	<b>Zip:</b> <u>50011</u>
<b>Business</b> <u>(515) 331-1753</u>		
<b>Mailing</b> <u>130 E 3rd St., Ste 201</u>		
<b>City</b> <u>Des Moines</u>	<b>State</b> <u>IA</u>	<b>Zip:</b> <u>50309</u>

**Contact Person**

<b>Name</b> <u>Michelle Mathews</u>	
<b>Phone:</b> <u>(515) 331-1753</u>	<b>Email</b> <u>mmathews@ohospitality.com</u>

**Classification** Class C Liquor License (LC) (Commercial)**Term:** 5 days**Effective Date:** 08/04/2018**Expiration Date:** 01/01/1900**Privileges:**Class C Liquor License (LC) (Commercial)Outdoor Service**Status of Business**

<b>BusinessType:</b> <u>Limited Liability Company</u>	
<b>Corporate ID Number:</b> <u>XXXXXXXXXX</u>	<b>Federal Employer ID</b> <u>XXXXXXXXXX</u>

**Ownership****Paul Rottenberg**

**First Name:** Paul                      **Last Name:** Rottenberg  
**City:** Des Moines                      **State:** Iowa                      **Zip:** 50315  
**Position:** Partner  
**% of Ownership:** 14.06%                      **U.S. Citizen:** Yes

**LADCO Development, Inc**

**First Name:** LADCO                      **Last Name:** Development, Inc  
**City:** West Des Moines                      **State:** Iowa                      **Zip:** 50266  
**Position:** Partner  
**% of Ownership:** 14.06%                      **U.S. Citizen:** Yes

**REB Development, LLC**

**First Name:** REB                      **Last Name:** Development, LLC  
**City:** Clive                      **State:** Iowa                      **Zip:** 50325  
**Position:** Partner

**% of Ownership:** 14.06%

**U.S. Citizen:** Yes

**Michelle Mathews**

**First Name:** Michelle

**Last Name:** Mathews

**City:** Des Moines

**State:** Iowa

**Zip:** 50309

**Position:** Controller

**% of Ownership:** 0.00%

**U.S. Citizen:** Yes

**Insurance Company Information**

<b>Insurance Company:</b> <u>Integrity Insurance</u>	
<b>Policy Effective Date:</b> <u>08/04/2018</u>	<b>Policy Expiration</b> <u>08/08/2018</u>
<b>Bond Effective</b>	<b>Dram Cancel Date:</b>
<b>Outdoor Service Effective</b>	<b>Outdoor Service Expiration</b>
<b>Temp Transfer Effective</b>	<b>Temp Transfer Expiration Date:</b>

**Applicant License Application ( )**

<b>Name of Applicant:</b> <u>Orchestrate Management</u>		
<b>Name of Business (DBA):</b> <u>Gateway Market</u>		
<b>Address of Premises:</b> <u>ISU Alumni Center</u>		
<b>City</b> <u>Ames</u>	<b>County:</b> <u>Story</u>	<b>Zip:</b> <u>50011</u>
<b>Business</b> <u>(515) 331-1753</u>		
<b>Mailing</b> <u>130 E 3rd St., Ste 201</u>		
<b>City</b> <u>Des Moines</u>	<b>State</b> <u>IA</u>	<b>Zip:</b> <u>50309</u>

**Contact Person**

<b>Name</b> <u>Michelle Mathews</u>	
<b>Phone:</b> <u>(515) 331-1753</u>	<b>Email</b> <u>mmathews@ohospitality.com</u>

**Classification** Class C Liquor License (LC) (Commercial)**Term:** 5 days**Effective Date:** 08/11/2018**Expiration Date:** 01/01/1900**Privileges:**Class C Liquor License (LC) (Commercial)Outdoor Service**Status of Business**

<b>BusinessType:</b> <u>Limited Liability Company</u>	
<b>Corporate ID Number:</b> <u>XXXXXXXXXX</u>	<b>Federal Employer ID</b> <u>XXXXXXXXXX</u>

**Ownership****Paul Rottenberg**

**First Name:** Paul                      **Last Name:** Rottenberg  
**City:** Des Moines                      **State:** Iowa                      **Zip:** 50315  
**Position:** Partner  
**% of Ownership:** 14.06%                      **U.S. Citizen:** Yes

**LADCO Development, Inc**

**First Name:** LADCO                      **Last Name:** Development, Inc  
**City:** West Des Moines                      **State:** Iowa                      **Zip:** 50266  
**Position:** Partner  
**% of Ownership:** 14.06%                      **U.S. Citizen:** Yes

**REB Development, LLC**

**First Name:** REB                      **Last Name:** Development, LLC  
**City:** Clive                      **State:** Iowa                      **Zip:** 50325  
**Position:** Partner

**% of Ownership:** 14.06%

**U.S. Citizen:** Yes

**Michelle Mathews**

**First Name:** Michelle

**Last Name:** Mathews

**City:** Des Moines

**State:** Iowa

**Zip:** 50309

**Position:** Controller

**% of Ownership:** 0.00%

**U.S. Citizen:** Yes

**Insurance Company Information**

<b>Insurance Company:</b> <u>Integrity Insurance</u>	
<b>Policy Effective Date:</b> <u>08/11/2018</u>	<b>Policy Expiration</b> <u>08/15/2018</u>
<b>Bond Effective</b>	<b>Dram Cancel Date:</b>
<b>Outdoor Service Effective</b>	<b>Outdoor Service Expiration</b>
<b>Temp Transfer Effective</b>	<b>Temp Transfer Expiration Date:</b>



**% of Ownership:** 14.06%

**U.S. Citizen:** Yes

**Michelle Mathews**

**First Name:** Michelle

**Last Name:** Mathews

**City:** Des Moines

**State:** Iowa

**Zip:** 50309

**Position:** Controller

**% of Ownership:** 0.00%

**U.S. Citizen:** Yes

**Insurance Company Information**

<b>Insurance Company:</b> <u>Integrity Insurance</u>	
<b>Policy Effective Date:</b> <u>08/25/2018</u>	<b>Policy Expiration</b> <u>08/29/2018</u>
<b>Bond Effective</b>	<b>Dram Cancel Date:</b>
<b>Outdoor Service Effective</b>	<b>Outdoor Service Expiration</b>
<b>Temp Transfer Effective</b>	<b>Temp Transfer Expiration Date:</b>

**Applicant License Application ( )**

<b>Name of Applicant:</b> <u>Your Private Bartender, LLC</u>		
<b>Name of Business (DBA):</b> <u>Your Private Bartender</u>		
<b>Address of Premises:</b> <u>1407 S University Blvd</u>		
<b>City</b> <u>Ames</u>	<b>County:</b> <u>Story</u>	<b>Zip:</b> <u>50011</u>
<b>Business</b> <u>(515) 208-1050</u>		
<b>Mailing</b> <u>7071 Carey Court</u>		
<b>City</b> <u>Johnston</u>	<b>State</b> <u>IA</u>	<b>Zip:</b> <u>50131</u>

**Contact Person**

<b>Name</b> <u>Amber Cooper</u>	
<b>Phone:</b> <u>(515) 208-1050</u>	<b>Email</b> <u>amber@yourprivatebartender.net</u>

**Classification** Class C Liquor License (LC) (Commercial)**Term:** 5 days**Effective Date:** 08/04/2018**Expiration Date:** 01/01/1900**Privileges:**Class C Liquor License (LC) (Commercial)Outdoor Service**Status of Business**

<b>BusinessType:</b> <u>Limited Liability Company</u>	
<b>Corporate ID Number:</b> <u>XXXXXXXXXX</u>	<b>Federal Employer ID</b> <u>XXXXXXXXXX</u>

**Ownership****Amber Cooper**

**First Name:** Amber                      **Last Name:** Cooper  
**City:** Johnston                      **State:** Iowa                      **Zip:** 50131  
**Position:** President  
**% of Ownership:** 51.00%                      **U.S. Citizen:** Yes

**Matthew Cooper**

**First Name:** Matthew                      **Last Name:** Cooper  
**City:** Johnston                      **State:** Iowa                      **Zip:** 50131  
**Position:** Vice President  
**% of Ownership:** 49.00%                      **U.S. Citizen:** Yes

**Insurance Company Information**

<b>Insurance Company:</b> <u>Illinois Union Insurance Company</u>
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**Policy Effective Date:** 07/31/2018

**Policy Expiration** 08/05/2018

**Bond Effective**

**Dram Cancel Date:**

**Outdoor Service Effective**

**Outdoor Service Expiration**

**Temp Transfer Effective**

**Temp Transfer Expiration Date:**

**Applicant License Application ( )**

<b>Name of Applicant:</b> <u>LJPS Inc</u>		
<b>Name of Business (DBA):</b> <u>Olde Main Brewing Company</u>		
<b>Address of Premises:</b> <u>1407 S University Blvd</u>		
<b>City</b> <u>Ames</u>	<b>County:</b> <u>Iowa</u>	<b>Zip:</b> <u>50011</u>
<b>Business</b> <u>(515) 232-0553</u>		
<b>Mailing</b> <u>PO Box 1928</u>		
<b>City</b> <u>Ames</u>	<b>State</b> <u>IA</u>	<b>Zip:</b> <u>50010</u>

**Contact Person**

<b>Name</b> <u>Matt Sinnwell</u>	
<b>Phone:</b> <u>(505) 400-5981</u>	<b>Email</b> <u>mattombc@gmail.com</u>

**Classification** Class C Liquor License (LC) (Commercial)
**Term:** 5 days
**Effective Date:** 08/09/2018
**Expiration Date:** 01/01/1900
**Privileges:**
Class C Liquor License (LC) (Commercial)
**Status of Business**

<b>BusinessType:</b> <u>Privately Held Corporation</u>	
<b>Corporate ID Number:</b> <u>XXXXXXXXXX</u>	<b>Federal Employer ID</b> <u>XXXXXXXXXX</u>

**Ownership**
**Scott Griffen**

**First Name:** Scott                      **Last Name:** Griffen  
**City:** Ames                              **State:** Iowa                      **Zip:** 50010  
**Position:** Owner  
**% of Ownership:** 50.00%                      **U.S. Citizen:** Yes

**Susan Griffen**

**First Name:** Susan                      **Last Name:** Griffen  
**City:** Potomac                      **State:** Maryland                      **Zip:** 24854  
**Position:** Owner  
**% of Ownership:** 25.00%                      **U.S. Citizen:** Yes

**Daniel Griffen**

**First Name:** Daniel                      **Last Name:** Griffen  
**City:** Potomac                      **State:** Maryland                      **Zip:** 24854  
**Position:** Owner  
**% of Ownership:** 25.00%                      **U.S. Citizen:** Yes

**Insurance Company Information**

<b>Insurance Company:</b>	<u>Founders Insurance Company</u>
<b>Policy Effective Date:</b>	<b>Policy Expiration</b>
<b>Bond Effective</b>	<b>Dram Cancel Date:</b>
<b>Outdoor Service Effective</b>	<b>Outdoor Service Expiration</b>
<b>Temp Transfer Effective</b>	<b>Temp Transfer Expiration Date:</b>

**Applicant License Application ( LC0039291 )**

<b>Name of Applicant:</b> <u>Crucoli, LLC</u>		
<b>Name of Business (DBA):</b> <u>Della Viti</u>		
<b>Address of Premises:</b> <u>323 Main Street #102</u>		
<b>City</b> <u>Ames</u>	<b>County:</b> <u>Story</u>	<b>Zip:</b> <u>50010</u>
<b>Business</b> <u>(515) 232-0241</u>		
<b>Mailing</b> <u>323 Main Street #102</u>		
<b>City</b> <u>Ames</u>	<b>State</b> <u>IA</u>	<b>Zip:</b> <u>50010</u>

**Contact Person**

<b>Name</b> <u>Bethany DeVries</u>	
<b>Phone:</b> <u>(515) 708-0014</u>	<b>Email</b> <u>dellaviti.ames@gmail.com</u>

**Classification** Class C Liquor License (LC) (Commercial)
**Term:** 12 months
**Effective Date:** 08/12/2018
**Expiration Date:**
**Privileges:**
Class C Liquor License (LC) (Commercial)
**Status of Business**

<b>BusinessType:</b> <u>Limited Liability Company</u>	
<b>Corporate ID Number:</b> <u>XXXXXXXXXX</u>	<b>Federal Employer ID</b> <u>XXXXXXXXXX</u>

**Ownership**
**Bethany DeVries**
**First Name:** Bethany
**Last Name:** DeVries
**City:** Ames
**State:** Iowa
**Zip:** 50014
**Position:** Member
**% of Ownership:** 100.00%
**U.S. Citizen:** Yes
**Insurance Company Information**

<b>Insurance Company:</b> <u>Illinois Casualty Co</u>	
<b>Policy Effective Date:</b>	<b>Policy Expiration</b>
<b>Bond Effective</b>	<b>Dram Cancel Date:</b>
<b>Outdoor Service Effective</b>	<b>Outdoor Service Expiration</b>
<b>Temp Transfer Effective</b>	<b>Temp Transfer Expiration Date:</b>

**To:** Mayor John Haila and Ames City Council Members  
**From:** Lieutenant Dan Walter, Ames Police Department  
**Date:** July 25th, 2018  
**Subject:** Beer Permits & Liquor License Renewal Reference City Council Agenda

The Council agenda for July 31, 2018, includes beer permits and liquor license renewals for:

- Class C Liquor - LC0020461 - Sportsman's Lounge, 123 Main Street
- Class E Liquor, C Beer, & B Wine - LE0001954 - AJ's Liquor II, 2515 Chamberlain St.
- Special Class C Liquor - BW0094871 - HuHot Mongolian Grill, 703 S. Duff Ave., Ste. #105
- Class C Beer - BC0030661 - HuaChao Snacks, 127 Welch Ave.
- Class C Liquor, Catering, & Outdoor Service - LC0041935 - Cyclone Experience Network, Jack Trice Stadium
- Class C Liquor & Catering - LC0033372 - Olde Main Brewing Co., 316 Main Street
- Class C Liquor, B Native Wine, Catering, & Outdoor Service - LC0040290 - The Mucky Duck Pub, 3100 South Duff Ave.
- Special Class C Liquor & Outdoor Service – BW0095618 - India Palace, 120 Hayward Ave.

A routine check of police records for the past 12 months found no liquor law violations for the above listed businesses. The Police Department recommends renewal of licenses for all the above businesses.

**COUNCIL ACTION FORM**

**SUBJECT:** CITY OF AMES INVESTMENT POLICY

**BACKGROUND:**

The Code of Iowa Section 12B.10B requires the City Council to adopt a written investment policy. The policy sets guidance for investment of City funds, and staff reports to City Council on compliance with the policy on a quarterly basis. City staff periodically reviews the investment policy and submits revisions for approval. The current City of Ames Investment Policy was last revised in July of 2007. **A summary of changes recommended in the proposed revision to the policy includes:**

- Clarified wording throughout the policy to comply with the Code of Iowa.
- Inserted wording in Section 2.0 to include achieving maximum security through diversification and adherence to the City's objectives.
- Inserted wording in Section 5.2 to clarify that employees and investment officials shall disclose to the City Manager's office any material interests in financial institutions with which they conduct business.
- Inserted wording in Section 18.1 to clarify that the City Treasurer shall prepare an investment report quarterly and present to the City Council within 45 days of each quarters end.
- Updated the Appendix to show that FDIC insurance is now \$250,000 per deposit.

As part of the current review, a draft of the revised investment policy was forwarded to the Association of Public Treasurers of United States and Canada (APT-US&C) for review and certification. **The APT-US&C Investment Policy Certification Committee has approved the revised City of Ames Investment Policy for the Investment Policy Certificate of Excellence Award.** The City of Ames will receive an award plaque at the APT-US&C Annual Conference in July. The APT-US&C's Certification Program provides guidance and assistance in developing or improving investment policies in the public sector.

**ALTERNATIVES:**

1. Adopt the revised City of Ames Investment Policy.

2. Refer the City of Ames Investment Policy to staff for further revision.

**MANAGER'S RECOMMENDED ACTION:**

The revised City of Ames Investment Policy establishes guidelines in accordance with best policy practices. The Investment Policy has been updated to reflect the current Code of Iowa requirements.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, thereby adopting the revised City of Ames Investment Policy.

CITY OF AMES

# INVESTMENT POLICY



*Revised April 2018*



## TABLE OF CONTENTS

	Page
Purpose.....	1
Policy.....	1
Scope.....	1
Objectives .....	2
Standards of Care .....	3
Investment Authority and Responsibility.....	4
Investment Procedures .....	5
Authorized Financial Dealers and Institutions .....	5
Suitability.....	6
Authorized Investments.....	6
Prohibited Investments and Investment Practices.....	7
Master Repurchase Agreements.....	8
Investment Pools.....	8
Safekeeping and Custody .....	9
Collateral/Security for Deposit of Public Funds .....	10
Diversification.....	10
Maximum Maturities .....	11
Reporting.....	11
Policy Consideration.....	12
Appendix .....	13
Glossary .....	13
Broker/Dealer Questionnaire & Certification.....	21

# CITY OF AMES, IOWA INVESTMENT POLICY

## 1.0 PURPOSE

The purpose of this investment policy is to set investment objectives, policies, establish guidelines, and define responsibilities for the investment of funds for the City of Ames.

## 2.0 POLICY

The policy of the City of Ames is to invest all funds in a manner that will provide the highest investment return while meeting cash flow demands and maintaining maximum security through diversification and adherence to the City's objectives. This policy is intended to comply with the Code of Iowa for investment of public funds.

This policy is static and general in nature; it defines authorized investments and guides the investment decisions and security selection process. The City's Investment Policy will be regularly reviewed and adjusted to create a portfolio that is suitable for the City given current conditions.

## 3.0 SCOPE

This investment policy applies to all funds and investment transactions of the City. These funds are accounted for in the Comprehensive Annual Financial Report, which includes the following:

- 3.1 General Fund
- 3.2 Special Revenue Funds
- 3.3 Capital Projects Funds (includes restricted bond proceeds)
- 3.4 Enterprise Funds (includes restricted sinking funds)
- 3.5 Trust and Agency Funds
- 3.6 Internal Service Funds
- 3.7 Any new fund created by the City of Ames, unless specifically exempted

The restricted sinking funds and bond proceeds are invested in compliance with this investment policy and applicable bond resolutions.

Individual employee retirement funds and deferred compensation are excluded from this policy.

### 3.8 Pooling of Funds

Except for cash in certain restricted and special funds, the City of Ames will consolidate cash balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping

and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

#### **4.0 OBJECTIVES**

The primary objectives, in priority order, for the City of Ames investment activities shall be safety, liquidity, and yield:

##### **4.1 Safety**

With safety being the foremost objective, care must be taken to ensure the preservation of capital and the protection of principal. The objective will be to mitigate credit risk and interest rate risk by following the guidelines listed below.

##### **a. Credit Risk**

The City of Ames will minimize credit risk (the risk of loss due to the failure of the security issuer or backer) by:

- Limiting investments to those addressed in Section 10.0 of this investment policy.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with whom the City will do business.
- Diversifying the investment portfolio by agency and issuer so that potential losses on individual securities can be minimized.
- Holding a minimum of 5% of the total portfolio in highly marketable short-term treasuries, checking with interest, government pooled account, or a combination of all three.

##### **b. Interest Rate Risk**

The City of Ames will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for operations, thereby avoiding the need to sell securities in the open market prior to maturity.
- Purchasing investments with the intent to hold until maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see Section 17.1).

##### **4.2 Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity).

Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

#### 4.3 Yield

The portfolio shall be designed to obtain a reasonable rate of return throughout budgetary and economic cycles. The return on investments is to be accorded secondary importance compared to the safety and liquidity objectives described above. The core of investments will focus on relatively low risk securities with an expectation of earning a reasonable return relative to the risk being assumed. Securities shall not be sold prior to maturity, with the following exceptions:

- A security with declining value may be sold early to minimize loss of principal.
- A security may be exchanged to improve the quality, yield, or target duration in the portfolio.
- A security may be sold in order to satisfy liquidity requirements.

When selling a security prior to maturity, the City Treasurer must be prepared to justify the reasons and explain any gains or losses.

It is important to remember that compliance with the policy does not measure return, but rather manages risk. Policy compliance does not provide a benchmark to meet or exceed, but is a model to follow. The City will benchmark its portfolio performance to the appropriate "treasuries constant maturity" rate based on portfolio maturities of the investment plan.

## 5.0 **STANDARDS OF CARE**

### 5.1 Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment,

considering the probable safety of their capital as well as the probable income to be derived."

5.2 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the City Manager's office any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Ames.

The City investment program shall be managed in a professional and prudent manner worthy of the public trust and review.

**6.0 INVESTMENT AUTHORITY AND RESPONSIBILITY**

6.1 Authority

In accordance with Section 12B.10 of the Code of Iowa, the responsibility for conducting investment transactions resides with the City Treasurer. The City Treasurer, under the general direction of the City Council, shall be responsible for all transactions undertaken and shall establish a system of controls to regulate activities.

The Code of Iowa Section 12B.10B requires the City governing body to adopt a written investment policy and distribute copies to the following:

- The governing body or officer of the City of Ames to which the policy applies.
- All depository institutions or fiduciaries for public funds of the City of Ames.
- The external auditor engaged to audit any fund of the City of Ames.

6.2 Responsibility Assigned

The City Treasurer shall invest all funds for the City in accordance with the investment policy. In the absence of the City Treasurer, authority is delegated first to the Director of Finance, and then to the Assistant City Manager with supervision responsibility over the Finance Department. All designees shall act in accordance with the established policies and internal controls set forth in the investment policy.

## 7.0 INVESTMENT PROCEDURES

The City Treasurer shall establish written investment procedures consistent with this investment policy for the operation of the investment program. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, internal controls, collateral/depository agreements, daily cash flow review, basis for awarding bids, authorized personnel, and portfolio inventory.

The procedures document is intended to provide guidance for staff and to provide continuity in the event of an interruption of service of the City Treasurer.

## 8.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

### 8.1 Selection Process

A list of financial institutions authorized to provide investment services to the City of Ames will be maintained. In accordance with the Code of Iowa, this list will state the maximum authorized deposit amount allowed in each institution and must be approved by City Council.

In addition, a list of broker/dealers will be maintained. This list may include both primary and regional dealers. Dealers will be approved by the City Treasurer and the Director of Finance based on the following:

- Creditworthiness
- License to conduct business in Iowa
- Qualification under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule)

### 8.2 Financial Institutions and Broker/Dealers

All financial institutions and broker/dealers who desire to conduct business with the City of Ames shall supply the City with the following:

- Audited financial statements, provided annually
- Trading resolutions
- Proof of state registration, if applicable
- Completed broker/dealer questionnaire
- Copy of the broker's license for the individuals servicing the account
- Resume of individual servicing the account
- Any pending legal or regulatory sanctions
- Certification of having read and understood and agreeing to comply with the City of Ames investment policy
- Evidence of adequate insurance coverage

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the City Treasurer.

## 9.0 SUITABILITY

Suitability, not simply return, is the standard for selecting investments for the portfolio. The City Treasurer shall review the following when selecting investments for the City:

- Sufficient liquidity to meet current obligations
- Appropriate level of market risk
- Diversified portfolio
- Legal investments
- Market rate of return

## 10.0 AUTHORIZED INVESTMENTS (Code of Iowa, Section 12.B10(5))

### 10.1 Permitted investments

- U.S. Treasury obligations which carry the full faith and credit guarantee of the United States Government and are considered to be the most secure instruments available.
- U.S. Government agency and instrumentality obligations that have a liquid market with a readily determinable market value.
- Certificates of deposit and other evidences of deposit at federally insured depository institutions approved pursuant to Chapter 12C, Code of Iowa.
- Certificate of Deposit Account Registry Service (CDARS) deposited with an authorized financial institution pursuant to Chapter 12B.10 (7), Code of Iowa.
- Prime bankers' acceptances that mature within two hundred seventy (270) days and that are eligible for purchase by a federal reserve bank, provided that at the time of purchase, no more than ten percent of the investment portfolio shall be in investments authorized by this paragraph and that at the time of purchase, no more than five percent of the investment portfolio shall be invested in the securities of a single issuer.
- Commercial paper or other short-term corporate debt that matures within 270 days and that is rated within the two highest classifications, as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to Chapter 17A, Code of Iowa, provided that at the time of purchase, no more than five percent of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification, and provided further that at the time of purchase, no more than ten percent of the investment portfolio shall be in investments authorized by this paragraph, and that at the time of purchase, no more than five percent of the investment portfolio shall be invested in the securities of a single issuer.
- Repurchase agreements whose underlying collateral consists of the investments in obligations of the United States Government, its

agencies and instrumentalities, if the political subdivision takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse agreements.

- An open-end management investment company registered with the Federal Securities and Exchange Commission under the Federal Investment Company Act of 1940, 15 U.S.C. Section 80(a), and operated in accordance with 17 C.F.R. Section 270.2a-7 (more commonly referred to as “constant dollar money market funds”).
- A joint investment trust organized pursuant to Chapter 2E, Code of Iowa, prior to and existing in good standing on the effective date of this act or a joint investment trust organized pursuant to Chapter 28E, Code of Iowa, after April 28, 1992, provided that the joint investment trust shall either be rated within the two highest classifications by at least one of the standard rating services approved by the Superintendent of Banking by rule adopted pursuant to Chapter 17A, Code of Iowa, and operated in accordance with 17 C.F.R. Section 270.2A-7, or be registered with the Federal Securities and Exchange Commission under the Federal Investment Company Act of 1940, 15 U.S.C. Section 80(a), and operated in accordance with 17 C.F.R. Section 270.2a-7. The manager or investment advisor of the joint investment trust shall be registered with the Federal Securities and Exchange Commission under the Investment Advisor Act of 1940, 15 U.S.C. Section 80(b).
- Warrants or improvement certificates of a levee or drainage district.

The City Treasurer is not required to invest in all the investment options authorized in this policy. Selection will be based on cash flow characteristics, exposure to market risk, rate of return, the technical ability of the staff responsible for administering the program, and the availability of time and tools for staff to engage in conservative, but effective, management.

## **11.0 PROHIBITED INVESTMENTS AND INVESTMENT PRACTICES**

Assets of the City shall not be invested in the following, according to Code of Iowa 12B.10 (4) and 12B.10 (5):

- Futures and options contracts
- Reverse repurchase agreements

Assets of the City shall not be invested pursuant to the following investment practices:

- Trading of securities strictly for speculation or the realization of short-term trading gains.
- A contract providing for the compensation of an agent or fiduciary based upon the performance of the invested assets.
- If a fiduciary or other third party with custody of public investment transaction records of the City fails to produce records within a reasonable



time, when requested by the City, the City shall make no new investments with or through the fiduciary or third party and shall not renew maturing investments with or through the fiduciary or third party.

## **12.0 MASTER REPURCHASE AGREEMENTS**

A repurchase agreement is a contractual transaction agreement between an investor and an issuing financial institution. The investor exchanges cash for temporary ownership or control of collateral securities with an agreement between the parties that on a future date, the financial institution will repurchase the securities. A signed master repurchase agreement shall be on file with the financial institution with which repurchase transactions are made.

The master repurchase agreement must include the following provisions:

- The underlying collateral shall be limited to the United States Government, agency and instrumentalities.
- Collateral shall be marked to market daily by the custodian and shall be maintained at a value equal to or greater than the cash investment.
- At the time of purchase, the market value of the collateral shall represent 102% of the cash investment.
- An authorized third party custodian or safekeeping agent shall hold all securities purchased under a repurchase agreement.
- A seller of repurchase securities shall not be entitled or authorized to substitute collateral, except as authorized by the City Treasurer.
- Retail repurchase agreements and reverse agreements shall not be authorized for purchase.

## **13.0 INVESTMENT POOLS**

Government sponsored investment pools are sources for short-term cash management. A thorough investigation of the pool is required prior to investing, and on a continual basis. Before investing in these pools, the following issues must be reviewed:

- The pool must meet the requirements of Code of Iowa 12.B10 (5) (a).
- The pool must provide a written statement of policy and objectives.
- A questionnaire should be developed that will address the following general topics:
  - A description of eligible investment securities, and a written statement of investment policy and objectives.
  - A description of interest calculations and how it is distributed, and how gains and losses are treated.
  - A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.

- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A description of how reserves, retained earnings, etc. are utilized by the pool.
- A model of the fee schedule, and when and how it is assessed.
- A description of eligibility and/or acceptance of bond proceeds.
- The pool must contain only the types of investment allowed by this policy.

## **14.0 SAFEKEEPING AND CUSTODY**

### **14.1 Delivery vs. Payment**

All trades of marketable securities, where applicable, will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

### **14.2 Bonding**

City investment officials shall be bonded to protect loss of public funds against possible embezzlement and/or malfeasance.

### **14.3 Internal Controls**

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City of Ames are protected from loss, theft, or misuse.

The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Delivery versus payment
- Clear delegation of authority
- Confirmation of transactions for investments and wire transfers

Review of compliance with the internal policy and related procedures shall be a part of the annual audit process conducted by the City's independent auditors.

## **15.0 COLLATERAL/SECURITY FOR DEPOSIT OF PUBLIC FUNDS**

### **15.1 Commercial Banks and Savings and Loans**

The City shall make deposits only with commercial banks and savings and loans that comply with Section 12C of the Code of Iowa, "Deposit of Public Funds", and Section 12C, Subsection 22 of the Code of Iowa, "Required Collateral."

### **15.2 Credit Unions**

Before a deposit of public funds is made with a credit union in excess of the amount federally insured, the public officer shall obtain security for the deposit by one or more of the following:

- Surety bond of a surety company approved by the United States Treasury and authorized to do business in the State of Iowa and shall be an amount equal to the public funds on deposit at any time.
- Deposit, maintain, pledge, and assign for the benefit of the public entity. The securities shall be approved by the public officer, the market value of which is not less than 110% of the total deposits of the funds on deposit for that public entity in the credit union. These securities shall be deposited with the Federal Reserve Bank, the Federal Home Loan Bank of Des Moines, Iowa, or the U. S. Central Credit Union.
- Irrevocable letter of credit issued by the National Credit Union Administration naming the City of Ames as beneficiary.
- Withdrawal or exchange of the securities may be done only with the written approval of the appropriate public officer.

## **16.0 DIVERSIFICATION**

The purpose of diversification is to reduce overall portfolio risk while attaining market rates of return and to enable the City of Ames to meet all anticipated cash requirements.

The investments shall be diversified by:

- Limiting investments to avoid over-concentration in securities of a specific issuer (excluding treasury bills).
- Limiting investment in securities that have higher credit risks.
- Limiting certificates of deposit to the amount approved by City Council for each financial institution in accordance with the Code of Iowa.
- Investing in securities with varying maturities.
- Investing a minimum of 5% of the total portfolio in highly marketable short-term treasuries, checking accounts with interest, government pooled account, or a combination of all three.

## **17.0 MAXIMUM MATURITIES**

To the extent possible, the City of Ames will attempt to match its investments with anticipated cash flow requirements.

### **17.1 Operating Funds**

Operating funds are those funds that can be reasonably expended during a current budget year or within fifteen months of receipt. These funds may only be invested in instruments that mature within three hundred ninety-seven (397) days or less. Operating funds must be identified and

distinguished from all other funds available for investment. (Section 12B.10A, Code of Iowa)

17.2 Non-Operating Funds

Reserve funds for debt service, and funds being accumulated for capital improvements on a pay-as-you-go basis that are not required for operations may be invested for longer than three hundred ninety-seven (397) days (Section 12B.10A(3), Code of Iowa). These maturities shall coincide as nearly as possible with the anticipated need. The City of Ames will keep these investments for a duration not to exceed seven (7) years.

**18.0 REPORTING**

18.1 Methods

The City Treasurer shall prepare an investment report quarterly and present to the City Council within 45 days of each quarters end. This report will include the following:

- List of individual securities held at the end of the reporting period further broken down by issuer, purchase date, maturity date, coupon rate, par value, market value, book value, and yield to maturity.
- A report summarizing the portfolio by type, the percentage of the total portfolio which each type of investment represents, par value, market value, book value, term, days to maturity, year-to-date earnings and effective rate of return.

18.2 Performance Standards

The market value is calculated monthly and reported to the City Council quarterly. The portfolio is benchmarked to the applicable treasuries constant maturities rate as reported by the Federal Reserve.

**19.0 POLICY CONSIDERATION**

19.1 Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy as long as it was in compliance with State of Iowa law and the City's investment policy in effect at the time of purchase. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

19.2 Amendments

This policy shall be reviewed annually to ensure consistency to overall objectives of safety, liquidity, yield, compliance to current law, and economic trends.

19.3 This investment policy is required by Code of Iowa, Section 12B.10B and approved by City Council.

## APPENDIX

**ACCRUED INTEREST:** The accumulated interest payable on a security since the last interest payment made by the issuer.

**AGENCY:** A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U. S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of a federal agency is the Government National Mortgage Association (GNMA). An example of an FSA is the Federal National Mortgage Association (FNMA).

**AMORTIZATION:** The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BASIS POINT:** A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investment.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BOOK ENTRY:** An electronic system of accountability, custody, transfer, and settlement of securities. Book-entry systems allow rapid and accurate transfers of securities with simultaneous cash settlement.

**BOOK VALUE:** The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CALLABLE BOND:** A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

**CALL PRICE:** The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

**CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICE (CDARS):** A program with an approved depository that removes the need for collateral by providing full FDIC insurance for certificates of deposit.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COLLATERALIZED MORTGAGE OBLIGATION (CMO):** Mortgage backed bond that separates mortgage pools into different maturity classes called tranches. CMO's are issued by Federal National Mortgage Corp. and Federal National Mortgage Association and are usually backed with a government guarantee and have an AAA bond rating. Planned Amortization Class CMOs (PAC) have stable prepayment schedules that do not react unfavorably in wide market swings.

**COMMERCIAL PAPER:** An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** The official annual report for the entity. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**CREDIT QUALITY:** The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

**CREDIT RISK:** The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

**CURRENT YIELD (CURRENT RETURN):** A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor; or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U. S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables; term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**FAIR VALUE:** The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&Ls, small business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

**FEDERAL FUNDS (Fed Funds):** Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBS is to liquefy the housing related assets of its members who must purchase stock in their district bank.

**FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC):** Established to help maintain the availability of mortgage credit for residential housing. Participation is in the conventional loan market.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D. C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**FIDUCIARY:** Person, company, or association holding assets in trust of a beneficiary.

**FUTURES CONTRACT:** Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price on a stipulated future date.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U. S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-through" is often used to describe Ginnie Maes.



**INVERTED YIELD CURVE:** A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

**INVESTMENT-GRADE OBLIGATIONS:** An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

**INVESTMENT POLICY:** A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARK-TO-MARKET:** The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

**MARKET RISK:** The risk that the value of a security will rise or decline as a result of changes in market conditions.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase---reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**OPTION:** Right to buy or sell property that is granted in exchange for an agreed upon sum. If the right is not exercised after a specified period, the option expires and the option buyer forfeits the money.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state---the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity.

**REINVESTMENT RISK:** The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

**REPURCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SEC RULE 15C3-1:** See Uniform Net Capital Rule.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SPECULATION:** Assumption of risk in anticipation of gain but recognizing a higher than average possibility of loss.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, etc.) and corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**SWAP:** Trading one asset for another.

**TOTAL RETURN:** The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period.

$$(\text{Price Appreciation}) + (\text{Dividends Paid}) + (\text{Capital Gains}) = \text{Total Return}$$

**TREASURY BILLS:** A non-interest bearing discount security issued by the U. S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U. S. Treasury securities issued as direct obligations of the U. S. Government and having initial maturities of more than ten years.

**TREASURY NOTES:** Medium-term coupon-bearing U. S. Treasury securities issued as direct obligations of the U. S. Government and having initial maturities from two to ten years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are

spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**VOLATILITY:** A degree of fluctuation in the price and valuation of securities.

**WEIGHTED AVERAGE MATURITY (WAM):** The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

**WHEN ISSUED (WI):** A conditional transaction in which an authorized new security has not been issued. All “when issued” transactions are settled when the actual security is issued.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**YIELD CURVE:** A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

**YIELD-TO-CALL (YTC):** The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

**YIELD-TO-MATURITY:** The rate of return yielded by a debt security held to maturity when both interest payments and the investor’s potential capital gain or loss are included in the calculation of return.

**ZERO-COUPON SECURITIES:** Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.



**BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION**

1. Name of Firm \_\_\_\_\_

2. Local Address	National Headquarters
_____	_____
_____	_____
_____	_____

3. Local Telephone Number(s), Toll-Free Number(s)  
\_\_\_\_\_

4. Primary Representative/Manager/Partner-in-Charge

Name _____	Name _____
Title _____	Title _____

5. Is the firm a primary or regional dealer in U. S. Government Securities, as designated by the Federal Reserve of New York, qualifying under S.E.C. Uniform Net Capital Rule 15c3-1?

Primary    \_\_\_\_ Yes    \_\_\_\_ No                      Regional    \_\_\_\_ Yes    \_\_\_\_ No

If yes, how long has the firm been a primary dealer?                      \_\_\_\_\_ years  
If yes, how long has the firm been a regional dealer?                      \_\_\_\_\_ years

6. Is the firm a commercial bank or an NASD member affiliate of a bank chartered under the laws of one of the United States?

\_\_\_\_\_ Yes                      Chartered under laws of the state of \_\_\_\_\_  
\_\_\_\_\_ No

If yes, are the bank customers' deposits insured by the Federal Deposit Insurance Corporation?  
\_\_\_\_\_ Yes    \_\_\_\_\_ No

7. Place an "X" by each regulatory agency that your firm is examined by and/or subject to its rules and regulations.

FDIC     SEC     NYSE     Comptroller of Currency  
 Federal Reserve System

Other (Example: State Regulatory Agency) Multistate firms please note: It is not necessary to include regulatory agencies which do not have jurisdiction over your firm's activities in Local Government Jurisdiction.

8. Is the firm licensed to sell securities in the state of Iowa?

Yes     No

9. Is/Are the person(s) designated to service the City's account licensed to sell securities in the state of Iowa?

Yes     No

10. Is the firm a member of the Federal Reserve System?  Yes     No

11. What was the firm's approximate total retail volume in U. S. Treasury and Agency securities last year?

Firm wide    \$ \_\_\_\_\_    # of Transactions \_\_\_\_\_

Local Office    \$ \_\_\_\_\_    # of Transactions \_\_\_\_\_

12. Identify personnel who will be trading with or quoting prices of securities to our government.

Name \_\_\_\_\_    Title \_\_\_\_\_

Name \_\_\_\_\_    Title \_\_\_\_\_

13. Fully disclose the method in which you would be compensated for your services.

14. Please identify the firm's most directly comparable public sector clients in our geographical area.

Entity \_\_\_\_\_    Contact Person \_\_\_\_\_  
Telephone # \_\_\_\_\_    Client since \_\_\_\_\_

Entity \_\_\_\_\_    Contact Person \_\_\_\_\_  
Telephone # \_\_\_\_\_    Client since \_\_\_\_\_

15. Place an "X" in the block next to each of the instruments set forth below in which you make an active market (both buy and sell).

<input type="checkbox"/> T-Bills	<input type="checkbox"/> T Notes/Bonds
<input type="checkbox"/> BA	<input type="checkbox"/> Commercial Paper
<input type="checkbox"/> Bank CDs	<input type="checkbox"/> S & L CDs
<input type="checkbox"/> GNMA's	<input type="checkbox"/> FHLMC's
<input type="checkbox"/> Other Federal Agencies (Please Specify) _____	
<input type="checkbox"/> Instrumentalities (Please Specify) _____	

16. Does your firm specialize in any of the instruments listed above? If so, please specify which ones.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

17. Have any of your public sector clients ever reported to the firm, its officers or employees, that they sustained a loss (in a single year) exceeding ten percent of original purchase price on any individual security purchased through the firm?

Explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

18. Has the firm ever been subject to a regulatory or state/federal agency investigation for alleged improper, fraudulent, disreputable, or unfair activities related to the sale of securities?

Explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

19. Who audits the fiduciary systems of the firm's custody and delivery processes?

\_\_\_\_\_

20. Has the firm consistently complied with the Federal Reserve's Capital Adequacy Standard?  Yes  No

21. By what factor (1.5x, 2x, etc.) does the firm presently exceed the Capital Adequacy Standard's measure of risk? \_\_\_\_\_

22. Has the firm's capital position ever fallen short of the Capital Adequacy Standard?  Yes  No

23. What portfolio information do you require from your clients?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

24. What reports, confirmations, documents and audit trail will we receive?

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25. Approximately how many and what percentage of the firm's transactions failed last month?

\_\_\_\_\_ # transactions                      \_\_\_\_\_%

Last year?

\_\_\_\_\_ # transactions                      \_\_\_\_\_%

26. Describe the precautions taken by the firm to protect the interest of the public when dealing with governmental agencies as investors.

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27. Please supply the following:

- A. The firm's most recent audited annual financial report and most recent quarterly report.
- B. Proof of the firm's designation by the Federal Reserve Bank of New York as a "primary securities dealer" OR Proof of FDIC coverage.
- C. Proof of individual's (assigned to service the City's account) State of Iowa securities sales license.
- D. Proof of the firm's State of Iowa securities sales license.

CERTIFICATION

*I hereby certify that sales personnel assigned to the City of Ames, Iowa account have received and read a copy of the City's Investment Policy. For each transaction, we pledge to exercise due diligence in disclosing all information necessary for each party to agree to the details of the transaction. When recommending a transaction, we will have reasonable grounds for believing the transaction is suitable based upon information available from the issuer and based upon the facts disclosed by the City of Ames, Iowa, or otherwise known about such customer. We have implemented investment procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Ames, Iowa. I attest to the accuracy of our responses to the questionnaire.*

Signed \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_



To: Mayor and City Council

From: Roger Wisecup, CPA  
City Treasurer

Date: July 9, 2018

Subject: Investment Report for Fiscal Year Ending June 30, 2018

Introduction

The purpose of this memorandum is to present a report summarizing the performance of the City of Ames investment portfolio for the fiscal year ending June 30, 2018.

Discussion

This report covers the period ending June 30, 2018, and presents a summary of the investments on hand at the end of June 2018. The investments are valued at amortized cost; this reflects the same basis that the assets are carried on the financial records of the City. All investments are in compliance with the current Investment Policy.

Comments

The Federal Reserve increased the target rate for federal funds in June from 1.50-1.75 percent to 1.75-2.00 percent. While rates are trending upwards, future investments can be made at slightly higher interest rates and future interest income should increase. The current outlook has the Federal Reserve continuing to raise the target rate in 2018. We will continue to evaluate our current investment strategy, remaining flexible to future investments should the Federal Reserve continue to raise the target rate.

A brief comparison of fiscal year 2017 to fiscal year 2018 follows:

	<u>FY17</u>	<u>FY18</u>	<u>Increase</u>
Interest Income	\$1,361,105	\$2,163,172	\$802,067
Portfolio Effective Rate of Return	1.13%	1.79%	0.66%

CITY OF AMES, IOWA

CASH AND INVESTMENTS SUMMARY  
AND SUMMARY OF INVESTMENT EARNINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
AND THE ACCUMULATED YEAR-TO-DATE

DESCRIPTION	BOOK VALUE	MARKET VALUE	UN-REALIZED GAIN/(LOSS)
CERTIFICATES OF DEPOSIT	36,500,000	36,500,000	0
FEDERAL AGENCY DISCOUNTS			0
FEDERAL AGENCY SECURITIES	80,842,511	79,771,223	(1,071,288)
INVESTMENT POOLS			0
COMMERCIAL PAPER	5,992,421	5,991,670	(751)
PASS THRU SECURITIES PAC/CMO			0
MONEY FUND SAVINGS ACCOUNTS	422,649	422,649	0
CORPORATE BONDS			0
US TREASURY SECURITIES	9,976,948	9,880,970	(95,978)
INVESTMENTS	<u>133,734,528</u>	<u>132,566,512</u>	<u>(1,168,016)</u>
CASH ACCOUNTS	<u>23,096,664</u>	<u>23,096,664</u>	
TOTAL FUNDS AVAILABLE	<u>156,831,192</u>	<u>155,663,176</u>	<u>(1,168,016)</u>

ACCRUAL BASIS INVESTMENT EARNINGS

YR-TO-DATE

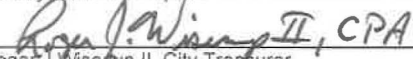
GROSS EARNINGS ON INVESTMENTS:	1,879,528
INTEREST EARNED ON CASH:	<u>283,643</u>
TOTAL INTEREST EARNED:	<u>2,163,172</u>



**Investments FY 2017-2018  
Portfolio Management  
Portfolio Summary  
June 30, 2018**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Certificates of Deposit	36,500,000.00	36,500,000.00	36,500,000.00	27.29	717	564	2.109	2.138
Money Market	289,917.46	289,917.46	289,917.46	0.22	1	1	0.296	0.300
Passbook/Checking Accounts	132,731.73	132,731.73	132,731.73	0.10	1	1	0.148	0.150
Commercial Paper Disc. -Amortizing	6,000,000.00	5,991,670.00	5,992,420.70	4.48	210	25	1.788	1.813
Federal Agency Coupon Securities	80,905,000.00	79,771,222.71	80,842,510.51	60.45	1,106	634	1.651	1.674
Treasury Coupon Securities	10,000,000.00	9,880,970.00	9,976,947.51	7.46	1,010	420	1.557	1.579
<b>Investments</b>	<b>133,827,649.19</b>	<b>132,566,511.90</b>	<b>133,734,527.91</b>	<b>100.00%</b>	<b>949</b>	<b>570</b>	<b>1.771</b>	<b>1.795</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	206,956.14	1,879,528.19	1,879,528.19
<b>Average Daily Balance</b>	<b>140,966,808.50</b>		
<b>Effective Rate of Return</b>	<b>1.79%</b>		

I certify that these reports are in conformance with the Iowa Public Investment Act.  
 7-9-18  
 Roger J. Wisecup II, City Treasurer

**US TREASURY CONSTANT MATURITY RATES  
PERIOD ENDING JUNE 30, 2018  
3 YEAR COMPARISON**

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
3 Months	1.93%	1.03%	0.27%
6 Months	2.11%	1.14%	0.36%
1 Year	2.33%	1.24%	0.45%
2 Years	2.52%	1.38%	0.60%
3 Years	2.63%	1.55%	0.71%
5 Years	2.73%	1.89%	1.01%

**Investments FY 2017-2018  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Certificates of Deposit</b>												
12162145	12162145	Bankers Trust		12/07/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.780	1.756	1.780	198	01/15/2019
12281867	12281867	Bankers Trust		12/07/2017	1,500,000.00	1,500,000.00	1,500,000.00	1.700	1.677	1.700	106	10/15/2018
12292365	12292365	Bankers Trust		12/07/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.720	1.696	1.720	137	11/15/2018
12472820	12472820	Bankers Trust		04/19/2018	1,500,000.00	1,500,000.00	1,500,000.00	2.210	2.180	2.210	362	06/28/2019
12505900	12505900	Bankers Trust		12/07/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.770	1.746	1.770	166	12/14/2018
12595735	12595735	Bankers Trust		10/13/2017	2,000,000.00	2,000,000.00	2,000,000.00	1.600	1.578	1.600	519	12/02/2019
12743761	12743761	Bankers Trust		04/19/2018	1,500,000.00	1,500,000.00	1,500,000.00	2.220	2.190	2.220	379	07/15/2019
12957296	12957296	Bankers Trust		04/19/2018	1,500,000.00	1,500,000.00	1,500,000.00	2.250	2.219	2.250	425	08/30/2019
144277963	144277963	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.450	1.430	1.450	61	08/31/2018
144277964	144277964	Great Western Bank		09/13/2017	1,500,000.00	1,500,000.00	1,500,000.00	1.450	1.430	1.450	89	09/28/2018
144277965	144277965	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.480	1.460	1.480	122	10/31/2018
144277966	144277966	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.480	1.460	1.480	152	11/30/2018
144277968	144277968	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.480	1.460	1.480	180	12/28/2018
144277970	144277970	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.500	1.479	1.500	271	03/29/2019
144277971	144277971	Great Western Bank		09/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.500	1.479	1.500	362	06/28/2019
144278699	144278699	Great Western Bank		10/13/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.550	1.529	1.550	337	06/03/2019
144283631	144283631	Great Western Bank		03/22/2018	1,000,000.00	1,000,000.00	1,000,000.00	2.210	2.180	2.210	318	05/15/2019
144283633	144283633	Great Western Bank		03/22/2018	1,000,000.00	1,000,000.00	1,000,000.00	2.310	2.278	2.310	439	09/13/2019
144283634	144283634	Great Western Bank		03/22/2018	1,000,000.00	1,000,000.00	1,000,000.00	2.310	2.278	2.310	456	09/30/2019
144283635	144283635	Great Western Bank		03/22/2018	1,000,000.00	1,000,000.00	1,000,000.00	2.310	2.278	2.310	471	10/15/2019
433071437	433071437	US Bank		04/24/2018	4,000,000.00	4,000,000.00	4,000,000.00	2.700	2.663	2.700	1,066	06/01/2021
433071657	433071657	US Bank		05/24/2018	1,000,000.00	1,000,000.00	1,000,000.00	2.520	2.485	2.520	548	12/31/2019
433071659	433071659	US Bank		05/24/2018	6,000,000.00	6,000,000.00	6,000,000.00	2.990	2.949	2.990	1,431	06/01/2022
59019689	59019689	Vision Bank		12/07/2017	1,000,000.00	1,000,000.00	1,000,000.00	1.980	1.953	1.980	214	01/31/2019
59019697	59019697	Vision Bank		12/07/2017	1,000,000.00	1,000,000.00	1,000,000.00	2.000	1.973	2.000	229	02/15/2019
<b>Subtotal and Average</b>			<b>37,900,000.00</b>		<b>36,500,000.00</b>	<b>36,500,000.00</b>	<b>36,500,000.00</b>		<b>2.109</b>	<b>2.138</b>	<b>564</b>	
<b>Money Market</b>												
SYS4531558874B	4531558874B	Great Western Bank			289,917.46	289,917.46	289,917.46	0.300	0.296	0.300	1	
<b>Subtotal and Average</b>			<b>289,892.85</b>		<b>289,917.46</b>	<b>289,917.46</b>	<b>289,917.46</b>		<b>0.296</b>	<b>0.300</b>	<b>1</b>	
<b>Passbook/Checking Accounts</b>												
SYS6952311634B	6952311634B	Wells Fargo			132,731.73	132,731.73	132,731.73	0.150	0.148	0.150	1	
<b>Subtotal and Average</b>			<b>132,728.91</b>		<b>132,731.73</b>	<b>132,731.73</b>	<b>132,731.73</b>		<b>0.148</b>	<b>0.150</b>	<b>1</b>	

**Investments FY 2017-2018**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Commercial Paper Disc. -Amortizing</b>												
06538CGD7	0799-18	Bank Tokyo Mitsubishi		01/29/2018	1,000,000.00	999,400.00	999,400.00	1.800	1.815	1.840	12	07/13/2018
06538CGX3	0800-18	Bank Tokyo Mitsubishi		01/29/2018	1,000,000.00	998,250.00	998,458.36	1.850	1.878	1.904	30	07/31/2018
2254EBH20	0795-17	Credit Suisse		11/09/2017	1,500,000.00	1,497,195.00	1,497,733.17	1.700	1.737	1.761	32	08/02/2018
46640QHF1	0801-18	JP Morgan Commercial Paper		02/08/2018	1,000,000.00	997,560.00	997,562.50	1.950	1.982	2.009	45	08/15/2018
63873KGC5	0798-17	Natixis		12/07/2017	1,500,000.00	1,499,265.00	1,499,266.67	1.600	1.634	1.656	11	07/12/2018
<b>Subtotal and Average</b>			<b>8,737,112.31</b>		<b>6,000,000.00</b>	<b>5,991,670.00</b>	<b>5,992,420.70</b>		<b>1.788</b>	<b>1.813</b>	<b>25</b>	
<b>Federal Agency Coupon Securities</b>												
3133EGQM0	0732-16	Federal Farm Credit		08/15/2016	940,000.00	900,125.20	939,505.39	1.620	1.613	1.635	1,320	02/10/2022
3133EGQQ1	0743-16	Federal Farm Credit		10/14/2016	8,000,000.00	7,807,840.00	7,997,494.04	1.300	1.299	1.317	684	05/15/2020
3133EGD69	0746-16	Federal Farm Credit		11/07/2016	5,000,000.00	4,882,400.00	4,998,150.00	1.320	1.322	1.341	676	05/07/2020
3133EHKF9	0789-17	Federal Farm Credit		10/13/2017	2,000,000.00	1,956,600.00	1,995,613.04	1.770	1.839	1.864	876	11/23/2020
3133EJHS1	0808-18	Federal Farm Credit		03/27/2018	1,000,000.00	998,700.00	1,000,593.33	2.250	2.160	2.190	361	06/27/2019
3133EH6L2	0816-18	Federal Farm Credit		05/24/2018	1,000,000.00	998,878.33	998,611.11	1.950	2.497	2.532	558	01/10/2020
3132X0QQ7	0767-17A	Federal Home Loan Bank		04/20/2017	1,500,000.00	1,494,855.00	1,500,834.17	1.375	1.236	1.253	169	12/17/2018
3132X0QQ7	0767-17B	Federal Home Loan Bank		04/20/2017	1,000,000.00	996,570.00	1,000,556.11	1.375	1.236	1.253	169	12/17/2018
3130ABHF6	0778-17	Federal Home Loan Bank		09/15/2017	3,250,000.00	3,166,605.00	3,249,489.15	1.875	1.855	1.880	1,066	06/01/2021
3130A7G25	0784-17	Federal Home Loan Bank		10/05/2017	1,515,000.00	1,503,410.25	1,512,705.94	1.260	1.457	1.478	257	03/15/2019
313379EE5	0786-17	Federal Home Loan Bank		10/05/2017	1,500,000.00	1,489,365.00	1,501,960.00	1.625	1.465	1.485	348	06/14/2019
3130A8P72	0787-17	Federal Home Loan Bank		10/05/2017	1,570,000.00	1,547,156.50	1,562,090.48	1.030	1.506	1.527	376	07/12/2019
3130AABG2	0791-17	Federal Home Loan Bank		10/13/2017	1,135,000.00	1,104,162.05	1,135,703.46	1.875	1.830	1.856	1,247	11/29/2021
3130ABF92	0793-17	Federal Home Loan Bank		10/19/2017	1,000,000.00	997,176.53	1,004,595.91	1.375	1.510	1.531	331	05/28/2019
3130AA3R7	0812-18	Federal Home Loan Bank		04/19/2018	1,000,000.00	985,020.00	986,471.73	1.375	2.352	2.385	502	11/15/2019
3130A0JR2	0814-18	Federal Home Loan Bank		04/19/2018	1,000,000.00	998,030.00	999,349.70	2.375	2.387	2.420	530	12/13/2019
3130AECJ7	0817-18	Federal Home Loan Bank		05/24/2018	2,000,000.00	2,002,277.50	2,000,627.28	2.625	2.584	2.620	697	05/28/2020
3137EADG1	0674-14	Federal Home Loan Mortgage Co.		10/21/2014	1,000,000.00	994,490.00	1,002,578.06	1.750	1.437	1.457	333	05/30/2019
3137EADG1	0679-15	Federal Home Loan Mortgage Co.		04/27/2015	3,000,000.00	2,983,470.00	3,013,267.21	1.750	1.235	1.252	333	05/30/2019
3137EADG1	0705-15	Federal Home Loan Mortgage Co.		10/15/2015	5,000,000.00	4,972,450.00	5,027,920.88	1.750	1.109	1.125	333	05/30/2019
3134G9MN4	0720-16	Federal Home Loan Mortgage Co.		05/26/2016	1,000,000.00	979,040.00	1,000,000.00	1.500	1.479	1.500	695	05/26/2020
3134G9KW6	0723-16	Federal Home Loan Mortgage Co.		06/10/2016	1,000,000.00	983,170.00	999,898.68	1.350	1.339	1.357	513	11/26/2019
3134G9JK4	0725-16	Federal Home Loan Mortgage Co.		06/10/2016	2,000,000.00	1,991,820.00	2,000,049.10	1.125	1.103	1.119	148	11/26/2018
3134G9UF2	0726-16	Federal Home Loan Mortgage Co.		06/28/2016	1,000,000.00	997,780.00	1,000,026.85	1.050	1.025	1.039	89	09/28/2018
3134GAPQ1	0741-16	Federal Home Loan Mortgage Co.		09/30/2016	500,000.00	498,855.00	500,000.00	1.020	1.006	1.020	89	09/28/2018
3134GAPQ1	0742-16A	Federal Home Loan Mortgage Co.		09/30/2016	500,000.00	498,855.00	500,000.00	1.020	1.006	1.020	89	09/28/2018
3134GAPQ1	0742-16B	Federal Home Loan Mortgage Co.		09/30/2016	1,000,000.00	997,710.00	1,000,000.00	1.020	1.006	1.020	89	09/28/2018
3134GAGF5	0776-17	Federal Home Loan Mortgage Co.		09/07/2017	750,000.00	748,642.50	749,697.54	1.100	1.286	1.304	74	09/13/2018

**Investments FY 2017-2018**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Coupon Securities</b>												
3137EAED7	0777-17	Federal Home Loan Mortgage Co.		09/07/2017	1,000,000.00	996,780.00	999,023.24	0.875	1.210	1.226	103	10/12/2018
3137EADZ9	0785-17	Federal Home Loan Mortgage Co.		10/05/2017	1,500,000.00	1,486,065.00	1,496,382.87	1.125	1.415	1.435	288	04/15/2019
3137EAEH8	0796-17A	Federal Home Loan Mortgage Co.		11/24/2017	1,645,000.00	1,626,049.60	1,637,829.81	1.375	1.746	1.770	410	08/15/2019
3137EAEH8	0796-17B	Federal Home Loan Mortgage Co.		11/24/2017	1,000,000.00	988,480.00	995,641.22	1.375	1.746	1.770	410	08/15/2019
3134GAAF1	0805-18	Federal Home Loan Mortgage Co.		02/08/2018	1,100,000.00	1,085,007.00	1,090,530.16	1.300	2.040	2.068	418	08/23/2019
3134GBG30	0810-18	Federal Home Loan Mortgage Co.		04/19/2018	1,500,000.00	1,482,070.00	1,485,308.67	1.500	2.352	2.384	453	09/27/2019
3134G8W39	0811-18	Federal Home Loan Mortgage Co.		04/19/2018	1,000,000.00	985,520.00	986,680.49	1.375	2.372	2.405	484	10/28/2019
3134G9QR1	0813-18	Federal Home Loan Mortgage Co.		04/19/2018	1,000,000.00	983,210.00	985,431.25	1.340	2.374	2.407	512	11/25/2019
3134GSLZ6	0815-18	Federal Home Loan Mortgage Co.		05/30/2018	2,000,000.00	1,997,740.00	2,000,000.00	3.000	2.959	3.000	1,794	05/30/2023
3134GSMJ1	0818-18	Federal Home Loan Mortgage Co.		05/30/2018	3,000,000.00	2,999,850.00	2,999,410.37	3.250	3.210	3.254	1,788	05/24/2023
3136G3AU9	0714-16	Federal Nat'l Mtg. Assoc.		02/26/2016	3,000,000.00	2,967,750.00	3,000,000.00	1.250	1.233	1.250	327	05/24/2019
3136G33W3	0733-16	Federal Nat'l Mtg. Assoc.		08/30/2016	4,000,000.00	3,860,720.00	4,000,000.00	1.500	1.480	1.500	1,062	05/28/2021
3136G4FL2	0744-16	Federal Nat'l Mtg. Assoc.		10/14/2016	1,550,000.00	1,498,245.50	1,549,520.53	1.500	1.491	1.512	1,016	04/12/2021
3136G3MW2	0745-16	Federal Nat'l Mtg. Assoc.		10/14/2016	450,000.00	434,380.50	450,000.00	1.500	1.479	1.500	1,059	05/25/2021
3136G4LQ4	0788-17	Federal Nat'l Mtg. Assoc.		10/13/2017	2,000,000.00	1,965,720.00	2,000,436.19	1.750	1.714	1.738	697	05/28/2020
3136G4NN9	0790-17	Federal Nat'l Mtg. Assoc.		10/13/2017	2,000,000.00	1,956,100.00	1,999,679.32	2.000	1.978	2.006	1,058	05/24/2021
3136G2EC7	0792-17	Federal Nat'l Mtg. Assoc.		10/19/2017	1,000,000.00	993,800.00	998,679.75	1.300	1.483	1.504	241	02/27/2019
3135G0M91	0809-18	Federal Nat'l Mtg. Assoc.		03/23/2018	1,000,000.00	988,281.25	990,167.48	1.125	2.202	2.233	390	07/26/2019
<b>Subtotal and Average</b>			<b>83,097,485.51</b>		<b>80,905,000.00</b>	<b>79,771,222.71</b>	<b>80,842,510.51</b>		<b>1.651</b>	<b>1.674</b>	<b>634</b>	
<b>Federal Agency Disc. -Amortizing</b>												
<b>Subtotal and Average</b>			<b>349,927.96</b>									
<b>Treasury Coupon Securities</b>												
912828SX9	0673-14	U.S. Treasury		10/21/2014	3,000,000.00	2,966,730.00	2,993,953.32	1.125	1.334	1.353	334	05/31/2019
912828R77	0769-17	U.S. Treasury		04/20/2017	2,000,000.00	1,930,000.00	1,985,818.91	1.375	1.605	1.627	1,065	05/31/2021
912828L40	0780-17	U.S. Treasury		09/27/2017	1,000,000.00	998,130.00	999,407.93	1.000	1.269	1.287	76	09/15/2018
912828N63	0783-17	U.S. Treasury		09/28/2017	1,000,000.00	994,380.00	998,788.61	1.125	1.333	1.351	198	01/15/2019
912828KD1	0802-18	U.S. Treasury		02/08/2018	1,000,000.00	1,003,130.00	1,005,244.84	2.750	1.876	1.902	229	02/15/2019
912828SN1	0803-18	U.S. Treasury		02/08/2018	1,000,000.00	994,220.00	996,594.06	1.500	1.935	1.962	273	03/31/2019
912828D23	0804-18	U.S. Treasury		02/08/2018	1,000,000.00	994,380.00	997,139.84	1.625	1.947	1.974	303	04/30/2019
<b>Subtotal and Average</b>			<b>10,459,660.96</b>		<b>10,000,000.00</b>	<b>9,880,970.00</b>	<b>9,976,947.51</b>		<b>1.557</b>	<b>1.579</b>	<b>420</b>	

**Investments FY 2017-2018  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Total and Average			140,966,808.50		133,827,649.19	132,566,511.90	133,734,527.91		1.771	1.795	570

**Investments FY 2017-2018**  
**Portfolio Management**  
**Investment Status Report - Investments**  
**June 30, 2018**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
<b>Certificates of Deposit</b>												
12162145	12162145	BT	1,000,000.00	1.780	01/15/2019	12/07/2017	1.756	1.780	01/15 - At Maturity		1,000,000.00	1,000,000.00
12281867	12281867	BT	1,500,000.00	1.700	10/15/2018	12/07/2017	1.677	1.700	10/15 - At Maturity		1,500,000.00	1,500,000.00
12292365	12292365	BT	1,000,000.00	1.720	11/15/2018	12/07/2017	1.696	1.720	11/15 - At Maturity		1,000,000.00	1,000,000.00
12472820	12472820	BT	1,500,000.00	2.210	06/28/2019	04/19/2018	2.180	2.210	06/28 - At Maturity		1,500,000.00	1,500,000.00
12505900	12505900	BT	1,000,000.00	1.770	12/14/2018	12/07/2017	1.746	1.770	12/14 - At Maturity		1,000,000.00	1,000,000.00
12595735	12595735	BT	2,000,000.00	1.600	12/02/2019	10/13/2017	1.578	1.600	12/02 - At Maturity		2,000,000.00	2,000,000.00
12743761	12743761	BT	1,500,000.00	2.220	07/15/2019	04/19/2018	2.190	2.220	07/15 - At Maturity		1,500,000.00	1,500,000.00
12957296	12957296	BT	1,500,000.00	2.250	08/30/2019	04/19/2018	2.219	2.250	08/30 - At Maturity		1,500,000.00	1,500,000.00
144277963	144277963	GWB	1,000,000.00	1.450	08/31/2018	09/13/2017	1.430	1.450	08/31 - At Maturity		1,000,000.00	1,000,000.00
144277964	144277964	GWB	1,500,000.00	1.450	09/28/2018	09/13/2017	1.430	1.450	09/28 - At Maturity		1,500,000.00	1,500,000.00
144277965	144277965	GWB	1,000,000.00	1.480	10/31/2018	09/13/2017	1.460	1.480	10/31 - At Maturity		1,000,000.00	1,000,000.00
144277966	144277966	GWB	1,000,000.00	1.480	11/30/2018	09/13/2017	1.460	1.480	11/30 - At Maturity		1,000,000.00	1,000,000.00
144277968	144277968	GWB	1,000,000.00	1.480	12/28/2018	09/13/2017	1.460	1.480	12/28 - At Maturity		1,000,000.00	1,000,000.00
144277970	144277970	GWB	1,000,000.00	1.500	03/29/2019	09/13/2017	1.479	1.500	03/29 - At Maturity		1,000,000.00	1,000,000.00
144277971	144277971	GWB	1,000,000.00	1.500	06/28/2019	09/13/2017	1.479	1.500	06/28 - At Maturity		1,000,000.00	1,000,000.00
144278699	144278699	GWB	1,000,000.00	1.550	06/03/2019	10/13/2017	1.529	1.550	06/03 - At Maturity		1,000,000.00	1,000,000.00
144283631	144283631	GWB	1,000,000.00	2.210	05/15/2019	03/22/2018	2.180	2.210	05/15 - At Maturity		1,000,000.00	1,000,000.00
144283633	144283633	GWB	1,000,000.00	2.310	09/13/2019	03/22/2018	2.278	2.310	09/13 - At Maturity		1,000,000.00	1,000,000.00
144283634	144283634	GWB	1,000,000.00	2.310	09/30/2019	03/22/2018	2.278	2.310	09/30 - At Maturity		1,000,000.00	1,000,000.00
144283635	144283635	GWB	1,000,000.00	2.310	10/15/2019	03/22/2018	2.278	2.310	10/15 - At Maturity		1,000,000.00	1,000,000.00
433071437	433071437	USB	4,000,000.00	2.700	06/01/2021	04/24/2018	2.663	2.700	06/01 - 12/01		4,000,000.00	4,000,000.00
433071657	433071657	USB	1,000,000.00	2.520	12/31/2019	05/24/2018	2.485	2.520	06/30 - 12/31		1,000,000.00	1,000,000.00
433071659	433071659	USB	6,000,000.00	2.990	06/01/2022	05/24/2018	2.949	2.990	06/01 - 12/01		6,000,000.00	6,000,000.00
59019689	59019689	VIS	1,000,000.00	1.980	01/31/2019	12/07/2017	1.953	1.980	01/31 - At Maturity		1,000,000.00	1,000,000.00
59019697	59019697	VIS	1,000,000.00	2.000	02/15/2019	12/07/2017	1.973	2.000	02/15 - At Maturity		1,000,000.00	1,000,000.00
<b>Certificates of Deposit Totals</b>			<b>36,500,000.00</b>				<b>2.109</b>	<b>2.138</b>		<b>0.00</b>	<b>36,500,000.00</b>	<b>36,500,000.00</b>
<b>Money Market</b>												
SYS4531558874B	4531558874B	GWB	289,917.46	0.300			0.296	0.300	07/01 - Monthly		289,917.46	289,917.46
<b>Money Market Totals</b>			<b>289,917.46</b>				<b>0.296</b>	<b>0.300</b>		<b>0.00</b>	<b>289,917.46</b>	<b>289,917.46</b>
<b>Passbook/Checking Accounts</b>												
SYS6952311634B	6952311634B	WF	132,731.73	0.150			0.148	0.150	07/01 - Monthly		132,731.73	132,731.73
<b>Passbook/Checking Accounts Totals</b>			<b>132,731.73</b>				<b>0.148</b>	<b>0.150</b>		<b>0.00</b>	<b>132,731.73</b>	<b>132,731.73</b>



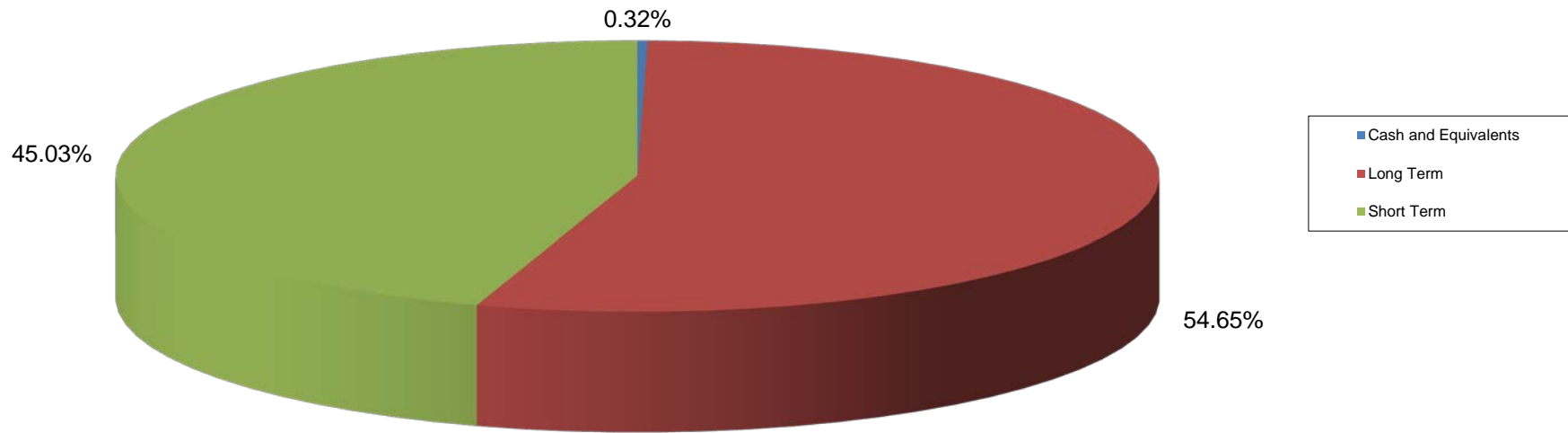
**Investments FY 2017-2018**  
**Portfolio Management**  
**Investment Status Report - Investments**  
**June 30, 2018**

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
<b>Commercial Paper Disc. -Amortizing</b>												
06538CGD7	0799-18	BTMUFJ	1,000,000.00	1.800	07/13/2018	01/29/2018	1.815	1.840	07/13 - At Maturity		991,750.00	999,400.00
06538CGX3	0800-18	BTMUFJ	1,000,000.00	1.850	07/31/2018	01/29/2018	1.878	1.904	07/31 - At Maturity		990,596.00	998,458.36
2254EBH20	0795-17	CSFBNY	1,500,000.00	1.700	08/02/2018	11/09/2017	1.737	1.761	08/02 - At Maturity		1,481,157.00	1,497,733.17
46640QHF1	0801-18	JPM	1,000,000.00	1.950	08/15/2018	02/08/2018	1.982	2.009	08/15 - At Maturity		989,816.67	997,562.50
63873KGC5	0798-17	NATX	1,500,000.00	1.600	07/12/2018	12/07/2017	1.634	1.656	07/12 - At Maturity		1,485,533.33	1,499,266.67
<b>Commercial Paper Disc. -Amortizing Totals</b>			<b>6,000,000.00</b>				<b>1.788</b>	<b>1.813</b>		<b>0.00</b>	<b>5,938,853.00</b>	<b>5,992,420.70</b>
<b>Federal Agency Coupon Securities</b>												
3133EGQM0	0732-16	FFCB	940,000.00	1.620	02/10/2022	08/15/2016	1.613	1.635	02/10 - 08/10	Received	939,248.00	939,505.39
3133EGQQ1	0743-16	FFCB	8,000,000.00	1.300	05/15/2020	10/14/2016	1.299	1.317	11/15 - 05/15	Received	7,995,200.00	7,997,494.04
3133EGD69	0746-16	FFCB	5,000,000.00	1.320	05/07/2020	11/07/2016	1.322	1.341	05/07 - 11/07		4,996,500.00	4,998,150.00
3133EHKF9	0789-17	FFCB	2,000,000.00	1.770	11/23/2020	10/13/2017	1.839	1.864	11/23 - 05/23	Received	1,994,300.00	1,995,613.04
3133EJHS1	0808-18	FFCB	1,000,000.00	2.250	06/27/2019	03/27/2018	2.160	2.190	06/27 - 12/27		1,000,750.00	1,000,593.33
3133EH6L2	0816-18	FFCB	1,000,000.00	1.950	01/10/2020	05/24/2018	2.497	2.532	07/10 - 01/10	7,258.33	990,770.00	998,611.11
3132X0QQ7	0767-17A	FHLB	1,500,000.00	1.375	12/17/2018	04/20/2017	1.236	1.253	06/17 - 12/17	Received	1,503,000.00	1,500,834.17
3132X0QQ7	0767-17B	FHLB	1,000,000.00	1.375	12/17/2018	04/20/2017	1.236	1.253	06/17 - 12/17	Received	1,002,000.00	1,000,556.11
3130ABHF6	0778-17	FHLB	3,250,000.00	1.875	06/01/2021	09/15/2017	1.855	1.880	12/01 - 06/01	Received	3,249,350.00	3,249,489.15
3130A7G25	0784-17	FHLB	1,515,000.00	1.260	03/15/2019	10/05/2017	1.457	1.478	03/15 - 09/15	Received	1,510,303.50	1,512,705.94
313379EE5	0786-17	FHLB	1,500,000.00	1.625	06/14/2019	10/05/2017	1.465	1.485	12/14 - 06/14	Received	1,503,480.00	1,501,960.00
3130A8P72	0787-17	FHLB	1,570,000.00	1.030	07/12/2019	10/05/2017	1.506	1.527	01/12 - 07/12	Received	1,556,419.50	1,562,090.48
3130AABG2	0791-17	FHLB	1,135,000.00	1.875	11/29/2021	10/13/2017	1.830	1.856	11/29 - 05/29	Received	1,135,851.25	1,135,703.46
3130ABF92	0793-17	FHLB	1,000,000.00	1.375	05/28/2019	10/19/2017	1.510	1.531	11/28 - 05/28	5,996.53	997,520.00	1,004,595.91
3130AA3R7	0812-18	FHLB	1,000,000.00	1.375	11/15/2019	04/19/2018	2.352	2.385	05/15 - 11/15	Received	984,500.00	986,471.73
3130A0JR2	0814-18	FHLB	1,000,000.00	2.375	12/13/2019	04/19/2018	2.387	2.420	06/13 - 12/13	Received	999,260.00	999,349.70
3130AECJ7	0817-18	FHLB	2,000,000.00	2.625	05/28/2020	05/24/2018	2.584	2.620	11/28 - 05/28	437.50	2,000,200.00	2,000,627.28
3137EADG1	0674-14	FHLMC	1,000,000.00	1.750	05/30/2019	10/21/2014	1.437	1.457	11/30 - 05/30	Received	1,013,000.00	1,002,578.06
3137EADG1	0679-15	FHLMC	3,000,000.00	1.750	05/30/2019	04/27/2015	1.235	1.252	05/30 - 11/30	Received	3,059,400.00	3,013,267.21
3137EADG1	0705-15	FHLMC	5,000,000.00	1.750	05/30/2019	10/15/2015	1.109	1.125	11/30 - 05/30	Received	5,110,750.00	5,027,920.88
3134G9MN4	0720-16	FHLMC	1,000,000.00	1.500	05/26/2020	05/26/2016	1.479	1.500	11/26 - 05/26		1,000,000.00	1,000,000.00
3134G9KW6	0723-16	FHLMC	1,000,000.00	1.350	11/26/2019	06/10/2016	1.339	1.357	11/26 - 05/26	Received	999,750.00	999,898.68
3134G9JK4	0725-16	FHLMC	2,000,000.00	1.125	11/26/2018	06/10/2016	1.103	1.119	11/26 - 05/26	Received	2,000,300.00	2,000,049.10
3134G9UF2	0726-16	FHLMC	1,000,000.00	1.050	09/28/2018	06/28/2016	1.025	1.039	09/28 - 03/28		1,000,250.00	1,000,026.85
3134GAPQ1	0741-16	FHLMC	500,000.00	1.020	09/28/2018	09/30/2016	1.006	1.020	03/28 - 09/28		500,000.00	500,000.00
3134GAPQ1	0742-16A	FHLMC	500,000.00	1.020	09/28/2018	09/30/2016	1.006	1.020	03/28 - 09/28		500,000.00	500,000.00
3134GAPQ1	0742-16B	FHLMC	1,000,000.00	1.020	09/28/2018	09/30/2016	1.006	1.020	03/28 - 09/28		1,000,000.00	1,000,000.00

**Investments FY 2017-2018**  
**Portfolio Management**  
**Investment Status Report - Investments**  
**June 30, 2018**

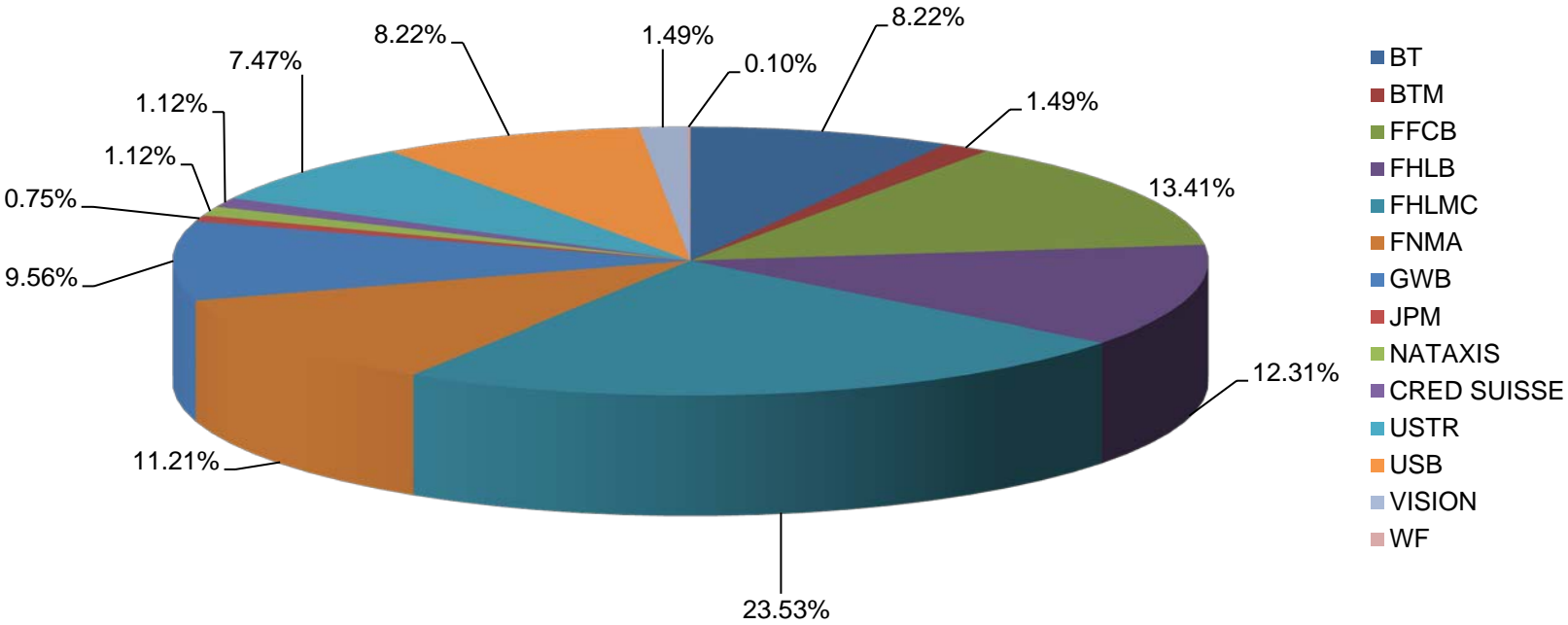
CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM 360	YTM 365	Payment Dates	Accrued Interest At Purchase	Current Principal	Book Value
<b>Federal Agency Coupon Securities</b>												
3134GAGF5	0776-17	FHLMC	750,000.00	1.100	09/13/2018	09/07/2017	1.286	1.304	09/13 - 03/13	Received	748,462.50	749,697.54
3137EAED7	0777-17	FHLMC	1,000,000.00	0.875	10/12/2018	09/07/2017	1.210	1.226	10/12 - 04/12	Received	996,180.00	999,023.24
3137EADZ9	0785-17	FHLMC	1,500,000.00	1.125	04/15/2019	10/05/2017	1.415	1.435	10/15 - 04/15	Received	1,492,995.00	1,496,382.87
3137EAEH8	0796-17A	FHLMC	1,645,000.00	1.375	08/15/2019	11/24/2017	1.746	1.770	02/15 - 08/15	Received	1,633,978.50	1,637,829.81
3137EAEH8	0796-17B	FHLMC	1,000,000.00	1.375	08/15/2019	11/24/2017	1.746	1.770	02/15 - 08/15	Received	993,300.00	995,641.22
3134GAAF1	0805-18	FHLMC	1,100,000.00	1.300	08/23/2019	02/08/2018	2.040	2.068	02/23 - 08/23	Received	1,087,243.30	1,090,530.16
3134GBG30	0810-18	FHLMC	1,500,000.00	1.500	09/27/2019	04/19/2018	2.352	2.384	09/27 - 03/27	1,375.00	1,481,340.00	1,485,308.67
3134G8W39	0811-18	FHLMC	1,000,000.00	1.375	10/28/2019	04/19/2018	2.372	2.405	04/28 - 10/28	Received	984,670.00	986,680.49
3134G9QR1	0813-18	FHLMC	1,000,000.00	1.340	11/25/2019	04/19/2018	2.374	2.407	05/25 - 11/25	Received	983,350.00	985,431.25
3134GSLZ6	0815-18	FHLMC	2,000,000.00	3.000	05/30/2023	05/30/2018	2.959	3.000	11/30 - 05/30		2,000,000.00	2,000,000.00
3134GSMJ1	0818-18	FHLMC	3,000,000.00	3.250	05/24/2023	05/30/2018	3.210	3.254	11/24 - 05/24		2,999,400.00	2,999,410.37
3136G3AU9	0714-16	FNMA	3,000,000.00	1.250	05/24/2019	02/26/2016	1.233	1.250	05/24 - 11/24	Received	3,000,000.00	3,000,000.00
3136G33W3	0733-16	FNMA	4,000,000.00	1.500	05/28/2021	08/30/2016	1.480	1.500	11/28 - 05/28		4,000,000.00	4,000,000.00
3136G4FL2	0744-16	FNMA	1,550,000.00	1.500	04/12/2021	10/14/2016	1.491	1.512	04/12 - 10/12	Received	1,549,225.00	1,549,520.53
3136G3MW2	0745-16	FNMA	450,000.00	1.500	05/25/2021	10/14/2016	1.479	1.500	11/25 - 05/25	Received	450,000.00	450,000.00
3136G4LQ4	0788-17	FNMA	2,000,000.00	1.750	05/28/2020	10/13/2017	1.714	1.738	11/28 - 05/28	Received	2,000,600.00	2,000,436.19
3136G4NN9	0790-17	FNMA	2,000,000.00	2.000	05/24/2021	10/13/2017	1.978	2.006	11/24 - 05/24	Received	1,999,600.00	1,999,679.32
3136G2EC7	0792-17	FNMA	1,000,000.00	1.300	02/27/2019	10/19/2017	1.483	1.504	02/27 - 08/27	Received	997,270.00	998,679.75
3135G0M91	0809-18	FNMA	1,000,000.00	1.125	07/26/2019	03/23/2018	2.202	2.233	07/26 - 01/26	1,781.25	985,430.00	990,167.48
<b>Federal Agency Coupon Securities Totals</b>			<b>80,905,000.00</b>				<b>1.651</b>	<b>1.674</b>		<b>16,848.61</b>	<b>80,925,146.55</b>	<b>80,842,510.51</b>
<b>Treasury Coupon Securities</b>												
912828SX9	0673-14	US TRE	3,000,000.00	1.125	05/31/2019	10/21/2014	1.334	1.353	11/30 - 05/31	Received	2,969,531.25	2,993,953.32
912828R77	0769-17	US TRE	2,000,000.00	1.375	05/31/2021	04/20/2017	1.605	1.627	05/31 - 11/30	Received	1,980,000.00	1,985,818.91
912828L40	0780-17	US TRE	1,000,000.00	1.000	09/15/2018	09/27/2017	1.269	1.287	03/15 - 09/15	Received	997,250.00	999,407.93
912828N63	0783-17	US TRE	1,000,000.00	1.125	01/15/2019	09/28/2017	1.333	1.351	01/15 - 07/15	Received	997,100.00	998,788.61
912828KD1	0802-18	US TRE	1,000,000.00	2.750	02/15/2019	02/08/2018	1.876	1.902	02/15 - 08/15	Received	1,008,520.00	1,005,244.84
912828SN1	0803-18	US TRE	1,000,000.00	1.500	03/31/2019	02/08/2018	1.935	1.962	03/31 - 09/30	Received	994,810.00	996,594.06
912828D23	0804-18	US TRE	1,000,000.00	1.625	04/30/2019	02/08/2018	1.947	1.974	04/30 - 10/31	Received	995,790.00	997,139.84
<b>Treasury Coupon Securities Totals</b>			<b>10,000,000.00</b>				<b>1.557</b>	<b>1.579</b>		<b>0.00</b>	<b>9,943,001.25</b>	<b>9,976,947.51</b>
<b>Investment Totals</b>			<b>133,827,649.19</b>				<b>1.771</b>	<b>1.795</b>		<b>16,848.61</b>	<b>133,729,649.99</b>	<b>133,734,527.91</b>

### Portfolio by Asset Class



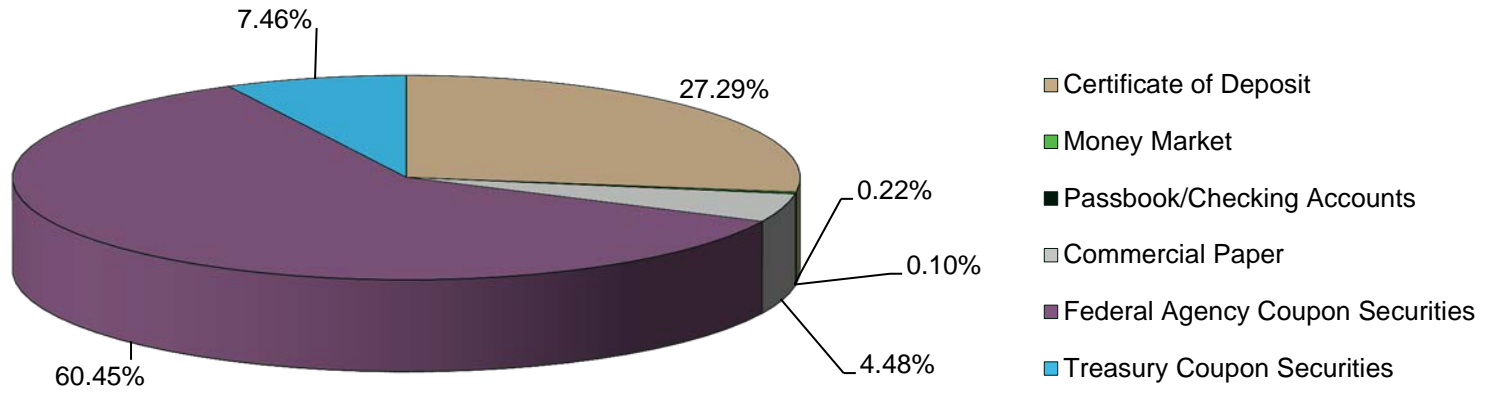
For Fiscal Year Ending June 30, 2018

### Par Value by Issuer Graph



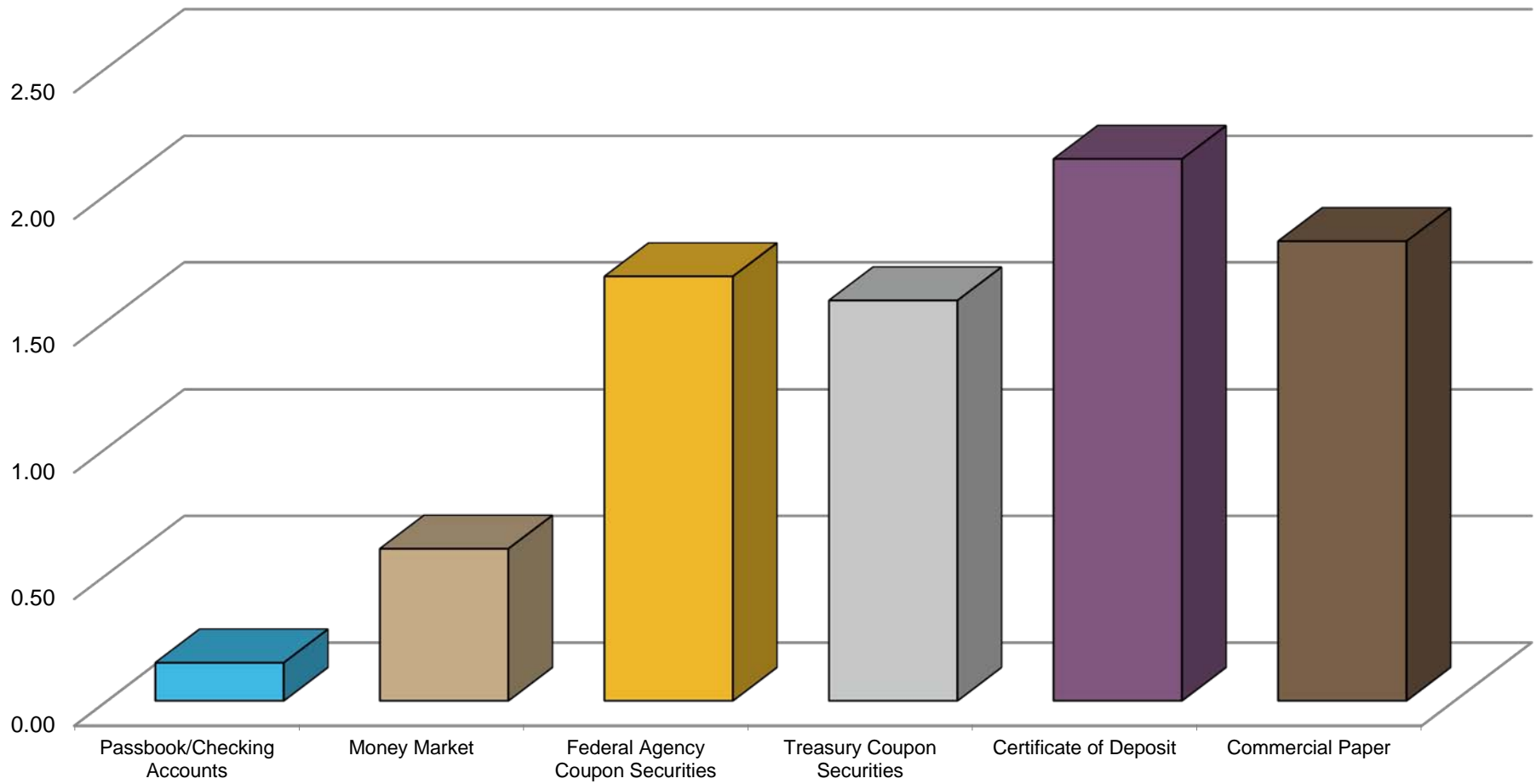
For Fiscal Year Ending June 30, 2018

### Book Value By Investment Type



For Fiscal Year Ending June 30, 2018

## Investment Yield by Type



For Fiscal Year Ending June 30, 2018

**COUNCIL ACTION FORM**

**SUBJECT: ENCROACHMENT PERMIT FOR MONITORING WELLS AT 122 NORTH OAK AVENUE**

**BACKGROUND:**

In April 2018, an encroachment permit was issued to GHD Services, Inc. to place two monitoring wells in the right-of-way at 903 N. 2<sup>nd</sup> Street. GHD Services Inc. is now seeking approval for an encroachment permit that would allow an additional three monitoring wells in the right-of-way at 122 North Oak Avenue. According to the applicant, historical records show the property as a former manufactured gas plant site. GHD is proposing to collect groundwater samples to determine if any materials remain on the property. The monitoring wells will be necessary for a preliminary sampling event to collect soil and groundwater samples, and are anticipated to be in place from one year to several years.

The well piping will extend vertically to the water table with a well cover. Each cover will be eight inches across and flush to the ground surface. The well covers will be mounted in a small concrete pad, approximately two feet by two feet.

The applicant has also applied for a right-of-way permit for installation of the wells. Approval of that permit is contingent on the approval of this encroachment permit. The adjacent property owner, Iowa Department of Transportation, has agreed to the project and provided a letter of support.

Chapter 22.3(3) of the Ames Municipal Code requires approval of the Encroachment Permit Application by the City Council before the permit can be issued. By signing the agreement, the owner of the monitoring wells agrees to hold the City harmless against any loss or liability as a result of the encroachment, to submit a certificate of liability insurance which protects the City in case of an accident, and to pay the fee for the encroachment permit. The owner of the monitoring wells also understands that this approval may be revoked at any time by the City Council. The fee for this permit was calculated at \$25, and this amount has been received by the City Clerk's Office along with the certificate of liability insurance.

**ALTERNATIVES:**

1. Approve the encroachment permit request for monitoring wells in the right-of-way at 122 North Oak Avenue.
2. Deny the request.

**CITY MANAGER'S RECOMMENDED ACTION:**

Staff is satisfied that these wells can be safely placed and will not jeopardize the City's use of this area. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.





**APPLICATION FOR ENCROACHMENT PERMIT**

An Encroachment Permit approved by the Ames City Council is required for anything of a "fixed character" which is "upon, over or under" the surface of any "street, alley, or sidewalk."

Address of Encroachment: **122 N. Oak Ave, Ames, Iowa 50010 (ROW along N. 2nd St. and N. Elm Ave)**

Type of Encroachment: **Monitoring wells**  
(If the encroachment is a sign, please apply for a sign permit through the Inspections Division.)

Total Square Feet of the Area to Encroach: **12** (See attached submittal guidelines.)

Applicant is:  Property Owner  Tenant  Contractor

Name of Applicant: **GHD Services Inc.** Phone: **(515) 414-3933**

Mailing Address: **11228 Aurora Avenue, Urbandale, IA 50322** Email: **kevin.armstrong@ghd.com**

Property Owner's Name: **Iowa DOT, 122 North Oak Ave, Ames, IA** Phone: **(515) 239-1938**

Mailing Address: **800 Lincoln Way, Ames, IA 50010** Email: **brad.azeltine@dot.iowa.gov**

These items must be submitted with your application prior to approval of the permit:

1. An Encroachment Permit Agreement approved as to form by the City Attorney and signed by the owner of the building where the encroachment will occur (obtained from the City Clerk's Office).
2. A sketch of the encroaching item (i.e., sign, canopy, awning, etc.) drawn to scale.
3. A sketch showing the placement of the encroaching item on the property.
4. An insurance certificate with comprehensive general liability coverage in an amount of not less than \$500,000 combined single limit naming the City of Ames as an additional insured on the policy. Said certificate must be accompanied with a copy of Endorsement CG 2013.
5. A fee to be determined by the City's Building Official. The fee is \$1.00 per square foot of the encroachment or a minimum of \$25.00.

Applicant's Signature: \_\_\_\_\_ Date 6/28/18

Property Owner's Signature (If different): \_\_\_\_\_ Date \_\_\_\_\_



**COUNCIL ACTION FORM**

**SUBJECT: ENCROACHMENT PERMIT FOR A FENCED SIDEWALK CAFÉ AREA  
AT 2302 LINCOLN WAY**

**BACKGROUND:**

Starbucks Corporation is seeking approval for an encroachment permit that would allow a fenced area for a sidewalk cafe at 2302 Lincoln Way. The area is approximately 380.8 square feet, but will not affect use of the sidewalk.

This area has been operated as a sidewalk café by Starbucks since the time the building opened in 2015. In 2015 and 2016, Starbucks applied for a Sidewalk Café permit. In subsequent years, no sidewalk café permit application was filed. It should be noted that the sidewalk café operated by Starbucks does not meet all the requirements under the Sidewalk Café Code. In particular, the sidewalk café uses more than 50% of the right-of-way as measured from the building to curb (approximately 11 feet of the 19 foot right-of-way), and the fencing is permanently affixed to the pavement, which is prohibited in the Sidewalk Café Code.

To resolve these issues, staff has proposed that Starbucks obtain an Encroachment Permit. These permits are granted to entities that wish to affix things to the pavement or otherwise occupy the right-of-way in a permanent fashion. In addition, Starbucks has applied for and received staff approval for a Sidewalk Café Permit. Starbucks would be required to adhere to all other regulations in the Sidewalk Café Code (e.g., service requirements, design standards, hours of operation).

The Encroachment Permit has no expiration, provided the applicant maintains liability insurance on an ongoing basis. Starbucks will be required to obtain a Sidewalk Café Permit for each subsequent sidewalk café season.

Chapter 22.3(3) of the Ames Municipal Code requires approval of the Encroachment Permit Application by the Ames City Council before the permit can be issued. By signing the agreement, the owner and tenant agree to hold harmless the City of Ames against any loss or liability as a result of the encroachment, to submit a certificate of liability insurance which protects the City in case of an accident, and to pay the fee for the encroachment permit. The owner and tenant also understand that this approval may be revoked at any time by the City Council. The fee for this permit was calculated at \$380.80, and the full amount has been received by the City Clerk's Office along with the certificate of liability insurance.



**ALTERNATIVES:**

1. Approve the requested Encroachment Permit.
2. Deny the request for an Encroachment Permit, and direct staff to work with Starbucks to modify its sidewalk café to comply with the Sidewalk Café Code.

**MANAGER'S RECOMMENDED ACTION:**

It is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the requested Encroachment Permit.



APPLICATION FOR ENCROACHMENT PERMIT

An Encroachment Permit approved by the Ames City Council is required for anything of a "fixed character" which is "upon, over or under" the surface of any "street, alley, or sidewalk."

Address of Encroachment: 2302 Lincoln Way, Ames, IA 50014

Type of Encroachment: Fence area Outdoor Cafe Seating
(If the encroachment is a sign, please apply for a sign permit through the Inspections Division.)

Total Square Feet of the Area to Encroach: 300.8 (See attached submittal guidelines.)

Applicant is: Property Owner Tenant Contractor

Name of Applicant: Starbucks Corporation Phone: 206-318-4440

Mailing Address: 2401 Utah Ave S., MS-RE3, Seattle, WA 98134 Email: financialleaseadmi@starbucks.com

Property Owner's Name: Vesper Foundry LLC Phone: 512-806-1000

Mailing Address: 7500 Rialto Boulevard Building II, Suite 290, Austin, TX 78735 Email: miedet@clsiving.com

These items must be submitted with your application prior to approval of the permit:

- 1. An Encroachment Permit Agreement approved as to form by the City Attorney and signed by the owner of the building where the encroachment will occur (obtained from the City Clerk's Office).
2. A sketch of the encroaching item (i.e., sign, canopy, awning, etc.) drawn to scale.
3. A sketch showing the placement of the encroaching item on the property.
4. An insurance certificate with comprehensive general liability coverage in an amount of not less than \$500,000 combined single limit naming the City of Ames as an additional insured on the policy. Said certificate must be accompanied with a copy of Endorsement CG 2013.
5. A fee to be determined by the City's Building Official. The fee is \$1.00 per square foot of the encroachment or a minimum of \$25.00.

Applicant's Signature: [Signature] Date 10.19.18

Property Owner's Signature (If different): [Signature] Date 11/14/18
JOSEPH HULLHEIS



**COUNCIL ACTION FORM**

**SUBJECT: APPROVAL OF AGREEMENT WITH AMES ECONOMIC DEVELOPMENT COMMISSION FOR WORKFORCE DEVELOPMENT PROGRAM**

**BACKGROUND:**

At the February 13, 2018, City Council budget wrap-up meeting, the City Council allocated \$15,000 from the Hotel/Motel Tax available balance to fund the Ames Economic Development Commission (AEDC) workforce development program. The AEDC did not request funding for its retail recruitment program (the Buxton SCOUT software) for the current fiscal year. That service had been funded in the amount of \$7,500 in previous years. Therefore, the contract with AEDC for this fiscal year represents a net increase of \$7,500. The workforce development program includes a variety of programming efforts aimed at attracting and recruiting individuals to the Ames community.

The contract with AEDC has been signed by the organization, returned to City staff, and is now before the City Council for approval. The scope of services is provided below:

Funds awarded shall be used towards the workforce development program. Programming efforts will be used to attract and recruit talent to the community. The activities under the workforce development program shall include the engagement of high school students with Ames businesses, website marketing, a summer internship program for student-interns and other job seekers, marketing of employment opportunities to veterans and transition members, and out-of-state recruitment of soon to be college graduates.

The Provider shall send a report to the City in December 2018 and in June 2019 summarizing the use of the program, including the number of participants, and recruitment marketing analytics.

**ALTERNATIVES:**

1. Approve the attached agreement for FY 2018/19 with the Ames Economic Development Commission for their workforce development program.
2. Direct staff to modify the scope of services
3. Do not approve the funding contract

**MANAGER'S RECOMMENDED ACTION:**

Funding for the workforce development program was included in the City's amended FY 2017/18 Budget. The proposed agreement conforms to the outline provided to the City Council at the time funding was included in the Budget.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the attached agreement for FY 2018/19 with the Ames Economic Development Commission for their workforce development program.



# CONTRACT FOR SERVICES

**THIS AGREEMENT**, made and entered into the **1st day of July, 2018**, by and between the **CITY OF AMES, IOWA**, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called "City") and **Ames Economic Development Commission** (an entity organized and existing pursuant to the laws of the State of Iowa and hereinafter called "Provider");

## WITNESSETH THAT:

**WHEREAS**, the City of Ames has, by its City Council acting in open and regular session, determined that certain services and facilities to be provided to the City of Ames and its citizens by Provider, such services and facilities being hereinafter described and set out, should be purchased in accordance with the terms of a written agreement as hereinafter set out, in accordance with all applicable Federal, State, and Local laws or regulations;

**NOW, THEREFORE**, the parties hereto have agreed and do agree as follows:

### I PURPOSE

The purpose of this Agreement is to procure for the City of Ames and its citizens certain services and facilities as hereinafter described and set out; to establish the methods, procedures, terms and conditions governing payment by the City of Ames for such services; and, to establish other duties, responsibilities, terms and conditions mutually undertaken and agreed to by the parties hereto in consideration of the services to be performed and monies paid.

### II SCOPE OF SERVICES

A. For an amount not to exceed **\$15,000**, the City agrees to purchase the Provider's services and facilities as generally described in the Provider's 2018/19 application. This description shall be made a part of this Agreement.

B. The Provider's application proposal is modified as described in the box below:

**Funds awarded shall be used towards the workforce development program. Programming efforts will be used to attract and recruit talent to the community. The activities under the workforce development program shall include the engagement of high school students with Ames businesses, website marketing, a summer internship program for student-interns and other job seekers, marketing of employment opportunities to veterans and transition members, and out-of-state recruitment of soon to be college graduates.**

**The Provider shall send a report to the City in December 2018 and in June 2019 summarizing the use of the program, including the number of participants, and recruitment marketing analytics.**

### **III METHOD OF PAYMENT**

A. All payments to be made by the City of Ames pursuant to this Agreement shall be reimbursement for actual costs incurred by Provider in providing services required by Section II above. Any alternate payment arrangements must be approved by the City Council.

B. The City will disburse payment monthly on requisition of Provider.

C. Requisitions for disbursement shall be made in such form and in accordance with such procedures as the Director of Finance for the City shall prescribe. Said form shall include but not be limited to an itemization of the nature and amount of costs for which reimbursement is requested, and must be filled out completely.

D. The maximum total amount payable by the City of Ames under this agreement is detailed in the SCOPE OF SERVICES (Part II of this contract), and no greater amount shall be paid.

E. All unobligated amounts disbursed to the Provider shall be repaid to the City as of the effective date of termination of this agreement. The Provider shall repay to the City any disbursed funds for which documentation of actual expenses is not provided.

F. The Provider shall requisition for funds no more frequently than once per month. If Provider wishes to request disbursement of funds on other than a monthly basis, the Provider must submit a request in writing to be approved by the City Manager's Office. Failure to request reimbursement in a timely manner shall be grounds for termination of this agreement. In no case will a disbursement request be accepted for reimbursement after July 15th of the following fiscal year.

### **IV FINANCIAL ACCOUNTING AND ADMINISTRATION**

A. All monies disbursed under this Agreement shall be accounted for by the accrual method of accounting.

B. Monies disbursed to Provider by the City will be deposited by Provider in an account under the Provider's name. All checks drawn on the said account shall bear a memorandum line on which the drawer shall note the nature of the costs for which the check is drawn in payment, and the program(s) of service.

C. All costs for which reimbursement is claimed shall be supported by documentation evidencing in proper detail the nature and propriety of the charges. All checks or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified as such and readily accessible for examination and audit by the City or its authorized representative.

D. All records shall be maintained in accordance with procedures and requirements established by the City Finance Director, and the City Finance Director may, prior to any disbursement under this Agreement, conduct a pre-audit of record keeping and financial accounting procedures of the Provider for the purpose of determining changes and modifications necessary with respect to accounting for funds made available hereunder. All records and documents required by this Agreement shall be maintained for a period of three (3) years following final disbursement by the City.

E. At such time and in such form as the City may require, there shall be furnished to the City such statements, records, reports, data, and information as the City may require with respect to the use made of monies disbursed hereunder.

F. At any time during normal business hours, and as often as the City may deem necessary, there shall be made available to the City for examination all records with respect to all matters covered by this Agreement and Provider will permit the City to audit, examine, and make excerpts or transcripts from such records.

G. The Provider must submit a final report to the City within thirty (30) days of the submission of the final requisition for reimbursement or the concluding date of this contract, whichever is earlier. The final report shall describe, at minimum, the services and facilities provided under the contract, an accounting of the number of individuals to whom services or facilities were provided, and any supporting documentation to substantiate these descriptions. Failure to submit a final report as required may result in any funds awarded to the Provider through subsequent contracts being held in sequestration until the final report is complete.

## V DURATION

This Agreement shall be in full force and effect from and after July 1, 2018, until June 30, 2019. The City Council may terminate this Agreement by giving written notice to the Provider at least sixty (60) days before the effective date of such termination. From and after the effective date of termination, no further disbursement under this Agreement shall be made by the City. Any money disbursed to the Provider and unencumbered or unspent as of the effective date of termination, shall be repaid to the City.

## VI DISCRIMINATION PROHIBITED

In accordance with Chapter 14 of the Municipal Code, no person shall, on the grounds of age, race, color, creed, religion, national origin, disability, sexual orientation, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Agreement.

**IN WITNESS WHEREOF** the parties hereto have, by their authorized representatives, set their hand and seal as of the date first above written.

**CITY OF AMES, IOWA**

ATTEST:

BY \_\_\_\_\_  
John Haila, Mayor

\_\_\_\_\_  
Diane Voss, City Clerk

**Ames Economic Development Commission**

BY \_\_\_\_\_  
Authorized Representative

**COUNCIL ACTION FORM**

**SUBJECT: 2017 U.S. DEPARTMENT OF JUSTICE EDWARD BYRNE MEMORIAL  
JUSTICE ASSISTANCE GRANT**

**BACKGROUND:**

On September 26, 2017, the Council authorized the Police Department to apply for the 2017 Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant (JAG) Program. The grant conditions required that the application be filed jointly with Story County and the Council approved entering into a Memorandum of Understanding with Story County. The application and the Memorandum of Understanding were completed and submitted. **It was not until late June, 2018, that the Department of Justice notified the Police Department that the grant had been awarded in full.**

Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, as well as research and evaluation activities that will improve or enhance law enforcement programs related to criminal justice. There is no match requirement with this grant.

The grant award is for \$11,119. The funds will be used to enhance the capabilities and expertise in mental health and wellness.

The conditions of this year's grant require that the City certify that there is no conflict between the City's actions and federal policies as established by 8 U.S.C. section 1373 (Communication between government agencies and the Immigration and Naturalization Service). In general, 8 U.S.C. section 1373 provides that provisions of local law may not prohibit, or in any way restrict, any government entity or official from sending to, or receiving from, the Immigration and Naturalization Service information regarding the citizenship or immigration status, lawful or unlawful, of any individual. The certification requires that the City Attorney review the provisions of 8 U.S.C. section 1373 at attest to the following statement:

*As of the date of this certification, neither the jurisdiction nor any entity, agency or official of the jurisdiction has in effect, purports to have in effect, or is subject to or bound by, any prohibition or any restriction that would apply to the "program or activity" to be funded in whole or in part under the FY 2017 OJP Program (which for purposes of this paragraph 6, shall not be understood to include any such "program or activity" of any subrecipient at any tier) and deals with either – (1) a government*

*entity or official sending or receiving information regarding citizenship or immigration status as described in 8 U.S.C. section 1373(a); or (2) a government entity or agency sending to, requesting from, maintaining, or exchanging information of the types (and with respect to the entities) described in 8 U.S.C. section 1373(b).*

**The City Attorney has reviewed this issue and has determined that no conflict exists.**

There is no match requirement with this grant.

**ALTERNATIVES:**

1. Accept the 2017 Department of Justice, Office of Justice Programs, and Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant Program and authorize the Police Department to participate in the program.
2. Do not authorize participation in this grant program.

**MANAGER'S RECOMMENDED ACTION:**

The Police Department has participated in the JAG grant program in the past and the program has proven to be a valuable source of funds for special purchases and programs. This grant will provide the same benefit.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: AGREEMENT WITH THE AMES FOUNDATION FOR CONSTRUCTION OF THE MIRACLE LEAGUE FIELD AND INCLUSIVE PLAYGROUND AT INIS GROVE PARK**

**BACKGROUND:**

On October 25, 2016, the City Council directed staff to proceed with plans for the construction of a Miracle League Field and Inclusive Playground (MLFIP) at Inis Grove Park. This project involves a partnership among the City, The Ames Foundation, and the MLFIP Steering Committee. The Ames Foundation has agreed to serve as the fiscal agent for this project. An agreement has been prepared to describe the roles of The Ames Foundation and the City for this project. The agreement has been approved by The Ames Foundation.

The proposed agreement outlines the following:

1. The Ames Foundation will collect and hold contributions for the project
2. The plans for the project will be provided by the City and the scope of the project will be agreed to by the City and The Ames Foundation prior to commencement of construction
3. The Ames Foundation will secure a general contractor to construct the project in Inis Grove Park and will make payments as required for the project. No City funds will be used in the construction of the project.
4. The Ames Foundation will ensure the construction is completed in accordance with the design and applicable codes and in a manner that will be acceptable to the City upon completion
5. The City is entitled to make a final inspection and obtain a final financial report upon the completion of the project
6. Any funds raised in excess of the amount necessary to construct the project will be either kept by the Foundation for future improvements to the project area or turned over to the City for future maintenance, repairs, or expansion.

This agreement provides a roadmap for the MLFIP project to proceed. Once enough funds are raised to complete the project, this agreement will allow for construction to proceed. It is anticipated that fundraising will be complete in time for construction during the summer of 2019.

**ALTERNATIVES:**

1. Approve the attached agreement with The Ames Foundation to provide for the construction of the Miracle League Field and Inclusive Playground project at Inis Grove Park
2. Direct staff to modify the agreement
3. Do not approve the agreement

**CITY MANAGER’S RECOMMENDED ACTION:**

The Miracle League Field and Inclusive Playground project is an opportunity to provide a significant improvement to the Ames parks system. It will provide a recreational amenity for residents of all abilities to enjoy. The project involves a number of dedicated individuals and organizations contributing their efforts. This agreement provides a framework for The Ames Foundation to receive funds and manage the construction of the project on City land. The Parks and Recreation staff will be involved throughout the construction to ensure the project is being constructed to the standards agreed upon in the design.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the attached agreement with The Ames Foundation to provide for the construction of the Miracle League Field and Inclusive Playground project at Inis Grove Park.

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between **The Ames Foundation**, an Iowa domestic nonprofit corporation organized under Iowa Code Chapter 504 (hereinafter sometimes called “The Foundation”), and the **City of Ames**, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called “City”);

**WITNESSETH THAT:**

**WHEREAS**, members of the Ames community have expressed interest in the construction of a Miracle League Field and Inclusive Playground (“MLFIP”) in Ames, and

**WHEREAS**, The Ames Foundation has established a designated account for the purpose of receiving and disbursing funds for the construction of a MLFIP in Ames, and

**WHEREAS**, The Ames Foundation intends to serve as the Project Manager for the construction of the MLFIP, and

**WHEREAS**, The MLFIP shall be constructed upon property owned by the City of Ames, which has been identified as Inis Grove Park (the “Park”), and

**WHEREAS**, after completion of the MLFIP, the City shall enjoy sole control and possession of the MLFIP;

**NOW, THEREFORE**, the parties hereto agree as follows:

1. The Foundation has established a designated account held by a third party financial institution for the collection of monetary contributions (donations, grants or other gifts) towards the completion of the Miracle League Field and Inclusive Playground Project (“Project”). This account shall be known as the Ames Miracle Field and Playground Fund (“Fund”). The Foundation represents and warrants that no governmental funds will be deposited in the Fund, nor shall any governmental funds be otherwise used in the construction of the Project.

2. The Foundation shall approve and pay expenditures or make disbursements from the Fund in order to construct the MLFIP. The MLFIP shall be built in accordance with plans and specifications approved by the City and The Ames Foundation at a later date. No construction shall begin on the Project until sufficient funds have been raised and/or pledged to complete the Project as described in the plans and specifications. Later approval of the plans and specifications by the City and The Ames Foundation is a condition precedent to the obligations to perform this contract.

3. The Foundation shall contract with a licensed general contractor to oversee and



manage the actual construction of the facilities. The general contractor shall contract with such sub-contractors as are necessary to complete the Project. The City shall have the right to attend meetings between The Foundation and the general contractor to ensure conformance with the plans and specifications and to prepare for interruptions to the regular activities within the Park.

4. The Foundation shall ensure that the general contractor and any subcontractors shall conduct their work in accordance with any applicable building and construction codes, shall obtain any permits required by state or local law, and shall conduct construction activities in accordance with all applicable environmental laws. The Foundation understands that the Project is being constructed in an active City Park, and shall ensure the contractor takes measures that meet the satisfaction of the City to secure the construction site and minimize any interference with park and recreation activities occurring elsewhere within the park.

5. The Foundation shall promptly report to the City any major or significant change orders requested by the general contractor. The City shall review whether such changes are compatible with the plans and specifications as originally agreed to. The Foundation may only approve change orders with the assent of the City. Such assent by the City shall not be unreasonably withheld. The City may make inspections of the Project during its construction, and shall identify any conditions observed that differ from the approved plans and specifications, which would cause the City to reject the completed Project.

6. Once construction begins, the Project shall be substantially performed and completed as agreed by the parties in the plans and specifications prior to the commencement of construction. The Foundation shall notify the City as soon as possible and provide a proposed plan to rectify the situation if, after the commencement of construction, it is determined that site conditions require either: a) alterations to the Project that would reduce the fundamental usefulness of the Project to the public, or b) increased Project costs (including contingency) greater than \$50,000 beyond available funding.

7. It is understood by the Parties that The Ames Foundation will assist the Project Steering Committee (an entity not a party to this Agreement) in fundraising for this Project.

8. For every gift, donation, contribution or any transfer of funds designated for the benefit of the Fund, The Ames Foundation will charge a one-time administrative fee not to exceed 2% of the amount received. This administrative fee shall become the property of The Ames Foundation to use as it deems appropriate. The balance of monies received shall be held by The Ames Foundation for the benefit of the Project, until its completion.

9. At the City's request, the Foundation shall provide a final financial report to the City of Ames upon completion of the Project.

10. The Foundation shall take reasonable steps to ensure that the contractor working on the Project shall maintain commercially appropriate liability and contractor insurance coverages at all times during the construction of the Project, which shall include insurance coverage for subcontractors. The limits and terms of such coverage shall meet the requirements established by the City's Risk Manager for projects of a similar scale occurring on City property.

11. Upon completion of the Project, the City will be entitled to make a final inspection of the Project and determine whether to accept the Project as constructed. The Foundation shall provide to the City a copy of the certification from the general contractor that the Project has been constructed lien-free and in accordance with the plans and specifications. After acceptance of the Project by the City, possession of the MLFIP will be turned over to the City of Ames, and The Foundation will make final payment to the general contractor. Thereafter, the Foundation will have no further responsibilities for the operation or maintenance of the Miracle League Field or Inclusive Playground.

12. Any funds raised in support of the Project in excess of the amount necessary for construction shall be held in the Fund by The Foundation for reasonable use as directed by the City for future maintenance, repairs or expansion of the MLFIP. The Ames Miracle Field and Playground Fund will not receive any earnings, according to the established policy of The Ames Foundation. The City will request the endowment funds from The Foundation as they are needed. Alternatively, the Foundation may elect to turn any excess funds over to the City for the sole purpose of maintenance, repairs or expansion of the Field and Playground.

13. This agreement will remain in effect until the completion of the Project and the exhaustion of any excess funds as described in paragraph 11 of this Agreement, or until terminated by both parties in writing.

14. This agreement may only be amended in writing with the mutual consent of The Ames Foundation and the City of Ames.

This agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018

The Ames Foundation

BY : \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

The City of Ames

BY : \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**COUNCIL ACTION FORM**

**SUBJECT: HEADWATERS OF THE SOUTH SKUNK RIVER WATERSHED  
MANAGEMENT AUTHORITY INTERGOVERNMENTAL AGREEMENT**

**BACKGROUND:**

As a founding member of the Squaw Creek Watershed Management Authority (WMA), the City of Ames, Story County, and other nearby jurisdictions were pioneers within Iowa in establishing such an intergovernmental group dealing with geographical watersheds, rather than only with jurisdictional boundaries. The Squaw Creek WMA has already had several successes in promoting wise land stewardship within this watershed. Funding for this group has been through grant funds from the Iowa Department of Agriculture and Land Stewardship, administered by the Iowa Department of Natural Resources.

Given the success of this initial WMA in promoting inter-jurisdictional cooperation, increasing public education, and improving watershed management practices the Story County Board of Supervisors created a second WMA within the Skunk River watershed called the **Keigley Branch WMA**. **The Ames City Council approved a 28E intergovernmental agreement for this WMA on July 11, 2017.**

This WMA has been working to create a watershed management plan as part of a \$71,316 federal grant from the USDA Natural Resources Conservation Service. This grant supports education and outreach staff at Prairie Rivers of Iowa and the technical experts at Emmons & Olivier Resources Inc. in gathering and analyzing data about the watershed, facilitating public meetings, conducting an outreach campaign, and putting together the management plan document.

Story County's Board of Supervisors has shared a vision of creating WMA's that cover the entire county and extend into abutting counties. These WMA's will provide the best available option for intergovernmental and public-private cooperation to improve water quality and reduce river flooding. In early 2017, the Story County Board of Supervisors hired a consulting firm to develop county-wide watershed assessments. Now complete, this looks at watersheds at the smaller level (technically the Hydrologic Unit Code (HUC) 10 and 12 watershed levels) and develops a comprehensive assessment that identifies watershed specific goals and implementation strategies addressing education, outreach and water quality improvement goals.

In continuing this momentum, staff met with the WMA to talk about the bigger picture of the Keigley Branch watershed activities, in general. Considering this information and in recognition of a WMA name that residents and land owners can relate to, it was discussed that the larger area encompassing the S. Skunk River would be a potentially more successful approach. **Thus, a new 28E intergovernmental agreement is proposed for the Headwaters of the South Skunk River WMA. As part of this approval, the current agreement for the Keigley Branch WMA would need to be rescinded.** A map of the proposed WMA area is attached.

Chapter 466 of the Code of Iowa provides that WMA's can be created by interested counties, cities and Soil and Water Conservation Districts. The groups that will be

eligible to participate in the Headwaters of the South Skunk River WMA are between Story County, Boone County, Hamilton County, Hardin County, City of Ames, City of Story City, City of Roland, City of Randall, City of Jewell, City of Ellsworth, City of Kamrar, City of Blairsburg, City of Williams, Story County Soil and Water Conservation District, Boone County Soil and Water Conservation District, Hamilton County Soil and Water Conservation District, and Hardin County Soil and Water Conservation District.

The purpose of this Agreement is to provide the way the parties shall cooperate with one another to successfully encourage, plan for, and implement watershed activities within the Headwaters of the South Skunk River Watershed including but not limited to the following activities authorized pursuant to Code of Iowa Section 466B.23:

- 3.1.1 Assess the flood risks in the watershed.
- 3.1.2 Assess the water quality in the watershed.
- 3.1.3 Assess options for reducing flood risk and improving water quality in the watershed.
- 3.1.4 Monitor federal flood risk planning and activities.
- 3.1.5 Educate residents of the watershed area regarding water quality and flood risks.
- 3.1.6 Seek and allocate moneys made available to the Authority for purposes of water quality and flood mitigation.
- 3.1.7 Make and enter into contracts and agreements and execute all instruments necessary or incidental to the performance of the duties of the Authority. The Authority shall not acquire property by eminent domain.

**In general, the watershed activities of the Keigley Branch WMA and the Headwaters of the South Skunk River WMA will remain the same. The difference of the WMAs lies in the geographic boundary to encompass the larger land area.**

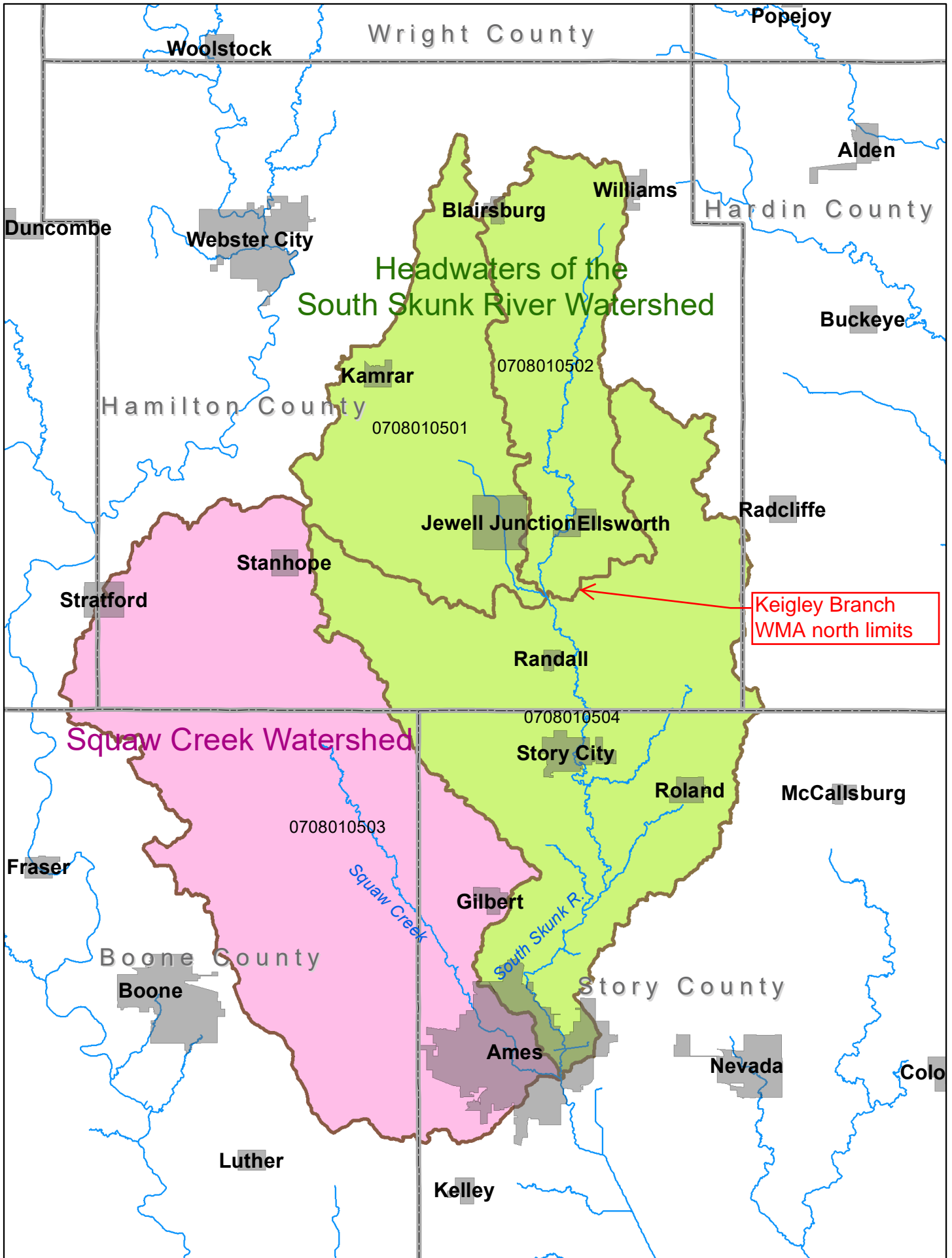
#### **ALTERNATIVES:**

1. a. Approve Termination of the 28E Agreement for Keigley Branch Watershed Management Authority  
  
b. Approve the attached 28E Agreement creating the **Headwaters of the South Skunk River Watershed Management Authority**.
2. Do not rescind the previous 28E agreement and do not approve the new agreement.

#### **MANAGER'S RECOMMENDED ACTION:**

Riverine flooding and water quality are important issues affecting the City of Ames. Watershed Management Authorities are promising intergovernmental tools to link urban and rural interests together leading to long-term improvements in water quality and reductions in flooding. Creation of the Headwaters of the South Skunk River WMA will help the City play a role in achieving those goals within the South Skunk River watershed upstream of and within our community.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



**COUNCIL ACTION FORM**

**SUBJECT: AIRPORT HANGAR LAND LEASE EXTENSION FOR HAP'S AIR SERVICE**

**BACKGROUND:**

Hap's Air Service has a private hangar land lease for their business located at 2508 Airport Drive. The previous land lease began on January 1, 1993 and was for a 25-year period. City staff has been working on the development of the Airport Master Plan update, which relates significantly to the development of land leases considering the Master Plan analyzes market lease rates. The Master Plan update may also affect the operational standards used in the leases at the airport.

Hap's Air Service has requested that the City enter into a new 25-year lease. However, to allow enough time to complete the Master Plan update, staff is recommending that their lease be extended, under the same lease terms, through June 30, 2019. That would constitute an 18-month extension (see attached). The rate for the last full lease year was \$5,853. Staff proposes to keep the rate the same for the first six months of 2018, then starting in Fiscal Year 2018/19 apply the same approximate 2.5%/year increase that is applied to other land leases. A summary of these fees has been provided below:

<b>Term</b>	<b>Rate</b>
January 1, 2018, to June 30, 2018	2,926.50
July 1, 2018, to June 30, 2019	5,997.00

**Total = 8,923.50**

Hap's has already made a partial payment of \$5,853.00. Thus, pending City Council approval of the extension, Hap's will be billed the remaining \$3,070.50.

**ALTERNATIVES:**

1. Approve the 18-month extension to the Airport Hangar Land Lease with Hap's Air Service engine in June 30, 2019.
2. Direct Staff to make modifications to the agreement.

**MANAGER'S RECOMMENDED ACTION:**

By approving the 18-month lease extension, it will provide the time needed staff to both work on the Master Plan update and work with Hap's Air Service to develop a new 25-year lease. **Therefore, the City Manager recommends that the City Council adopt Alternative No. 1, as noted above.**



**Amendment of Aircraft Hangar Site Lease**

THIS IS AN AMENDMENT made by and between Lessor and Lessee upon the following terms and conditions:

- 1 Definitions. When used in this Amendment, unless otherwise required by the context:
  - 1.1 "Lessor" means the City of Ames, an Iowa municipal corporation, whose address for the purpose of this agreement is 515 Clark Avenue, Ames IA 50010.
  - 1.2 "Lessee" means Hap's Air Service, Inc., an Iowa Corporation, whose address for the purpose of this agreement is 2508 Airport Drive, Ames, IA 50010
  - 1.3 "Agreement" means the Aircraft Hangar Site Lease presently in force between Lessor and Lessee dated January 1, 1993.
  - 1.4 "Amendment" means this instrument as signed by the Lessor and Lessee.
- 2 Amendment. The parties agree that the term Hangar Site Lease Agreement is hereby extended until June 30, 2019, at which time the Lease term shall end. The rental rate from January 1, 2018, until June 30, 2019, shall be \$8,923.50 which sum shall be due and owing to Lessor by Lessee upon full execution of this Amendment. The City of Ames acknowledges receipt of partial rent in the amount of \$5,853.00, which shall be applied to the total amount due for the time period from January 1, 2018, until June 30, 2019. The balance owed in the amount of \$3,070.50 shall be paid by Lessee to the Lessor.
- 3 Continued Full Force. The Agreement shall continue to have full force and effect in accordance with the terms thereof, subject, however, to this Amendment.

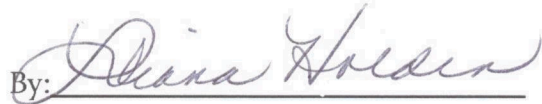
IN WITNESS OF THIS AMENDMENT, Lessor and Lessee approve and agree to the terms of this Amendment as stated herein.

**CITY OF AMES, IOWA**

**HAP'S AIR SERVICE**

By: \_\_\_\_\_

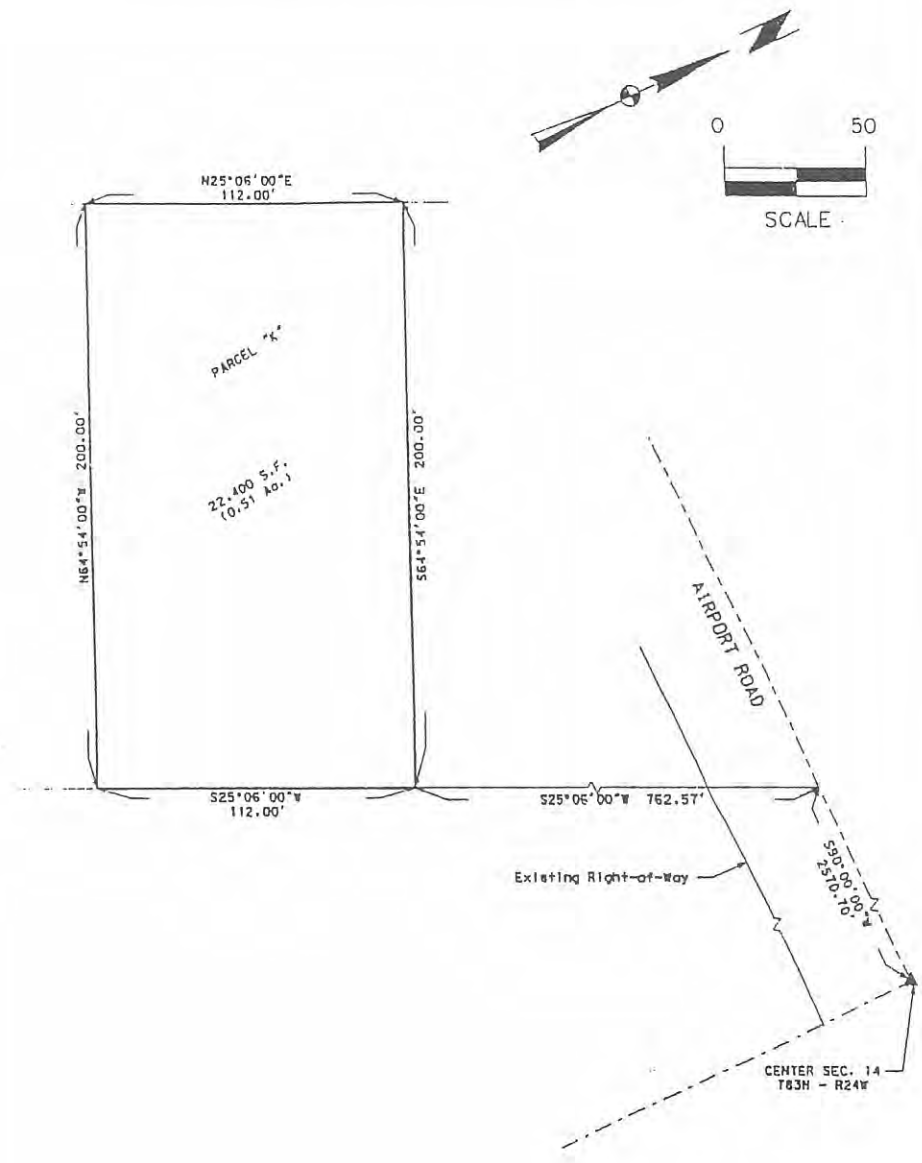
John Haila, Mayor

By:  \_\_\_\_\_

Diana Holden, Hap's Air Service, Inc.

Attachment: Plat of Leased Area

# LEASE AGREEMENT PLAT



COMMENCING AT THE CENTER SECTION 14, TOWNSHIP 83 NORTH, RANGE 24 WEST; THENCE SOUTH 90°00'00" WEST (ASSUMED) 2570.70 FEET ALONG THE CENTERLINE OF SECTION 14; THENCE SOUTH 25°06'00" WEST 762.57 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 25°06'00" WEST, 112.00 FEET; THENCE NORTH 64°54'00" WEST, 200.00 FEET; THENCE NORTH 25°06'00" EAST, 112.00 FEET; THENCE SOUTH 64°54'00" EAST, 200.00 TO THE POINT OF BEGINNING, ALL LOCATED IN THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 15, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA AND CONTAINING (22,400 SQ. FT.) MORE OR LESS.

<b>AMES AIRPORT</b>		SHEET    OF
PARCEL "K"		PN 95712A FN
<b>SNYDER &amp; ASSOCIATES</b>	ENGINEERS PLANNERS	501 S.W. ORALABOR ROAD AMES, IA 50021 (515) 964-2020
	DATE: MARCH 1997 TECH: KIM	

## COUNCIL ACTION FORM

**SUBJECT: URBAN DEER MANAGEMENT PROGRAM-BOW HUNTING**

**BACKGROUND:**

Over the past decade, Ames has experienced citizen complaints about deer damage, car-deer collisions, and other issues associated with high concentrations of whitetail deer within the city. In an attempt to address these concerns, a Special Urban Deer Task Force (SUDTF) was convened in 2006. The city ordinance establishing the SUDTF requires an annual report to the City Council. Previous Task Force recommendations to the City Council have included an annual survey of deer populations, a ban on deer feeding, public education efforts, and limited urban bow hunting of deer. Urban deer hunting has been conducted in a limited number of locations under special rules administered by the Police Department. All participants must purchase a special tag and register with the Police Department. Rules also require participants to pass a safety course, proficiency test, hunt only from tree stands situated at least 85 feet from trails, and limit shots to 75 feet or less.

An aerial count of deer is generally conducted by the DNR under a cost-sharing arrangement with the City. The aerial survey was conducted this year on February 14, 2018. The survey (attached) showed four of the seven urban survey areas within the city had densities below the 30 deer per square mile threshold (2a, 3, 4, and 5). Deer densities exceeded 30 deer/square mile in the remaining areas surveyed (1b, 2b, 8, and 9). Perimeter areas six and seven also exceeded the 30 deer/square mile threshold. **Densities exceeding 30 deer/square mile are generally thought to be the most likely to have human-deer conflict at a level where intervention is warranted. The trend toward higher concentrations in west Ames continued to be evident in the survey and in hunter feedback.**

Again last year, hunting was allowed on private property if there were three or more acres available and hunting was supported by adjacent property owners. Because of the broad array of views in the community, the Special Urban Deer Task Force had endorsed two categories of private property hunts. In the first category, hunts on wooded or agricultural tracts are reviewed by the Police Department and, if the property met the program criteria, it could be approved for hunting. In the second category, locations that were primarily residential properties would be reviewed by the Police Department and then publicized in a manner that would seek additional input from other residents in the neighborhood. **While there were two private wooded/agricultural tracts that continued to be approved for hunting, there were no residential properties**

**approved for hunting. During 2017, there were 19 tags purchased and 7 deer were harvested. Additional licensed hunting occurred in the perimeter zone around Ames, but outside the city limits.**

The Urban Deer Task Force did not meet this year since there was no significant change in deer counts or deer related issues. **Information was shared by email and Task Force participants were invited to vote on five items continuing the status quo. Comments from Task Force members came primarily from wildlife or conservation management staff. These comments supported continued bowhunting since even the limited harvest contributes to population control. This perspective also supported bowhunting of deer as a safe intervention that allows property owners in specific neighborhoods or locations to address a problem with deer concentrations. The representatives who typically voiced concerns about urban hunting did not comment or vote this year.**

The recommendations and votes of the task force members are:

1. Continue the city hunt locations (city properties).  
Favor (5) Oppose (0) Abstain (0)
2. Continue current city rules (regulating hunting methods and locations).  
Favor (5) Oppose (0) Abstain (0)
3. Continue the current private property process distinguishing wooded/agricultural from residential areas with additional consensus required for hunting in a residential area.  
Favor (5) Oppose (0) Abstain (0)
4. Continue to request the buck incentive to encourage hunter participation and harvest.  
Favor (5) Oppose (0) Abstain (0)
5. Continue the annual helicopter population survey.  
Favor (5) Oppose (0) Abstain (0)

A majority of the Task Force members support the continuation of hunting in designated city locations. Dates for these locations were recommended by the Parks and Recreation staff.

The Iowa Department of Natural Resources (DNR) establishes 'legal hunting hours' (one-half hour before sunrise that continue to one-half hour after sunset) and the 'dates' (September 15 to January 10) for the City of Ames. However, the City can modify these hours and dates as long as they fall within the overall DNR timeline as noted above.

**Following last year's approach and taking the DNR established hours and dates into consideration, staff recommends the following locations, dates, and times for deer hunting.**

### **NON-PARK / PUBLIC AREA**

**Wooded City property south of the Hunziker Youth Sports Complex:**

Weekdays: One-half hour before sunrise and ending at 11:00 AM,  
September 17 to November 16

Weekends: No hunting until November 19

Daily beginning November 19, DNR legal hunting hours (following the anticipated conclusion of the youth sport season)

**City property north of the landfill in east Ames off Watt Street (does not include water plant or adjacent construction areas):**

DNR legal hunting hours beginning September 15

### **PARKLAND AREAS**

**South River Valley Park:**

Weekdays: One-half hour before sunrise ending by 4 PM September 17 to October 26 (hours not used by sport leagues)

Weekends: One-half hour before sunrise ending by 8 AM, September 15 to October 28 (hours not used by sport leagues)

Daily beginning October 29 DNR legal hunting hours (following the conclusion of sport leagues)

**Gateway Park:** Restricted to the west timber

Daily beginning September 15: DNR legal hunting hours

**Homewood Golf Course:**

Daily following course closure for the season (Anticipated closure is November 4)

**Inis Grove Park**

Daily beginning after the close of Homewood Golf Course-limited locations designated by Parks and Recreation staff.

All dates are subject to adjustment by the Ames Police Department for safety related issues. Hunting may be temporarily suspended by the Ames Police Department in any location for safety-related reasons.

In addition, the Urban Deer Task Force recommends continuation of the process allowing private property or other non-city, public property to be enrolled as urban deer hunting locations. The process of establishing eligibility requires the owner or lawful agent in control of the property to submit a written request for participation to the Police Department. Requests must include owner/agent permission for at least three contiguous acres, a map of the property, and a listing of any additional rules or restrictions being proposed. This may include limitations on who may hunt on the property. The City Hunt Manager (Police Department) will evaluate the property and treat it as one of two types:

1. **Wooded/agriculture property** will be reviewed to ensure the suitability of the proposed location, proximity to adjacent properties, and any special hazards or concerns.
2. **Residential locations** will receive a similar initial review by the City Hunt Manager, followed by notification of adjacent property owners. This will be done by the property owner or hunter(s) using city forms. For residential locations to be approved, neighbors within 200 yards of the stand must approve of the hunting. This will involve the signature of one owner or resident of the affected property. Neighbors within 400 yards of the stand must be notified of the proposed hunt.

One or more signs will be posted at these locations and all other rules will apply.

#### **ALTERNATIVES:**

1. Approve bow hunting within the park system, City property, and other eligible property as detailed in the Urban Deer Management ordinance and rules as listed above.
2. Approve bow hunting only in the city locations specified in this proposal and do not allow additional properties to be considered.
3. Do not approve bow hunting as proposed in the Urban Deer Management ordinance and rules listed above.

#### **MANAGER'S RECOMMENDED ACTION:**

The Iowa DNR, Special Urban Deer Task Force, Parks and Recreation Commission, staff members within Parks and Recreation, the Police Department and Animal Control all support the continuation of the Urban Deer Management ordinance and rules.

Therefore, staff recommends the approval of Alternative 1; whereby the Council would approve bow hunting in designated locations including the park system and City property as detailed in the Urban Deer Management ordinance and

rules. Continuing a process for designating additional hunting locations on private property will provide a tool for private landowners and other public entities to participate in efforts to control the deer population.

Ames Aerial Deer Survey Results  
2018

The table below shows results of deer observed by helicopter survey on February 14, 2018 using a Robinson R44 helicopter. Observers were Andy Kellner and Jason Carlberg. Conditions for the survey were good in all habitat types flown. Snow depth was 6” and some beds were observed. The sky was fair and wind was light from the south at 8-12mph. Temperatures started at 28 and rose to near 34 degrees. Some shadows were present but observation conditions were fair. Most deer were bedded but some moved at the helicopter’s presence. The areas surveyed were flown along the contour or with transects and areas were circled if necessary when deer were spotted.

**Ames Aerial Survey Summary**

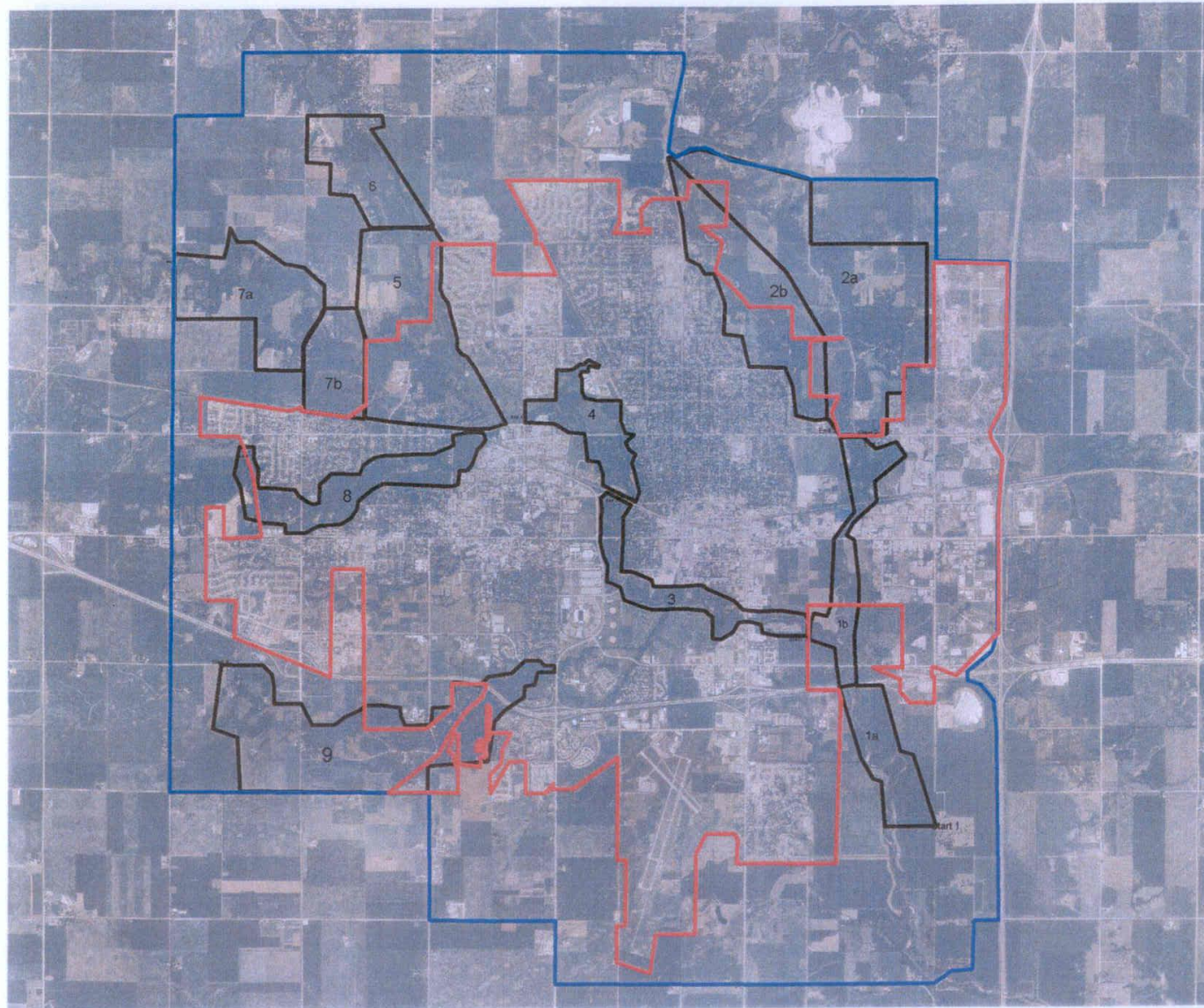
Survey Segment	2008 Deer Observed	2009 Deer Observed	2010 Deer Observed	2011 Deer Observed	2012 Deer Observed	2013 Deer Observed	2014 Deer Observed	2016 Deer Observed	2018 Deer Observed	Segment Area (Sq. Mi.)	2008 Deer/Sq Mile	2009 Deer/Sq Mile	2010 Deer/Sq Mile	2011 Deer/Sq Mile	2012 Deer/Sq Mile	2013 Deer/Sq Mile	2014 Deer/Sq Mile	2016 Deer/Sq Mile	2018 Deer/Sq Mile	% Change from 2016-18
Segment 1	39	53	37	41	38	21	4	10	45	0.82	48	65	45	50	46	26	5	12	55	358%
1a**	28	37	26	18	20	18	2	10	5	0.39	72	95	67	46	51	46	5	26	13	-50%
1b**	11	16	11	23	18	3	2	0	40	0.43	26	37	26	53	42	7	5	0	93	100+
Segment 2a	100	104	85	77	61	117	49	92	12	1.7	59	61	50	45	36	69	29	54	7	-87%
Segment 2b	26	31	20	19	5	1	22	13	35	0.93	28	33	22	20	5	1	24	14	38	171%
Segment 3	9	28	11	21	2	8	7	3	9	0.4	23	70	28	53	5	20	18	8	23	188%
Segment 4	14	39	23	6	3	1	7	10	7	0.38	37	103	61	16	8	3	18	26	18	-31%
Segment 5	58	64	79	57	23	76	51	74	44	1.57	37	41	50	36	15	48	32	47	28	-40%
Segment 6	15	22	63	39	35	33	27	41	49	0.49	31	45	129	80	71	67	55	84	100	19%
Segment 7	23	39	1	41	41	40	53	56	39	0.73	32	53	1	56	56	55	73	77	53	-31%
Segment 8	26	25	75	53	46	40	57	46	35	0.57	46	44	132	93	81	70	100	81	61	-25%
Segment 9	71	76	62	63	22	45	63	66	65	1.48	48	51	42	43	15	30	43	45	44	-2%
Totals	381	481	456	417	276	382	340	411	340	9.07	42	53	50	46	30	42	37	45	37	-18%













Results from this year’s aerial survey showed a 18% decrease overall compared to 2016. Looking at the survey areas, 4 of the 9 are below the goal of 30 deer/sq. mile. Although down from previous surveys, areas 8 & 9 still trend above the 30 deer/sq mile goal. The riparian survey areas 1, 2, 3, 4 still show a good deal of variability each year. Deer in the rural segment 6 were slightly up while numbers in 5 and 7 were down. Segment 5 was below 30 deer/sq mile for the first time since 2012.

In the urban zone, 19 of 50 licenses were sold. 6 antlerless (one spike was reported) and 1 buck were registered as harvested. These numbers are down from previous seasons. In the adjacent perimeter zone, 32 of 50 licenses were sold and 13 does and 2 buttons were harvested. A few more deer may have been harvested on regular season deer licenses, which cannot be separated at this level. The continued annual harvest of does, in both the urban and perimeter zones, reduces potential deer numbers directly and indirectly through abated recruitment of fawns. It is likely that not all of these deer would have been permanently associated with the city of Ames, but this reduction has kept deer numbers down and reduced the growth of the herd.



# Ames area deer survey segments.



-  Ames incorporated zone
-  Ames perimeter zone
-  Amesseg1.shp
-  Amesseg2.shp
-  Amesseg3.shp
-  Amesseg4.shp
-  Amesseg5.shp
-  Amesseg6.shp
-  Amesseg7a.shp
-  Amesseg7b.shp
-  Amesseg8.shp
-  Amesseg9.shp



**COUNCIL ACTION FORM**

**SUBJECT: APPROVAL OF STREET CLOSURE FOR 2018 BIG 12 CONFERENCE CROSS COUNTRY CHAMPIONSHIPS**

**BACKGROUND:**

On Friday, October 26<sup>th</sup>, ISU will host the 2018 Big 12 Conference Cross Country Championships. The event will take place at the Iowa State Cross Country Course located along Mortensen Road between Hayward Avenue and State Avenue.

The Iowa State Athletic Department is requesting the closure of Hayward Avenue between Mortensen Road and Storm Street between 6:00 a.m. and 4:00 p.m. on the day of the race. This closure is necessary to provide team vehicle parking and bus drop off and pick up. City barricades are requested, which will be staffed by Iowa State personnel.

There are two houses located along the west side of Hayward on this block. However, ISU staff will not close the street farther north than the Knapp-Storms Dining Complex driveway, which should allow access to these houses from the north, and allow ISU Dining employees access to the Knapp-Storms facility.

CyRide staff has reviewed this request and can re-route buses around this closure.

**ALTERNATIVES:**

1. Approve the closure of Hayward Avenue between Mortensen Road and Storm Street from 6:00 a.m. to 4:00 p.m. on October 26<sup>th</sup> as requested.
2. Do not approve the closure.

**MANAGER'S RECOMMENDED ACTION:**

Providing this road closure will allow for safe loading and unloading of team buses for this event. Iowa State has agreed to provide sufficient volunteers to staff the barricades for the duration of the event.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the closure of Hayward Avenue between Mortensen Road and Storm Street from 6:00 a.m. to 4:00 p.m. on October 26<sup>th</sup> as requested.



Department of Intercollegiate Athletics  
Jacobson Athletic Building  
Ames, IA 50011-1140  
515 294-5527  
FAX 515.294.2789

To: Heidi Petersen and Brian Phillips  
From: Brian Honnold  
Subject: Big 12 Cross Country Championship Street Closure  
Date: July 5, 2018

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In preparation for the 2018 Big 12 Conference Cross Country Championships hosted by Iowa State University, we are looking to close down Hayward Avenue from Mortensen Road to Storm Street with access to Knapp-Storms Dining Complex, which would allow access to the houses from the north and access to the Knapp-Storms facility. By doing this, we will be able to safely provide a bus drop off and pick up for participating teams, as well as a place for participating team vehicles to park. If possible, we would ask that the City provide barricades and the Iowa State Athletic Department would staff the barricades on the day of the event.

The event takes place on Friday, October 26th, 2018, with the first race starting at 10:00AM. We would like to close the street down approximately 6am the morning of Friday, October 26th. We would then open it back up around 4pm, or as soon as the team buses started clearing out of the area.

Our hope is that this would provide a safe environment for all pedestrian traffic walking on the road, as well as allow team parking to be a bit more efficient. If you have any questions or concerns, please feel free to contact me via cell phone (515-201-4324) or email ([bhonnold@iastate.edu](mailto:bhonnold@iastate.edu)).

**COUNCIL ACTION FORM**

**SUBJECT: REQUEST FOR FEE WAIVER FOR RUN FOR THE ROSES**

**BACKGROUND:**

The members of Alpha Omicron Pi and the Ames Area Running Club are proposing to host their 32<sup>nd</sup> annual Run for the Roses event on Sunday, October 7 from 6:30 a.m. to 12:00 p.m. The event includes a 5k race/walk, 10k race, kid's run, and a post-race breakfast. An estimated 1,300 guests are anticipated to attend.

Participants will run in a coned section of the roadway. Vehicle traffic will be able to pass along parts of the route. Therefore, approval for road closures is not required. However, organizers are requesting a waiver of the fee for the Road Race Permit (\$25 loss to the City Clerk's Office). This waiver requires Council approval.

**ALTERNATIVES:**

1. Approve the waiver of the Road Race fee, as requested by the organizers of Run for the Roses.
2. Do not approve the waiver, and require payment of the Road Race fee.

**MANAGER'S RECOMMENDED ACTION:**

The Run for the Roses event raises awareness for arthritis. Funds raised from the event benefits arthritis research. Alpha Omicron Pi and the Ames Area Running Club have contributed over \$285,000 to arthritis research grants.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the waiver of the Road Race fee, as requested by the organizers of Run for the Roses.



*Run for the Roses*

32<sup>nd</sup> Annual 10K Run, 5K Run and Health Walk,  
Children's Fun Run



Alpha Omicron Pi  
2007 Greeley  
Ames, IA 50010

Ames Area Running Club  
P.O. Box 266  
Ames, IA 50010

July 23, 2018

Honorable Mayor Haila and Ames City Council  
Ames City Hall  
515 Clark Avenue  
Ames, IA 50010

Re: 32<sup>nd</sup> Annual Run For The Roses

Dear Honorable Mayor Haila and City Council,

Ames Area Running Club and Alpha Omicron Pi Sorority will be holding the 32<sup>nd</sup> Annual Run For The Roses on Sunday, October 7, 2018. Enclosed is our event brochure. We request a waiver of the race permit fee.

Thank you for your consideration of our request. We look forward to seeing you folks on October 7, at the Ames Middle School.

Sincerely,

Don Muff  
Race Director, Run For The Roses  
(515) 290-8837

Roman Lynch  
Race Director, Run For The Roses  
(515) 231-9995

Enclosure: RFTR race brochure

**COUNCIL ACTION FORM**

SUBJECT: 2017/18 RIGHT-OF-WAY RESTORATION

**BACKGROUND:**

This program is for restoration of the right-of-way areas associated with various Capital Improvements Plan (CIP) projects.

Some areas are restored with sod, while others are restored using seed or dormant seed. Success using these various types of restoration is volatile and appears to depend on the weather at and following the time of installation. In locations where vegetation is not anticipated to be successful, other forms of restoration can be used, such as pervious pavement and colored, stamped, or standard concrete, as it fits the setting of the area.

Staff has seen success in the program and has utilized observations from previous programs to improve this year’s plans and specifications to provide a better overall project for the contractors, field inspection staff and citizens of Ames.

Locations included within this project are shown below. Other areas may be added by change order if necessary.

STREET	FROM	TO	CIP LOCATION
Pierce Avenue	Hayes Ave	Johnson St	2017/18 Asphalt Pavement Improvements
Pierce Circle	Pierce Ave	northwest to cul-de-sac	
Tyler Avenue	25th St	28th St	
Meadowlane Avenue	Carr Dr	E 20th St	2017/18 Collector Street Improvements
Carr Drive	E 16th St	Meadowlane Ave	2017/18 Seal Coat Pavement Improvements
Crestwood Drive	Carr Dr	north to cul-de-sac	
E 16th Street	Maxwell Ave	Glendale Ave	
Linden Avenue	E 14th St	E 16th St	
Kellogg Avenue	24th St	28th St	2017/18 Water System Improvements
18th Street	Clark Ave	Burnett Ave	2017/18 S Duff Avenue Improvements
S Duff Avenue	Kitty Hawk Dr	south of Ken Maril Rd	
Duff Avenue	O'Neil Dr	20th St	2017/18 Clear Water Diversion Program
O'Neil Drive	Douglas Ave	Duff Ave	
Douglas Avenue	O'Neil Dr	20th St	
Grand Avenue	16th St	Murray Dr	2016-17 Shared Use Path
Sherman Avenue	Lincoln Way	north	2016-17 Downtown Street Pavement Improvements

Costs associated with this project are estimated as follows:

Engineering and Construction Administration	\$ 11,953
Restoration work <b>(This Bid Package)</b>	<b>\$ 79,688</b>
Total Estimated Costs	\$ 91,641

Approved program funding is shown below:

Road Use Tax	\$ 125,000
Water Utility Fund	\$ 75,000
Sewer Utility Fund	\$ 75,000
Storm Sewer Utility Fund	\$ 50,000
Total Funding	\$ 325,000

Remaining funding will be allocated to other project locations as needed to ensure properly restored rights-of-way.

**ALTERNATIVES:**

1. Approve the 2017/18 Right-of-Way Restoration (various locations listed above) by establishing August 15, 2018, as the date of letting and August 28, 2018, as the date for report of bids.
2. Direct staff to revise the project.

**MANAGER'S RECOMMENDED ACTION:**

Proceeding with this project will make it possible to begin restoration efforts on projects held over from the 2017 construction season or that occurred this spring, as well as on projects planned for the 2018 construction season.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.



**COUNCIL ACTION FORM**

**SUBJECT: POWER PLANT MAINTENANCE SERVICES CONTRACT**

**BACKGROUND:**

The Electric Utility has two gas-fired, high-pressure steam generation units within the City's Power Plant, referred to as Units No. 7 and 8. These units require regular professional maintenance and repair. This consists of both emergency and planned repairs and service. Services include a large variety of boiler maintenance and repairs, structural steel, pump and piping work, and other miscellaneous mechanical Power Plant work.

The repair of the equipment on these generation units requires professional trade crafts such as laborers, millwrights, and steam/pipe fitters.

The City recently had an annual renewable contract in place for these services. This contract was in its final year and expired on June 30, 2018.

Staff recommends that these services continue to be outsourced on an annual renewable contract basis. The benefits of having a contract for these services in place include the following:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage.
- 3) Rapid contractor mobilization to start emergency repairs, thus reducing generation downtime.
- 4) Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

The approved FY2018/19 Power Plant operating budget for Electric Production includes \$90,000 for this contract. Invoices will be based on contract rates for time and materials for services actually received.

**ALTERNATIVES:**

1. Approve preliminary plans and specifications for the Power Plant Maintenance Services Contract, and set August 29, 2018 as the due date for bids and September 11, 2018 as the date of public hearing and award of contract.
2. Purchase these services on an as-needed basis.



**MANAGER'S RECOMMENDED ACTION:**

This work is necessary to ensure that a qualified professional firm will respond to both scheduled and emergency needs for Power Plant repair and maintenance, and will also control costs by having established billing rates. Funds will be expended only as work is required and in accordance with approved invoices.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: PARTS FOR DISTRIBUTED CONTROL SYSTEM (DCS)**

**BACKGROUND:**

The Distributed Control System (DCS) is hardware and software used for boiler controls and power plant systems. It is a crucial coordinating and communication system needed to operate the plant. The Power Plant needs to purchase multiple parts for the Power Plant DCS for maintenance and inventory replenishment. City staff contacted Emerson Process Management Power & Water Solutions who is the OEM to obtain a quotation for the parts needed.

**Staff is requesting that the City Council waive the City's purchasing policies requiring competitive bids, and award this contract to Emerson Process Management Power & Water Solutions, Inc., Pittsburgh, PA, in the amount of \$55,671, with applicable sales taxes to be paid directly by the City to the State of Iowa. It is important to purchase these parts from the OEM to maintain uniformity with all parts, maintain current warranties, and be assured all components will properly function with the rest of the system.**

Funding is available in the approved FY2018/19 Electric Production operating budget to cover the cost for these parts.

**ALTERNATIVES:**

1. Waive the purchasing policy requirement for competitive bidding for the parts for the DCS system and award a contract to Emerson Process Management Power & Water Solutions, Inc., Pittsburgh, PA, in the amount of \$55,671, with applicable sales taxes to be paid directly by the City to the State of Iowa.
2. Solicit bids and purchase the necessary pipe from another vendor.

**MANAGER'S RECOMMENDED ACTION:**

Purchase of these parts insures reliable performance for the Power Plant. By purchasing the parts directly from the DCS OEM, staff can maintain uniformity with all parts, maintain current warranties on the DCS, and be assured all components will properly function with the rest of the system. It is expected that this will result in lower maintenance costs and greater service efficiencies.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: AWARD OF CONTRACT FOR INSTALLATION SERVICES FOR 69KV  
UG POWER CABLE TOP-O-HOLLOW SUBSTATION**

**BACKGROUND:**

On June 12, 2018, City Council approved preliminary plans and specifications for Installation Services for 69kV UG Power Cable Top-O-Hollow. **This portion of the project is to contract for furnishing and installing 69 kV power cable and terminations for the Top-O-Hollow Substation.**

Bid documents were issued to seven companies and three plan rooms. The bid was advertised on the Current Bid Opportunities section of the Purchasing webpage and a Legal Notice was published on the websites of a contractor plan room service with statewide circulation and the Iowa League of Cities.

On June 27, 2018, two bids were received as demonstrated on the attached report. Electric Services staff, along with an engineer from Dewild Grant Reckert & Associates (DGR) Company, reviewed the bids. A report of bids was submitted to Council on 7-10-18.

**Staff and DGR evaluated the bids and concluded that the apparent low bid submitted by Primoris Aevenia, Inc., Johnston, IA, in the amount of \$171,732.50 is acceptable.**

The Engineer's estimate of the cost of the construction is \$350,000.

The approved FY 2017/18 CIP for Electric Services includes \$1,950,000 for the Top-O-Hollow Substation Expansion and Breaker Addition project. Iowa State University's (ISU) will also provide funding for this project. ISU's share of the project is based on a load-ratio-share of the 69kV portion of this project at the time of implementation. For budgetary purposes, staff is assuming the ISU load ratio share to be 7% of the total project cost.

Originally this project was budgeted to provide overhead transmission lines from the substation. After review of the location, discussions with neighboring residents, and for increased reliability, staff determined that the lines leaving the substation should be installed underground. Underground lines will allow the substation design to be more compact and eliminate the need to build a storm water retention pond on the site.

To cover the engineer's new estimate including the underground connection, unspent funds from three other current or recent CIP projects were moved to this project. These include \$800,000 from Transmission Reconstruction, \$331,652 from 69kV Switchyard Relay, and \$271,843 from Street Lights, for a total of \$1,404,495, bringing the total amount of funding available for the project to be \$3,353,495. These funding transfers were approved by Council in May 2018.

A breakdown of the budget as well as contracts awards to date is attached at the end.

**ALTERNATIVES:**

1. Award a contract to Primoris Aevenia, Inc., Johnston, IA, for the Installation Services for 69kV UG Power Cable Top-O-Hollow in the amount of \$171,732.50.
2. Award the contract to another bidder.
3. Reject all bids and delay this project.

**MANAGER'S RECOMMENDED ACTION:**

This project will improve reliability of the 69kV transmission system, improve service to the customers served by this substation, improve worker safety, and provide improved protection to electrical assets from fault damage. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

To date the Top-O-Hollow CIP project budget has the following items encumbered:

<b>\$1,950,000</b>	FY 2017/18 CIP amount budgeted for construction
<b><u>\$1,403,495</u></b>	Additional funds transferred from budgeted CIP funds for 69kV Transmission Reconstruction (\$800,000), Street Light (\$271,843) and 69kV Switchyard Relay & Controls (\$331,652)
<b>\$3,353,495</b>	
	<u>H K Scholz</u>
\$599,231	Switchgear and Control Panels
	<u>RESCO</u>
\$37,012.26	69kV Switches
\$27,895.27	Instrument Transformers
\$10,884.30	69kV Lightning Arrestors
	<u>Kriz-Davis Co. – BSE</u>
\$42,003.18	Steel Structures
	<u>Siemens Industry, Inc</u>
\$75,221	(2) 69kV Breakers
	<u>Controllix Corporation</u>
\$104,748.35	(1) 13.8kV Cap Bank
	<u>Primoris Aevenia, Inc.</u>
\$1,511,291.16	Construction
	<u>L &amp; S Electric, Inc.</u>
\$76,169	Equipment Commissioning
	<u>Primoris Aevenia, Inc.</u>
<b><u>\$171,732.50</u></b>	<b>Installation Services for 69kV UG Power Cable (pending Council award for this agenda item)</b>
\$2,656,188.02	Costs committed to date for project
<b>\$697,306.98</b>	<b>Remaining Project Balance</b> for the CIP Project.



**ITB 2018-179 Installation Services for 69 kV UG Power Cable for Top-O-Hollow Substation  
Bid Summary**

Bidder:			Primoris Aevenia, Inc., Johnston, IA				Marmon Utility, LLC., Seymour, CT			
Unit	Description	Est. # Units	Labor	Materials	Labor & Materials	Extended Price	Labor	Materials	Labor & Materials	Extended Price
C1	Lightning arrester, 60 kV, 1Ø, station class	6	\$200.00	\$0.00	\$200.00	\$1,200.00	\$1,568.00		\$1,568.00	\$9,408.00
RD-1	69 kV Transmission Riser, 3Ø (ea.)	2	\$1,500.00	\$3,000.00	\$4,500.00	\$9,000.00	\$4,907.00	\$6,700.00	\$11,607.00	\$23,214.00
UCG	Cable System Grounding (as req'd)	1	\$1,500.00	\$1,500.00	\$3,000.00	\$3,000.00			\$12,875.00	\$12,875.00
UCG-4/0	4/0 Grounding Cable (Mft.)	0.690	\$2,000.00	\$3,500.00	\$5,500.00	\$3,795.00	\$11.03	\$11.43	\$22.46	\$15,497.40
UCT	Power Cable Termination (ea.)	12	\$1,775.00	\$3,875.00	\$5,650.00	\$67,800.00	\$7,300.00	\$4,316.00	\$11,616.00	\$139,392.00
UPC	Power Cable (Mft.)	2.070	\$3,000.00	\$33,250.00	\$36,250.00	\$75,037.50	\$31.38	\$12.80	\$44.18	\$91,452.60
UPS-SP	Power Cable, sapre (Mft.)	0.350	\$750.00	\$33,250.00	\$34,000.00	\$11,900.00		\$17.80	\$17.80	\$6,230.00
U1	Mobilization (as req'd.)	1	\$0.00	\$0.00	\$0.00	\$0.00				\$128,918.00
<b>OVERALL PRICE:</b>			<b>\$171,732.50</b>				<b>\$426,987.00</b>			

**COUNCIL ACTION FORM**

**SUBJECT:**     **LED LUMINAIRES SUPPLY CONTRACT FOR ELECTRIC  
DISTRIBUTION**

**BACKGROUND:**

This project will provide for the replacement of nearly all existing High Pressure Sodium (HPS) and Mercury Vapor (MV) Street Light fixtures with Light Emitting Diode (LED) fixtures during routine maintenance activities. This project is expected to replace approximately 7,500 roadway and security lights over the next several years, which includes all lights within the City of Ames electric system. LED lights have a longer life and use significantly less energy than existing HPS and MV fixtures. They are instant on, result in lower ongoing maintenance costs, reduce energy usage, decrease the City's carbon footprint, contribute to a more sustainable Ames, and direct light downward to avoid light contamination of the night. By performing retrofits during routine maintenance activities, this effort is expected to generate a return on investment within 10 years, based on projected energy and maintenance savings. LED fixtures have an expected life of at least 20 years with no maintenance, compared to HPS fixtures which must have bulbs replaced every 3-5 years and require other routine maintenance on ballasts. The replacement plan for this project is to allow for the existing street light maintenance workers to retrofit LED lights during routine maintenance on HPS and MV lights in order to minimize retrofit labor costs. Since this effort will be routine-maintenance-based, it will not target specific streets or areas.

This contract is to provide LED luminaires for the period from award date through June 30, 2019. The contract includes a provision that would allow the City to renew the contract for up to one additional twelve (12) month term.

Under the proposed contract, LED luminaires would be purchased at the City's discretion which may be quarterly or on an as-needed basis. This provides the City with flexible inventory management and helps to reduce the need for storage space. The FY 2018/19 Capital Improvements Plan includes \$250,000 for the LED Street Lights – Maintenance Retrofits. A purchase order will be issued for \$250,000 and purchases will be made against the purchase order through the contract period.

On June 22, 2018, an invitation to bid (ITB) document was issued to 81 companies. The ITB was advertised on the Current Bid Opportunities section of the Purchasing webpage.

On July 17, 2018, 5 bids were received, as shown on the attached report. Council should note that the Total Evaluated Cost is based on quantities that staff estimates will be purchased during this contract period, unit prices, and operating costs. Operating cost is based on input Watts of the LED luminaire offered and energy cost of \$3.00 per Watt.

Staff reviewed the bids and determined that the bids submitted from Stuart Irby and Van Meter were non-responsive because they did not provide a proposed not-to-exceed percentage escalator for renewal periods with the bid. Since this is a renewable contract, the percentages are a mandatory requirement because they provide a cap on any cost increases for the next renewal period. It is worth noting that the first year bids from these two companies were both higher than the apparent low bidder.

As a result, staff concluded that the apparent low bid based on Total Evaluated Cost submitted by Excellence Opto, Inc. of Pomona, CA is acceptable.

**ALTERNATIVES:**

1. Award a contract to Excellence Opto, Inc. of Pomona, CA for the LED Luminaires Supply Contract for Electric Distribution in accordance with unit prices bid.

LED luminaires will be purchased as requested. Payments will be based on unit prices bid and actual quantities ordered.

2. Award a contract to one of the other bidders.
3. Reject all bids and attempt to purchase LED Luminaires on an as needed basis at unpredictable prices.

**MANAGER'S RECOMMENDED ACTION:**

It is important to purchase LED luminaires at the lowest possible cost with minimal risk to the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.



<b>AWARDED TO:</b>						
<b>ITB #2018-210 LED Luminaires Supply Contract BID TABULATION - EVALUATED COST SUMMARY</b>						
<b>Total Evaluated Cost</b>	<b>Qty</b>	<b>EXCELLENCE OPTO, INC</b>	<b>PRODUCTION DISTRIBUTION</b>	<b>KRIZ DAVIS</b>	<b>IRBY</b>	<b>VAN METER</b>
		<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>
<b>70 WATT</b>	<b>500</b>	108,350.00	113,865.85	125,245.40		
<b>150 WATT</b>	<b>400</b>	146,404.00	152,075.00	149,187.70		
<b>250 WATT</b>	<b>400</b>	189,344.00	195,323.16	202,325.56		
<b>400 WATT</b>	<b>25</b>	23,411.00	24,140.47	21,936.17		
<b>OVERALL EVALUATED COSTS</b>		<b>467,509.00</b>	<b>485,404.48</b>	<b>498,694.83</b>	<b>-</b>	<b>-</b>
<b>ESCALATOR</b>		0%	5%	5%	none provided	none provided
<b>YEAR 1</b>		-	485,404.48	500,844.28		
<b>YEAR 2</b>		-	509,674.71	523,629.57		
<b>2 YEAR TOTAL</b>		-	995,079.19	1,022,324.41		
<b>NOTES:</b>		Not licensed to collect/remit Iowa taxes	Not licensed to collect/remit Iowa taxes	1% local consideration on unit price	NON-RESPONSIVE	NON-RESPONSIVE



# MEMO

**To:** Mayor and Members of the City Council

**From:** City Clerk's Office

**Date:** July 31, 2018

**Subject:** Contract and Bond Approval

There are no Council Action Form(s) for Item No(s) 29 through 31. Council approval of the contract and bond for this/these project(s) is simply fulfilling a *State Code* requirement.

/ds

**COUNCIL ACTION FORM**

**SUBJECT: ELECTRIC SERVICES UNDERGROUND TRENCHING CONTRACT  
– CHANGE ORDER NO. 1 TO FY2017/18 SECONDARY CONTRACT**

**BACKGROUND:**

This contract consists of a contractor furnishing all equipment, tools, labor, and materials not supplied by Electric Services for excavating, trenching, directional boring, and backfilling for installation of conduits, ground sleeves, box pads, vaults, handholes, and other appurtenances. This consists of emergency service, as well as regularly planned repairs and services.

On May 9, 2017, Council approved 1) the **primary contract** renewal with Ames Trenching & Excavating, Ames, IA, for the Underground Trenching Contract for Electric Services for the one-year period from July 1, 2017, through June 30, 2018 in the amount not-to-exceed \$276,250; and 2) the **secondary contract** renewal with Communication Technologies, Des Moines, IA, for the Underground Trenching Contract for Electric Services for the one-year period from July 1, 2017, through June 30, 2018 in the amount not-to-exceed \$48,750.

**It is worth noting that Communication Technologies, Des Moines, IA, was acquired by Communication Data Link, LLC, Grimes, IA. For FY2017/18 Communication Data Link, LLC, contacted staff about this change in ownership and they agreed to renew this contract with the same terms, conditions and rates that were agreed upon on the initial contract the City established with Communication Technologies, LLC.**

**The proposed change order would be Change Order No. 1 to the secondary contract with Communication Data Link, LLC.** The primary contractor has not been able to accomplish all the trenching work Electric Services is requiring. More work is being moved to the secondary contractor. This Change Order is needed to increase the amount of funds in the FY2017/18 fiscal year contract to pay an outstanding invoice in which the current budgeted amount cannot currently cover. This change order will add an additional \$33,000 to the current contract for FY2017/18. This will bring the total contract amount to \$81,750.

The approved FY 2017/18 operating budget for Underground System Improvements contains \$325,000. Trenching and excavation services are included in this amount. Staff is not asking for new funding. The utility has spent much less on trenching services from the primary contract which has freed up funds to pay the secondary contractor.

**ALTERNATIVES:**

1. Approve contract Change Order No. 1 with Communication Data Link, LLC, Grimes, IA, for the **secondary contract** of the Underground Trenching Contract for Electric Services in the not-to-exceed amount of \$33,000. This will bring the total FY2017/18 contract value to a not-to-exceed amount of \$81,750.
2. Do not approve the change order.

**MANAGER'S RECOMMENDED ACTION:**

This change order is necessary to pay the remaining invoice on the FY2017/18 secondary contract. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT:** BOILER MAINTENANCE SERVICES CONTRACT FOR POWER PLANT- CHANGE ORDER NO. 5

**BACKGROUND:**

This contract consists of a variety of boiler and pressure vessel maintenance, including structural steel and pressure vessel repair. This consists of emergency service, as well as regularly planned repairs and services during scheduled outages.

On June 27, 2017, Council approved the contract renewal with TEI Construction Services, Inc., Duncan, SC, for the Boiler Maintenance Services Contract for Power Plant for the one-year period from July 1, 2017, through June 30, 2018 in the amount not to exceed \$210,000. Plant outages, resulting from boiler tube failure, has caused staff to use significantly more of TEI's services than what was originally budgeted.

**The action being requested is to approve Change Order No. 5 to the Boiler Maintenance Services Contract.** This change order will add an additional \$230,000 to the contract for FY2017/18. This will bring the total contract amount to \$1,290,000.

The amount of boiler tube repair required through the 2017/18 fiscal year, especially the last quarter, was much more than expected. Burning Refuse-Derived-Fuel with natural gas is causing rapid boiler tube deterioration on uncoated tubes, in the superheat section. This did not occur when firing with coal. Long term plans are to replace the tubes with Inconel-coated tubes. However, long material lead times have forced staff to take intermediate steps in order to return the unit to operation and continue to burn the county's garbage.

There were many repairs performed on the boiler during the remaining three months of the 2017/18 fiscal year involving many contractors on site. The tracking process that was being used, failed to identify billable time that a subcontractor of TEI Construction worked for the City in the middle of April. This failure was not found until July 12<sup>th</sup> when the Power Plant was invoiced for such time. The tracking process has since been corrected. This Change Order is needed to increase the amount of funds in the 2017/18 fiscal year contract to cover the remaining work that was performed in order to keep the boiler operating.

**CHANGE ORDER HISTORY:**

Four change orders were previously issued for this contract.

- Change Order No. 1 for \$350,000 was to increase the amount of funds in the previous fiscal year contract.
- Change Order No. 2 for \$125,000 was to increase the amount of funds in the previous fiscal year contract.
- Change Order No. 3 for \$300,000 was to increase the amount of funds in the previous fiscal year contract.
- Change Order No. 4 for \$75,000 was to increase the amount of funds in the previous fiscal year contract.
- Change Order No. 5 for \$230,000 is to increase the amount of funds in the previous fiscal year contract.

The \$210,000 for the original contract was approved in the FY2017/18 Power Plant operating budget for Electric Production.

The funding for Change Order No. 5 will come from three separate accounts in the Power Plant Operations budget:

- \$104,000 from the Water and Sanitary Sewer account – The cost for such utilities were much less than anticipated due to being able to use the plant well system much earlier than expected.
- \$65,000 from Power Plant Training – Scheduling conflicts and boiler break downs prevented the amount of training that was planned for the year.
- \$61,000 from #8 Steam Turbine and Generator Maintenance- Planned replacement parts and supplies have been delayed.

**ALTERNATIVES:**

1. Approve contract Change Order No. 5 with TEI Construction Services, Inc., Duncan, SC for the Boiler Maintenance Services Contract for Power Plant in the amount of \$230,000. This will bring the total FY 2017/18 contract value amount to \$1,290,000.
2. Do not approve the change order.

**MANAGER'S RECOMMENDED ACTION:**

This change order is necessary to increase the amount of funds in the 2017/18 fiscal year contract to cover the remaining work that was performed in order to keep the boiler operating.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: RITTS LAW GROUP AGREEMENT CHANGE ORDER #13**

**BACKGROUND:**

In September 2009 the City Council approved an engagement and retainer agreement with the Ritts Law Group, PLLC of Alexandria, Virginia, for legal services related to our Power Plant's regulatory compliance with the federal Clean Air Act. During the subsequent nine years Ritts has provided extensive legal services to help the City deal with the complexities of this law.

For the initial agreement, Council authorized expenditure of an amount not to exceed \$100,000. During the initial twelve months, Ritts worked closely with staff to evaluate projects scheduled at the Power Plant and the combustion turbines. In the ensuing years Ritts has provided assistance a number of other matters facing Electric Services, including the following:

- The City's request to the Iowa Department of Natural Resources (IDNR) for a Prevention of Serious Deterioration (PSD) non-applicability determination.
- Engineering and legal analyses necessary to amend the Power Plant's air permits as required by the IDNR.
- Technical assistance to City staff in obtaining a determination that the Water Pollution Control Facility and the Power Plant do not comprise a single stationary source for air emissions.
- Support regarding the U.S. Court of Appeals decision regarding the Environmental Protection Agency's Cross-State Air Pollution Rule (CSAPR).
- Iowa DNR construction permit preparation work, specialized environmental legal support and extensive environmental analysis needed for the Power Plant's coal-to-natural gas conversion.

Since the initial engagement with the Ritts Law Group, the City has expended a total of \$857,904.75 with this firm. The initial engagement and the subsequent change order history is summarized on the next page.

Initial Purchase Order	September 8, 2009	\$100,000
Change Order #1	September 28, 2010	\$ 50,000
Change Order #2	March 1, 2011	\$ 50,000
Change Order #3	November 1, 2011	\$ 50,000
Change Order #4	February 14, 2012	\$ 50,000
Change Order #5	July 11, 2013	\$ 50,000
Change Order #6	August 26, 2014	\$100,000
Change Order #7	December 16, 2014	\$100,000
Change Order #8	April 14, 2015	\$100,000
Change Order #9	March 1, 2016	\$100,000
Change Order #10	December 20, 2016	\$100,000
Change Order #11	July 14, 2017	\$0
Change Order #12	May 29, 2018	<u>\$15,000</u>
		\$865,000

Additional funding authorization is now needed for the City to continue to receive analyses and legal advice regarding existing Clean Air Act issues and proposed regulations that currently affect the City’s electric utility, or are critical in planning and mapping out the future of the utility’s energy production resources. This includes the following areas:

- Two construction permits are needed for the Steam Electric Plant, one for the repair of the boiler (tubes) in Unit 7, and the second for the repair of the boiler (tubes) in Unit 8. The work required to obtain these construction permits is extensive and requires the interpretation of a large amount of regulatory code, agency guidance documents, and court decisions.
- Once the boiler tube work has been completed for both boilers, then the Title V Operating Permit for the Steam Electric Plant must be reopened and amended to reflect the effects of the construction permits upon the Title V Operating Permit.
- Work is needed to “reopen” the Title V Operating Permit for the Combustion Turbine Station (GT1 and GT2) in order to amend several conditions/requirements in the permit. In order to “reopen” the Title V Operating Permit to amend it, we first must prepare and submit an application for a construction permit with Iowa DNR.
- The City is involved in a case at the United States Court of Appeals in the District of Columbia Circuit pertaining to the Cross State Air Pollution Rule (CSAPR), primarily regarding how EPA has imposed the National Ambient Air Quality Standard (NAAQS) limits upon the states.
- Advice and legal guidance are needed pertaining to complying with the Coal Combustion Residuals (CCR) standard, which regulates coal ash materials in surface impoundments and landfills. This advice and legal guidance pertains primarily to the regulatory language, which is incredibly complicated, but also to actions taken by the courts and Congress.



- Periodic interpretations of regulatory language and rules are needed pertaining to the definition and use of municipal solid waste (MSW) and refuse derived fuel (RDF) as fuel in the Power Plant.
- The Iowa Department of Natural Resources has very recently informed the City that they are revisiting the decision as to whether or not the City's Water Treatment Plant and the Steam Electric Plant should be considered as a single air emissions source. The City strongly believes that the two plants should not be considered a single emissions source based upon the criteria that EPA has historically used.
- Advice and legal guidance are needed regarding various regulatory topics impacting the City's power generation facilities, as proposed and final rules emerge from EPA and/or Iowa DNR.

**Council authorization is now requested to extend the engagement with Ritts Law Group for an additional amount not to exceed \$100,000. Funding in an amount of \$100,000 is available in the approved FY2018/19 Electric Services operating budget for outside legal services to cover this change order.**

**ALTERNATIVES:**

1. Approve contract Change Order #13 in the amount of \$100,000 to the Ritts Law Group for specialized environmental legal support, extensive environmental analysis and Iowa DNR construction permit preparation work.
2. Reject contract Change Order #13 and ask the City Attorney to provide the required legal analysis of these electric issues.
3. Reject contract Change Order #13 and ask staff to solicit legal advice from another outside firm.

**CITY MANAGER'S RECOMMENDED ACTION:**

As the EPA continues to issue and enforce environmental rules, it is critical to the operation of the City's electric generation facilities that the City understands and follows these rules. At the same time, if a rule appears to be unclear or its implementation could severely impact the utility operation, the City may wish to challenge the EPA in court. This can only be accomplished with the assistance from highly specialized legal counsel.

Therefore it is the recommendation of the City Manager that City Council adopt Alternative No. 1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: RENEWAL OF CONTRACT FOR POWER PLANT BOILER TUBE SPRAY COATING AND RELATED SERVICES AND SUPPLIES**

**BACKGROUND:**

This contract is for a contractor to provide and install new boiler tube coating and surface preparation at the City's Power Plant on an as needed basis.

On March 24, 2015, City Council awarded a contract to Integrated Global Services, Inc. Richmond, VA, for the Boiler Tube Spray Coating and Related Services and Supplies Contract to be furnished as requested from award date through June 30, 2015. The contract was in an amount not-to-exceed \$250,000. The initial contract period was shortened to enable future renewals to coincide with the City's fiscal year.

The contract has the option for the City to renew in one-year increments for up to four additional years. Staff recommends renewing the agreement for FY 2018/19. There is a rate provision under this contract that increases rates at fixed percentages above the previous fiscal year's contracted rates at time of renewal. The annual rate increase is 2.5% for labor, travel, and subsistence. Also, the materials furnished will be subject to escalation related to the raw material pricing of nickel due to the high quantities of nickel found in the materials. These increases are in accordance with the contract terms initially established. **This is the fourth renewal out of four maximum.**

**Staff recommends that these services continue to be outsourced on an annual renewable contract basis.** The benefits of having a contract for these services in place include the following:

- 1) Consistency of work and quality from a single contractor.
- 2) Reduction in the City's exposure to market forces regarding prices and availability for labor, travel, and supplies in preparation for a scheduled outage.
- 3) Rapid contractor mobilization to start emergency repairs, thus reducing generation downtime.
- 4) Saved City staff time obtaining quotes, evaluating bids and preparing specifications and other procurement documentation.

Funding in the amount of \$350,000 is available from the approved FY 2018/19 Power Plant operating budget for Units #7 and #8 Boiler Maintenance. Invoices will be based on contract rates for time and materials for services that are actually received.

**ALTERNATIVES:**

1. Approve the contract renewal with Integrated Global Services, Inc. Richmond, VA, for the Boiler Tube Spray Coating and Related Services and Supplies Contract from approval date through June 30, 2019, and approve contract and bond. Total work in FY 2018/19 shall be an amount not-to-exceed \$350,000.
2. Do not renew the agreement and instruct staff to seek new competitive bids.

**MANAGER'S RECOMMENDED ACTION:**

This contract is needed to carry out emergency and routine boiler tube spray coating services at the Power Plant to maintain protection to the tubes replaced in 2013. Failure to maintain the coating will result in increased wear and early tube deterioration. The contract establishes rates for service and provide for guaranteed availability, thereby establishing pre-determined rates for service.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.

**COUNCIL ACTION FORM**

**SUBJECT: LIME PONDS/ASH PONDS FENCE INSTALLATION**

**BACKGROUND:**

On April 10, 2018, Council awarded a contract to Midwest Fence and Gate of Fort Dodge, Iowa in the amount of \$61,988 for the installation of chain link fencing at the Water Treatment Plant's Lime Ponds/Power Plant's Ash Ponds.

All work under this contract was completed in accordance with the plans and specifications on July 5, 2018. One change order was issued in the amount of \$1,116.70 for the addition of three additional 4" gate posts and additional concrete setting of the posts, bringing the final construction cost of the project to \$63,104.70. The budget for the work is a part of the FY 2017/18 CIP in the Water Plant Facility Improvements Project at a total of \$80,000 split evenly between the Water and Electric Funds.

**ALTERNATIVES:**

1. Approve completion and authorize final payment, in accordance with the contract, to Midwest Fence and Gate of Fort Dodge, Iowa.
2. Do not accept completion of the chain link fence installation project at this time.

**MANAGER'S RECOMMENDED ACTION:**

Work for the project has been completed in accordance with plans and specifications, and the work is now ready for final acceptance. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

ITEM #. 37

DATE: 07-31-18

## **COUNCIL ACTION FORM**

**SUBJECT: 2017/18 RIGHT-OF-WAY APPEARANCE ENHANCEMENT – 927  
DAYTON AVENUE**

### **BACKGROUND:**

This annual program provides for enhancements of the rights-of-way in the City of Ames including retaining walls, entry elements, median enhancements, and monuments. **The location for 2017/18 was 927 Dayton Avenue.**

On March 6, 2018 City Council awarded this project to Country Landscapes, Inc. of Ames, IA in the amount of \$112,492.37. Two change orders were administratively approved by staff. Change order No. 1 in the amount of \$7,667.80 included refinements to the wall alignment to enhance safety and visibility for turning vehicles at 927 Dayton Avenue. Change order No. 2 in the amount of \$7,849.63 was the balancing change order for this project. Design and contract administration costs for this project were \$10,812.96, bringing the **overall project costs to \$138,822.76**

This project is shown in the 2017/18 Capital Improvements Plan (CIP) with funding in the amount of \$85,000. The Right-of-Way Appearance Enhancement CIP Program balance has unobligated funding of \$202,753, bringing **total available funding to \$287,753**. Remaining funding will be used for other Right-of-Way Appearance Enhancement projects.

### **ALTERNATIVES:**

1. Accept the 2017/18 Right of Way Appearance Enhancement – 927 Dayton Avenue project as completed by Country Landscapes, Inc. of Ames, IA in the amount of \$128,009.80.
2. Direct staff to pursue changes to the project.

### **MANAGER'S RECOMMENDED ACTION:**

This project is now completed and has improved safety and visibility for all users.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

**COUNCIL ACTION FORM**

**SUBJECT: PLAT OF SURVEY FOR 2715 AND 2721 EAST 13TH STREET**

**BACKGROUND:**

The City's subdivision regulations are found in Chapter 23 of the Ames Municipal Code. These regulations include the process for creating or modifying property boundaries and for determining if any improvements are required in conjunction with the platting of property. The regulations also describe the process for combining existing platted lots or adjusting the boundary lines of existing tracts. Section 23.308 allows the use of a plat of survey for a boundary line adjustment.

**This plat of survey is a boundary line adjustment that consolidates two existing pre-platted parcels into a new Parcel "H" (see Attachment C – Proposed Plat of Survey). Parcel "D" (2715 E. 13<sup>th</sup> Street) and Parcel "E" (2721 E. 13<sup>th</sup> Street) were created from a lot split of Parcel "A" through the recording of a plat of survey in 2004.**

Parcel "D" is the current location of the Jimmy John's restaurant at 2721 E. 13<sup>th</sup> Street (see Attachment A – Location Map). The existing building includes additional floor area for a second tenant, which will be a restaurant. Additional land area at 2715 E. 13<sup>th</sup> Street is needed to add twelve parking spaces to the commercial development (see Attachment B – Sketch of Existing Boundaries). **It is necessary to consolidate Parcels "D" and "E" into a new Parcel "H", to establish a valid lot of record, prior to issuance of a building permit for development.**

Approval of a Plat of Survey requires conformance to all standards of the Zoning Ordinance and the Subdivision Code. Parcel H meets all standards with the exception of installation of a sidewalk along the East 13<sup>th</sup> Street frontage. Boundary line adjustments do not trigger additional infrastructure improvements, unless partial infrastructure improvements exist and are required to be extended across a property. No public sidewalk exists on the subject properties; however, no improvements are required with the plat of survey.

Approval of this plat of survey will allow the applicant to prepare the official plat of survey and submit it to the Planning and Housing Director for review. The Director will sign the plat of survey confirming that it fully conforms to all conditions of approval. The prepared plat of survey may then be signed by the surveyor, who will submit it for recording in the office of the Story County Recorder.

**ALTERNATIVES:**

1. The City Council can approve the proposed plat of survey consistent with the standards of Chapter 23 for approval of a boundary line adjustment.
2. The City Council can deny the proposed plat of survey if the City Council finds that the requirements for plats of survey for design and improvements as described in Section 23.308 have not been satisfied.
3. The City Council can refer this back to staff and/or the owner for additional information.

**CITY MANAGER'S RECOMMENDED ACTION:**

Staff has determined that the proposed plat of survey satisfies all Code requirements for the proposed boundary line adjustment and has made a preliminary decision of approval. The Plat of Survey includes cross access easements for shared access to the east and the west. Staff has also determined that the proposed plat of survey does not trigger City infrastructure requirements as defined within the Subdivision Code.

**Therefore, it is the recommendation of the City Manager that the City Council accept Alternative #1, thereby adopting the resolution approving the proposed plat of survey.**

**ADDENDUM  
PLAT OF SURVEY FOR 2715 & 2721 EAST 13TH STREET**

Application for a proposed plat of survey has been submitted for:

- Conveyance parcel (per Section 23.307)
- Boundary line adjustment (per Section 23.309)
- Re-plat to correct error (per Section 23.310)
- Auditor's plat (per Code of Iowa Section 354.15)

Owner: Ahmed Merchant (2721 E. 13<sup>th</sup> St.)  
13<sup>th</sup> Street Ames LLC -Ahmed Merchant (2715 E. 13<sup>th</sup> St.)

Parcel ID: 0631370015 (2721 E. 13<sup>th</sup> St.)  
0631370005 (2715 E. 13<sup>th</sup> St.)

Legal Description: See Attachment C – Proposed Plat of Survey

**Public Improvements:**

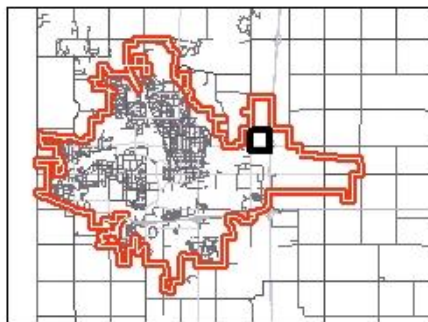
The preliminary decision of the Planning Director finds that approval requires all public improvements associated with and required for the proposed plat of survey be:

- Installed prior to creation and recordation of the official plat of survey and prior to issuance of zoning or building permits.
- Delayed, subject to an improvement guarantee as described in Section 23.409.
- Not Applicable.

Note: The official plat of survey is not recognized as a binding plat of survey for permitting purposes until a copy of the signed and recorded plat of survey is filed with the Ames City Clerk's office and a digital image in Adobe PDF format has been submitted to the Planning & Housing Department.



ATTACHMENT A: LOCATION MAP

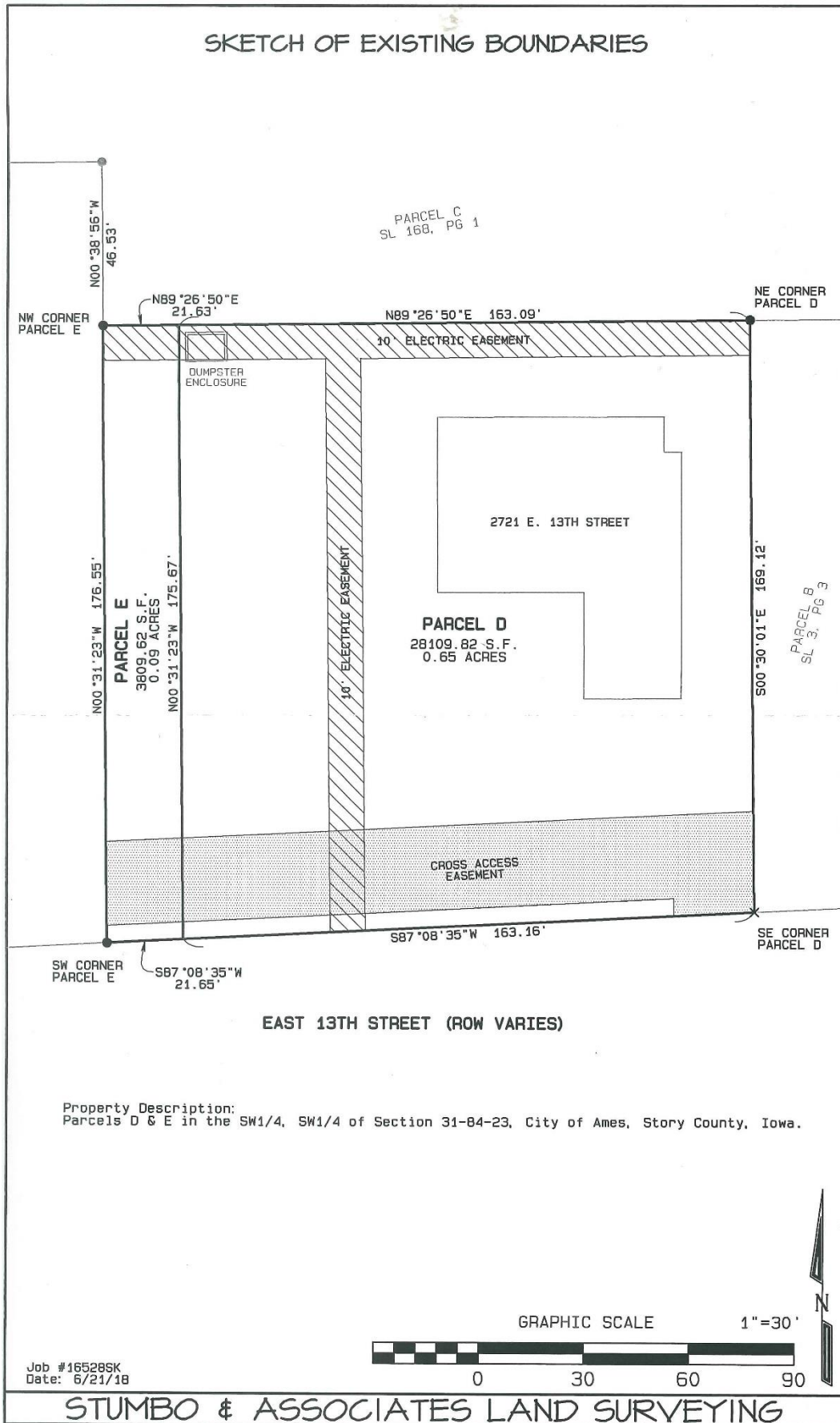


**Location Map**  
**2715 & 2721 E. 13th Street**



0 70 140 280 420  
Feet

ATTACHMENT B: SKETCH OF EXISTING BOUNDARIES







**COUNCIL ACTION FORM**

**SUBJECT:** REQUEST FOR WAIVER OF SUBDIVISION REGULATIONS AND APPROVAL OF A THREE LOT MINOR SUBDIVISION FINAL PLAT FOR REINHARDT FARM SUBDIVISION AT 2221 220<sup>TH</sup> STREET IN BOONE COUNTY

**BACKGROUND:**

The property owners of 2221 220<sup>th</sup> Street, Roger Reinhardt and John Reinhardt, are requesting that the City Council waive the public improvement requirements and standards of Article IV of the subdivision chapter of the Ames *Municipal Code* and approve a final plat for Reinhardt Farm Subdivision in unincorporated Boone County (see Attachment A). The subject property is located west of the Boone/Story County line and contains row crops abutting a single family residence on a farmstead (Shown as parcel B) that was recently divided from the row crop portion by Plat of Survey approved by City Council in 2017. The subdivision proposes two lots, both proposed as row crop lots, to be used for farming. (see Final Plat Reinhardt Subdivision Attachment B).

**In May, 2018 City Council referred to staff a letter from John Jordan of Jordan and Mahoney Law Firm representing Roger Reinhardt and John Reinhardt seeking a waiver of subdivision infrastructure requirements within the Ames Urban Fringe in rural Boone County (see Attachment C). The 88.34-acre property along the north side of 220<sup>th</sup> Street is to be divided for the division of existing estate farm ground amongst Roger Reinhardt and John Reinhardt for continued farming. The referral was to proceed with a rural subdivision application and waiver of standards.**

A proposed subdivision is classified as either a major or minor subdivision within Chapter 23 of the Municipal Code. A minor subdivision is defined as a property division needing no public improvements and creating no more than three lots. Otherwise, it is a major subdivision requiring a preliminary plat. **Approval of the requested waiver of the public improvement requirements allows consideration of the proposed Final Plat of a minor subdivision.** A minor subdivision requires no preliminary plat review, needing only final plat approval by the City Council.

Since this property is located within the unincorporated area of Boone County, uses of the land are under the jurisdiction of Boone County. Under provisions of state law, division of land is subject to review and approval by the City Council of Ames, as well as the Boone County Board of Supervisors. The Ames Urban Fringe Plan contains City policies regarding this property. Although Boone County has not adopted that Plan, the Cities subdivision authority under state law still applies.

The Ames Urban Fringe Plan identifies this site as being located within the Agriculture and Farm Service Area (AFS) and specifically identified for Agricultural uses, which was consistent with Boone County zoning designations at the time the Plan was adopted.

**This property is located in an area that the Ames Urban Fringe Plan identified as Agriculture and Farm Service (See Attachment D for complete AFS policies of the Ames Urban Fringe Plan.) which “encompasses large areas of highly valuable farmland, with farming and agricultural production as the primary activity.” It is the policy for this area that this primary activity continues.** This policy is stated in the urban Fringe Plan in the AFS Policy Section in AFS policy #1 in the excerpt as follows:

AFS Policy #1 Excerpt:

*Recognizing that agricultural land is a natural resource of the Ames Urban Fringe that should be protected, farming and agricultural production is and will continue to be the predominant land use of areas given the Agriculture and Farm Service designation...*

**The area west of the Ames city limits will likely not be in the urban area until after the time horizon of the Ames Urban Fringe Plan. This area is not currently served by municipal infrastructure, such as water mains, sanitary sewer and storm sewer. It has not been designated as a critical location where such full urban infrastructure should be required. The current land use policy is supportive of continued agricultural activity in a manner that will support long-term urbanization of the Ames Urban Fringe.**

It is City Council policy that any request for a subdivision in the Ames Urban Fringe be accompanied by three covenants that will facilitate future annexation and installation of infrastructure. The covenants include agreeing to annexation at a future date at the City’s request, agreeing to cover any costs associated with the buy-out of rural water, and agreeing not to contest future assessments for the installation of public improvements. **The property owner has signed and agreed to the City’s standard covenants in support of their request for waiver of subdivision infrastructure requirements in the Ames Urban Fringe. The owner has also placed a “no build” restriction on Lots 1 and 2 to maintain row crop activity on these lots in conformance to the Ames Urban Fringe designation of Agriculture and Farm Service.**

The current use of row crop farming falls within the LUPP and Ames Urban Fringe vision for this area. The division of three lots with an existing farmstead and the remainder for continued farming does not inhibit future urban development of Ames and is not seen to fall outside of the intent of the Agriculture and Farm Service area designation.

### **ALTERNATIVES:**

1. The City Council can take the following actions as requested by the property owners:

- A. Waive requirements for installation of public improvements, and accept the three covenants signed by the property owner for future annexation, water territory buy-out, and participation in assessment districts.
  - B. Approve the final plat of Reinhardt Farm Subdivision based upon the analysis of staff as stated above.
2. The City Council can deny the final plat for Reinhardt Farm Subdivision if it finds that the development is inconsistent with the Ames Urban Fringe Plan or Subdivision Code.
  3. The City Council can refer this request back to staff or the applicant for additional information. (The *Municipal Code* requires a final decision regarding final plat approval be rendered by the City Council within 60 days of the complete application for Final Plat approval of a Minor Subdivision. City Council must approve, approve subject to conditions, or disapprove this Final Plat application no later than August 18, 2018 to meet this deadline.)

**CITY MANAGER'S RECOMMENDED ACTION:**

Staff has evaluated the proposed final plat for a minor subdivision and determined that, with the granting of the requested waivers of the Design and Improvement Standards, the proposal conforms to the adopted ordinances and policies of the City including the Ames Urban Fringe Plan.

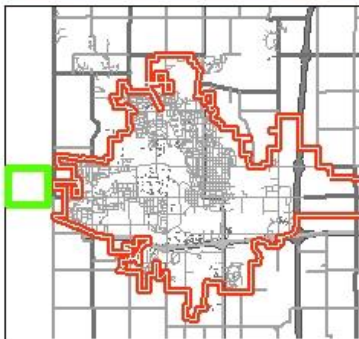
The waiver of the public improvement requirements is consistent with past practices in the Ames Urban Fringe as long as the covenants have been signed. These covenants will allow the City to later annex these lands with costs for water and other infrastructure borne by the annexed property owners.

The subdivision without public improvements does not inhibit future development for urban uses. A no build restriction on the proposed plat will help ensure no use other than farming occurs on this property.

**Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above, waiving the requirements for installation of public improvements, accepting the three covenants for recording, and approving the minor final plat.**



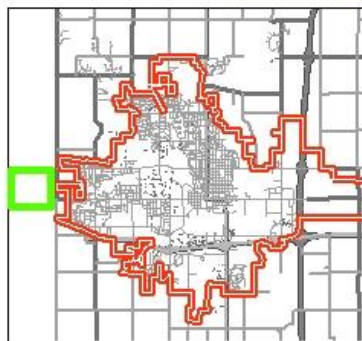
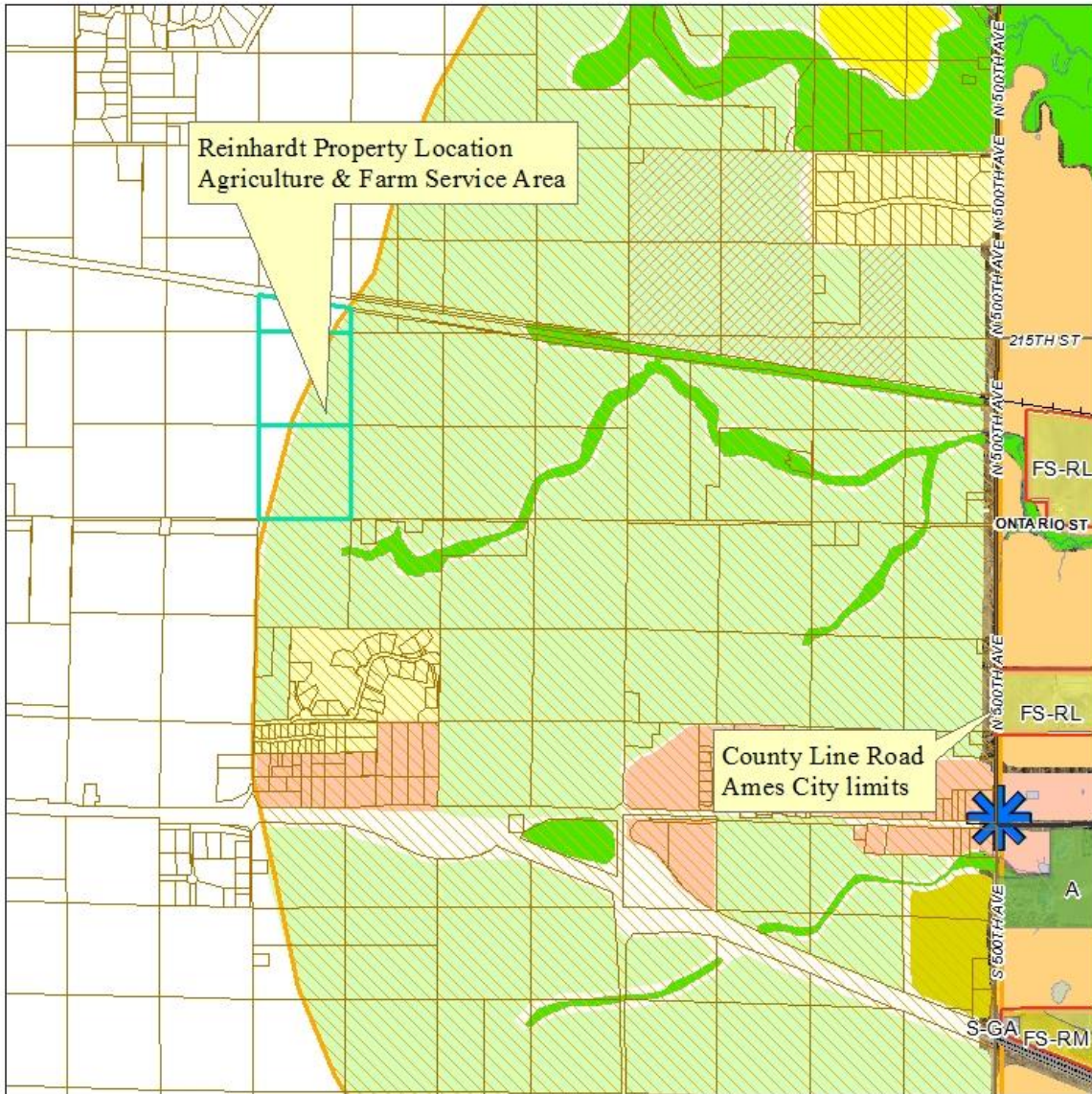
# Attachment A- Location Map



**Location Map  
Reinhardt Property**



## Attachment B.- Ames Urban Fringe Designation



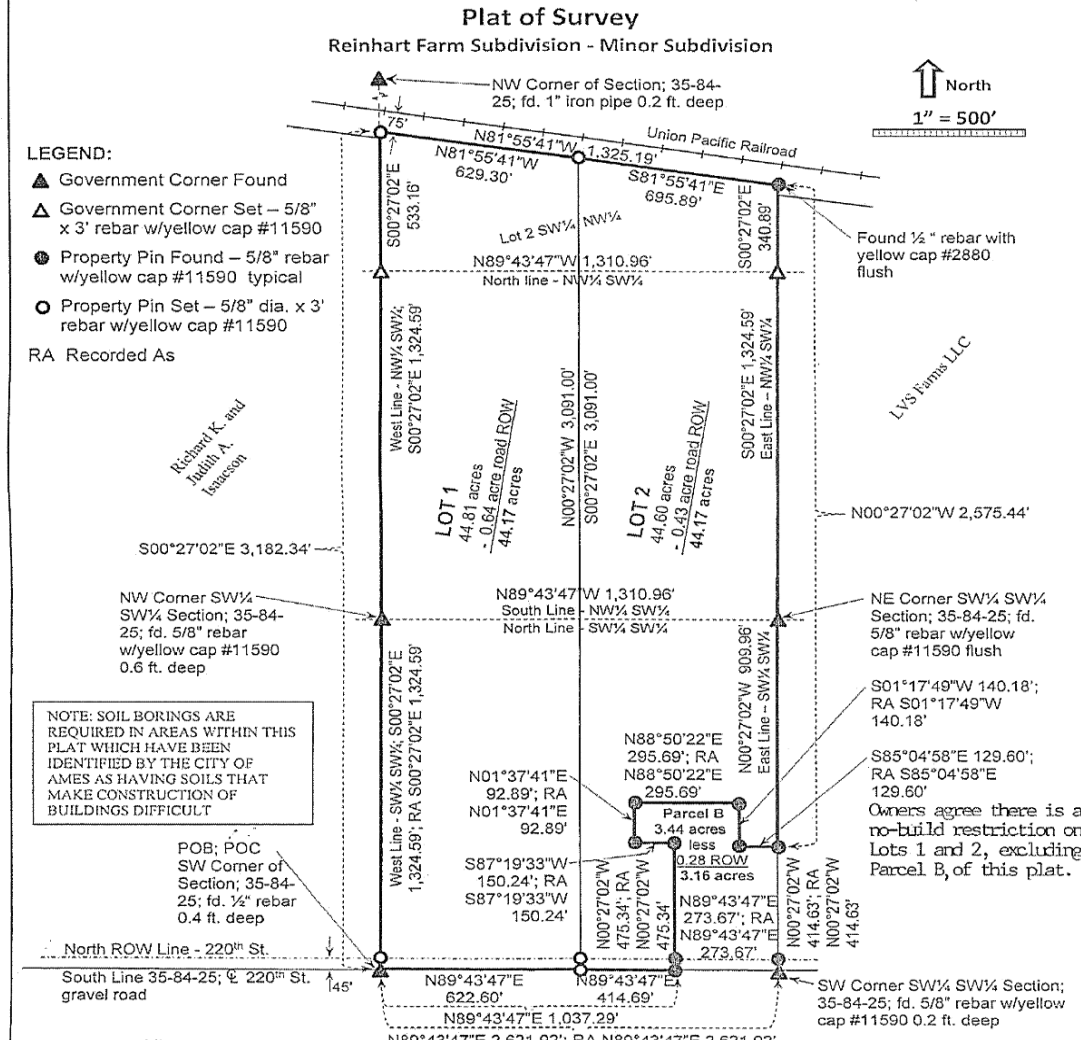
### Ames Urban Fringe Designation Reinhardt Property

Fringe Land Use Designations	
	Natural Areas
	Parks and Open Space
	General Industrial
	Planned Industrial
	Highway-Oriented Commercial
	Priority Transitional Residential
	Industrial Reserve-Research Park
	Rural Residential
	Agriculture and Farm Service
	Rural Transitional Residential
	Mining Impacted
	Urban Residential

# Attachment C- Proposed Minor Subdivision

PLAT OF SURVEY	
LOCATION:	Reinhart Farm Subdivision – In the West Half of Sec. 35, T84N, R25W, Boone County, Iowa
PROPRIETOR:	Beverly Jean Reinhart
REQUESTED BY:	John Reinhart
SURVEYOR:	Marlee Walton, PLS #11590 M.J. Walton & Associates, Inc. 456 Rookwood Drive; Ames, IA 50010; 515-232-5768

Prepared By: Marlee Walton, PE, PLS #11590; M. J. Walton & Associates, Inc.; 456 Rookwood Dr.; Ames, IA 50010; 515-232-5768



I hereby certify that this land survey document was prepared and the related survey work was performed by me or under my direct supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

*Marlee Walton* 5/14/18  
Marlee A. Walton, PE, PLS Date

License Number #11590  
My license renewal date is December 31, 2018

Date of field survey:  
12/29/17

Project Number:  
8062

PAGE 1/2

## Attachment D- Council Request for Waiver

# JORDAN & MAHONEY

LAW FIRM. P. C.

*Integrity, Expertise, Uniquely Local*

May 3, 2018

Honorable John Haila  
Mayor, City of Ames, Iowa  
515 Clark Ave.  
Ames, IA 50010

Re: Reinhart Subdivision Waiver

Dear Mayor Haila:

Our office represents Roger Reinhart, "Roger" and John Reinhart, "John" in this matter. Roger and John recently inherited from their late mother, Beverly Jean Reinhart, approximately 86 acres of farmland located in Section 35, Jackson Township, Boone County, Iowa.

Pursuant to Mrs. Reinhart's Will, which was probated, Roger inherited the west half of this farm and John, the east half. This real estate has been in the Reinhart family since 1944 and it has been farmed continuously for more than one century. The Union and Pacific Railroad tracks which are located on the north edge of the property do not run in a true east-west fashion, causing an irregular northern boundary line. A copy of a Jackson Township Plat Map identifying the subject real estate is attached. Because of the farm's irregular boundary line, the Boone County Auditor's office will not allow a transfer into Roger and John's names without a survey. The farm has been surveyed, but because it is located within 2 miles of Ames' boundary, this subdivision must be approved by the City of Ames.

I am requesting on Roger and John's behalf that you and the City Council waive the subdivision improvement requirements found in Chapter 23 of the Ames Municipal Code. Roger and John have no plans to use this property for anything but row-crop agricultural

[jordanmahoney.com](http://jordanmahoney.com)

Attorneys at Law

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John D. Jordan  
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Suite 2  
Webster City, IA 50595  
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f 515-432-2426

Mayor Haila  
May 3, 2018  
Page 2

purposes in the foreseeable future. For example, their farm won't be converted into a residential subdivision.

I have discussed this matter at length with Mr. Justin Moore and if either of you have any questions, please feel free to contact me. Thank you for your consideration of this waiver request.

Sincerely,

JORDAN & MAHONEY LAW FIRM, P.C.

By

  
John D. Jordan

JDJ/krh  
Enclosure

## **Attachment E- AFS Policies**

### **Agriculture and Farm Service (AFS)**

The designation encompasses large areas of highly valuable farmland, with farming and agricultural production as the primary activity. This designation also includes areas where the landowner has chosen not to use the land for agricultural production. The vegetative cover of this land may be native (either original or re-established) or introduced, but not part of the Natural Areas land use designation.

AFS Policy 1 Recognizing that agricultural land is a natural resource of the Ames Urban Fringe that should be protected, farming and agricultural production is and will continue to be the predominant land use of areas given the Agriculture and Farm Service designation. Land given this designation has been determined to be moderate to high value agricultural land with regard to one or more of the following general factors: soil productivity, effect of surrounding land uses on agricultural use, and physical characteristics that affect the ease with which the land can be utilized for agriculture. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 2: Recognizing that industrial and commercial land uses dependent on proximity to local agricultural land uses are essential to the continued feasibility of farming in Story County and Boone County, support these services within the Agriculture and Farm Service designation. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 3: Strategically locate such industrial and commercial uses in order to:

- utilize existing adequate access and road capacity and otherwise assure the existence of adequate public facilities;
- protect productive soils and environmental resources;
- support the continued use of these areas for farming and agricultural production.

(Relates to RSACA Goals 2.1, 2.2, 2.3, 2.6)

AFS Policy 4: Limit non-agricultural residences in the Agriculture and Farm Service designation to homes existing at the time of this Plan or remaining scattered building sites where farmstead homes once existed or homes on very large parcels of ground typical of the agricultural setting. Otherwise, subdivision for the creation of new residential development lots is not supported within the Agriculture and Farm Service designation. (Relates to RSACA Goals 2.1, 2.5)

AFS Policy 5 Allow the clustering of agricultural-related development at a limited scale where properties have adequate access to a public road. Such development shall be configured and designed to be harmonious with agricultural activities and avoid negative impacts to agricultural operations.



## **Attachment F- Subdivision Waiver Standards Section 23.103**

### **Sec. 23.103. WAIVER/MODIFICATION.**

(1) Where, in the case of a particular subdivision, it can be shown that strict compliance with the requirements of the Regulations would result in extraordinary hardship to the Applicant or would prove inconsistent with the purpose of the Regulations because of unusual topography or other conditions, the City Council may modify or waive the requirements of the Regulations so that substantial justice may be done and the public interest secured provided, however, that such modification or waiver shall not have the effect of nullifying the intent and purpose of the Regulations. In no case shall any modification or waiver be more than necessary to eliminate the hardship or conform to the purpose of the Regulations. In so granting a modification or waiver, the City Council may impose such additional conditions as are necessary to secure substantially the objectives of the requirements so modified or waived.

(2) The requirements of the Regulations for the platting of a Minor Subdivision may be waived by city staff when it is determined by city staff that:

(a) A clear and accurate description of the area of land will be provided by means of a plat of survey to be procured by the property owner, and in compliance with Section 23.307.

(b) With respect to that area of land, all substantive requirements and standards of the Regulations are already met.

**COUNCIL ACTION FORM**

**SUBJECT:**           FY 2019/20 ASSET PRIORITIES

**BACKGROUND:**

The ASSET funding process for FY 2019/20 will begin in August 2018. ASSET volunteers will then begin their agency visits to discuss services and gather information this fall. ASSET hearings and work sessions will then take place in January 2019.

In preparation for each upcoming ASSET funding cycle, the City's ASSET volunteers review the priorities that have been set for the current fiscal year. The current priorities are below:

**#1 Meet basic needs, with emphasis on low to moderate income:**

- Housing cost offset programs, including utility assistance
- Sheltering
- Quality childcare cost offset programs, including daycare and State of Iowa licensed in home facilities
- Food cost offset programs, to assist in providing nutritious perishables and staples
- Transportation cost offset programs for the elderly and families
- Legal assistance
- Disaster response
- Medical and dental aid

**#2 Meet mental health and chemical dependency needs**

- Provide outpatient emergency access to services
- Provide crisis intervention services
- Provide access to non-emergency services
- Ensure substance abuse prevention and treatment is available in the community

**#3 Youth development services and activities**

- Provide services for social development

These priorities were amended last year by the City Council to add “medical and dental aid” to the list of services under the first priority. The ASSET volunteers’ perspectives regarding the existing priorities vary. One volunteer recommended leaving the priorities as is. Another recommends changing the “sheltering” sub-priority under #1 to “safe

sheltering,” to emphasize the need for sheltering services to be safe environments. A third volunteer recommends modifying the priorities as follows (additions in underline):

**#1 Assist residents in crisis and in acute need.**

- Housing cost offset programs, including utility assistance
- Temporary Sheltering, emergency and short-term housing assistance
- Quality childcare cost offset programs, including daycare and State of Iowa licensed in-home facilities
- Food cost offset programs, to assist in providing nutritious perishables and staples
- Transportation cost offset programs ~~for the elderly and families~~
- Legal assistance cost offset programs
- Disaster response
- Medical and dental cost offset programs

**#2 Meet mental health and chemical dependency needs**

- Ensure substance abuse prevention, emergency treatment, and ongoing treatment is available in the community

**#3 Youth development services and activities**

- Support research-based solutions to help youth that have been identified as vulnerable

**In addition to the volunteers’ specific suggestions regarding the priorities, staff has a few guiding comments as the Council considers how to proceed:**

Role of ASSET Priorities – The priorities of each funder are used as the volunteers determine how to best allocate the City’s designated ASSET funds. The priorities adopted by other funders for FY 2018/19 are attached. The Council should note that there are many ASSET agencies doing important work in the community. However, available funds are limited, and not every agency provides a service that aligns with the needs as envisioned by the Council. Therefore, the more specific and narrow the priorities are, the more helpful they can be as a tool for the volunteers to prioritize funding to the services that are truly important to the Council.

Outcomes Measurement – Agencies are now entering their second year of participating in the Clear Impact Scorecard, which the ASSET funders have agreed to incorporate into the ASSET process. This requires the agencies to identify at least one measure to be tracked, showing the benefit to clients made through ASSET funding. The funders are reliant on the leadership of United Way of Story County to manage this outcomes measurement system. Unfortunately, a key staff member for United Way left over the winter to take a role with another agency. Although a new staff person has been hired,



this key staff departure has delayed the implementation of this project for ASSET agencies.

Funding Environment – There is no doubt that ASSET is increasingly being relied upon as a source of funding for human services agencies in the face of shrinking state and federal funds. Since the funders typically allocate a percentage increase for the ASSET process each year, it is not a system that lends itself to new, large, transformational service proposals. This is because in order to fund such proposals, funding to other ASSET services would either need to be decreased or kept flat. **One method to manage this is to focus the City's priorities on a list of fewer areas the Council wishes to make the most impact.**

**ALTERNATIVES:**

1. Approve the City's FY 2019/20 ASSET priorities, unchanged from FY 2018/19.
2. Adopt modified priorities for the FY 2019/20 ASSET process.

**MANAGER'S RECOMMENDED ACTION:**

The ASSET volunteers have reviewed the community needs and have considered the City Council's ASSET priorities. It appears from their feedback that there is no consensus among the volunteers as to how the priorities should read.

Assuming the Council's current priorities reflect the desires of the Council, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the City's FY 2019/20 ASSET priorities, unchanged from FY 2018/19.

## **ASSET Funder Priorities for Fiscal Year 2018/19**

### **Story County**

Story County supports the coordination and communication among stakeholders and private and public funding sources to help meet the human service needs for Story County citizens.

Services funded by the county must be available and accessible countywide with an emphasis on:

- Services promoting self-sufficiency and supporting affordable housing and transportation
- Safety, health and well-being of children and adults
- Accessible medical services including substance abuse and co-occurring mental health and substance abuse services
- Prevention and early intervention services that provide outreach, advocacy, and academic success

### **ISU Student Government** (these may be slightly amended at the end of August)

ISU Student Government adopts the following priorities, in the order that they appear, for the Fiscal Year 2017-18 ASSET allocations:

1. Programs and services that provide aid to victims of and promote personal safety regarding all types of violence, abuse, and sexual assault.
2. Substance abuse prevention and treatment and mental health services, both group and individual care.
3. Childcare services, with specific emphasis on infant and toddler care.
4. Programs that empower traditionally discriminated-against peoples.
5. Subsidizing of food pantries, utilities, rent, homeless shelters, and facilities.
6. Legal services that are not provided by Student Legal Services.
7. Services that enhance understanding of the community through service.

### **United Way of Story County ASSET Priority Statement**

UWSC supports a variety of high quality services that address Identified community needs and benefit people who live and/or work in Story County. Special consideration will be given to programs that impact services related to education, income and health.

- Education: children and youth have access to the building blocks for academic success; and community awareness strategies, outreach and advocacy services exist community-wide.
- Income: Individuals and families have basic and emergency needs met and move toward self-sufficiency.

- Health: Essential services for healthy lives are affordable and accessible.

### **CICS Priorities for Mental Health/Disability Services**

The following are Core Service Domains and are consistent with the requirements of Mental Health/Disability Services redesign:

- Treatment designed to improve a person's condition
- Basic crisis response
- Support for employment
- Recovery services
- Service coordination including coordinating physical health and primary care

Additional Core Service Domains ("core-plus services") are also a requirement of Mental Health/Disability Services redesign and include:

- Comprehensive facility and community-based crisis services
- Sub acute services provided in a facility or community-based settings
- Justice system-involved services
- Services supported by evidence-based practices

### **City of Ames Priorities**

#### **#1 Meet basic needs, with emphasis on low to moderate income:**

- Housing cost offset programs, including utility assistance
- Sheltering
- Quality childcare cost offset programs, including daycare and State of Iowa licensed in home facilities
- Food cost offset programs, to assist in providing nutritious perishables and staples
- Transportation cost offset programs for the elderly and families
- Legal assistance
- Disaster response
- Medical and dental services

#### **#2 Meet mental health and chemical dependency needs**

- Provide outpatient emergency access to services
- Provide crisis intervention services
- Provide access to non-emergency services
- Ensure substance abuse prevention and treatment is available in the community

#### **#3 Youth development services and activities**

- Provide services for social development

# MEMO

## Legal Department

**To:** Mayor Haila and City Council 42

**From:** Mark O. Lambert, City Attorney

**Date:** July 26, 2018

**Subject:** Amendments to Rental Cap/Hardship Exceptions Ordinance – Item 42

The attached ordinance incorporates the amendments which were adopted at the July 17, 2017 Council meeting, prior to the second reading.

These changes were:

1. Under 13.300(10) (first paragraph), establishing that an LOC obtained under the Rental Cap Exception could not be transferred to a new owner of the property upon the sale of the property (the Council decided not to include the language “or transfer of ownership”).
2. Under 13.300(10)(a)(i), the “building/etc. permit language under the Rental Cap Exception was amended to indicate that only people who had obtained a building/etc. permit “on or after October 28, 2016” and prior to October 27, 2017” would potentially be eligible for the exception.
3. Under 13.300(11)(a)(i), The definition of “abutting side” was amended by replacing the word “includes” with “is” for clarification.

Council also directed staff to come back with language for a possible amendment that would clarify, under the Rental Cap Exception requirement that those obtaining an LOC under this exception must be using the property as a bona fide rental in order to renew their LOC, that a property owner who had obtained an LOC even if the Rental Code wouldn’t require them to have one, and had a roomer paying rent, would be considered a bona fide rental property. The following underlined language is suggested as a possible amendment to accomplish this:

13.300(10)(a)(v): Upon receipt of a Letter of Compliance for the property, a Letter of Compliance may not be renewed after twelve months from the original approval if the property is not used as bona fide rental property. Each subsequent renewal of the Letter of Compliance after the initial twelve months is subject to the property's continued use as a bona fide rental property. A bona fide rental property includes an owner-occupied dwelling with a non-owner occupant who pays rent.

#

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING NEW SECTIONS 13.201 TERMS DEFINED “PRIMARY RESIDENCE” AND SECTION 13.300 (10) AND (11) THEREOF, FOR THE PURPOSE OF RENTAL CONCENTRATION EXCEPTIONS REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.**

**BE IT ENACTED**, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting new Sections 13.201 Terms Defined “Primary Residence” and Section 13.300 (10) and (11) as follows:

**“Sec. 13.201. TERMS DEFINED**

...

**PRIMARY RESIDENCE:** A residence which is the only place where a person has a true, fixed, and permanent home, and to where, whenever the person is briefly and temporarily absent, the person intends to return. A property owner may have only one primary residence.

...

**Sec. 13.300. GENERAL**

...

**(10) Rental Concentration Cap Exception**

For properties within a Rental Concentration Cap Neighborhood, a property owner of record on October 27, 2017 may apply for an exception in order to register their primary residence as a rental property and complete all requirements of the Rental Code to obtain a Letter of Compliance. The property owner is responsible for all application requirements for the exception, registering the property, and obtaining a Letter of Compliance. A Letter of Compliance obtained under this exception is not transferable to a new owner upon the sale of the property. Any property sold subsequent to October 27, 2017 without a valid Letter of Compliance in regards to this exception shall not be eligible for a Letter of Compliance.

The exception is subject to minimum application standards and performance requirements described below. The exception may be approved by the Building Official upon review of the application for consistency with the standards of this Chapter. The Building Official may forward the application to the City Council for review upon any finding of irregularity in documentation with the application. A property owner may appeal the decision of the Building Official to the City Council. Property owners determined to have been renting without a required Letter of Compliance are not eligible for the exception.

**(a) Exception Requirements**

i. The property owner must have owned the property as of October 27, 2017 and either 1) the property must be the primary residence of the property owner as of the date of application, or 2) the property owner had obtained, on or after October 28, 2016 and prior to October 27, 2017, a building, electrical, plumbing or mechanical permit which would indicate an intent to convert the property to a rental property.

ii. An application to register the property must be received by September 1, 2018.

iii. The property owner must obtain an initial inspection and complete all requirements for a Letter of Compliance within six (6) months of the inspection date.

iv. If a property owner has not obtained a Letter of Compliance within six months, the property registration shall expire and may not be renewed or reapplied for under this exception.

v. Upon receipt of a Letter of Compliance for the property, a Letter of Compliance may not be renewed after twelve months from the original approval if the property is not used as bona fide rental property. Each subsequent renewal of the Letter of Compliance after the initial twelve months is subject to the property's continued use as a bona fide rental property.

**(11) Property Sale Hardship Exception.**

For properties within a Rental Concentration Cap Neighborhood, a property owner may apply to the Building Official for a hardship exception to allow registration of the property for rental purposes in order to facilitate the sale of the property. The hardship exception is subject to minimum application standards described below and may be approved by the City Council upon review of the application.

Approval of the Property Sale Hardship by the City Council is for a six-month period to allow for sale of property to a new owner in an arms-length transaction to another party. The property owner may request a six month extension of the approval in order to complete work required to obtain a letter of compliance and/or to complete the sale and transfer of the property. An initial Letter of Compliance (LOC) will only be issued for one year for property registered under the hardship exception process. The LOC cannot be renewed by the property owner approved for a hardship, but can be renewed by the new property owner consistent with the standards of the Rental Code. Property owners determined to have been renting without a required Letter of Compliance are not eligible for a Property Sale Hardship Exception.

(a) **Application Requirements.** A property owner must submit documentation related to the following as part of the hardship application:

i. The property must abut registered rental properties on three sides, or the substantial equivalent of three sides. An abutting side includes any shared property line of the subject site and includes property lines with residential property located across the street or an alley. An abutting side is any length of a property line that is 20 feet in length or greater.

ii. The property must have been purchased or under a purchase agreement by the current owner prior to October 27, 2017.

iii. The property has been offered and advertised for a minimum nine (9) consecutive months with a licensed realtor prior to the application for hardship.

iv. Disclosure of any offers to purchase the property which have been declined.

v. The original purchase price and date of purchase.

vi. An appraisal prepared by a licensed appraiser for the value of the dwelling that also includes comparable sales within the appraisal.

vii. A home inspection report describing the condition of the property.

viii. Rental Housing Code pre-inspection and cost estimate for compliance with the Rental Housing code.

Upon submittal of the application to the Building Official, staff will review for completeness and adequacy of documentation provided within 10 days. Staff may request additional documentation in relation to the application requirements to determine completeness. Upon a determination that the application is complete, the application will be forwarded to the City Council within 30 days for Council review. The City Council may approve a property sale hardship upon making both of the following findings:

1. The advantages to the neighborhood and the City of allowing for the property to be registered as a rental property to facilitate its sale outweigh the disadvantages to the neighborhood and City of exceeding the rental concentration cap.
2. The sale of the property would have been possible at a reasonable market value as a single family dwelling, but for the existence of the rental concentration cap.”

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out by law.

Section Three. All ordinances or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane R. Voss, City Clerk

\_\_\_\_\_  
John A. Haila, Mayor



**COUNCIL ACTION FORM**

**REQUEST: PUBLIC HEARING FOR THE PROPOSED AMES CAMPUSTOWN SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT (SSMID)**

**BACKGROUND:**

The Campustown Action Association (CAA) has submitted a petition to create the Ames Campustown Self-Supported Municipal Improvement District (SSMID) pursuant to Chapter 386 of the Code of Iowa. The desire of CAA to establish a SSMID is to further their vision to create and foster a vibrant Campustown by providing additional services and activities for the benefit of property owners in the district. The proposed SSMID boundary includes commercial properties within the Campustown Service Center, CSC, Zoning District as defined within the petition (Attachment 1).

**Staff created a webpage on the Planning Department's website under the "What's New" heading. This webpage was set up to explain in detail what a SSMID is, how it works, and relate that information to what was submitted by the CAA. Staff provided a SSMID FAQ on the webpage and included it with this report as Attachment 4.**

A SSMID is a self-taxing body that assesses and applies a levy rate to commercial properties within an approved district. Chapter 386 of the Code of Iowa lays out the process and requirements that need to be met in order to create a SSMID. A SSMID is created by approval of an ordinance by the City Council. The Campustown SSMID process was initiated by CAA. A petition was submitted that included the signatures of a minimum of twenty-five percent of all property owners within the SSMID boundaries and signatures of property owners that make up at least twenty-five percent of the assessed property values within the SSMID boundaries (Attachment 2). Staff has certified that the CAA petition includes 45.8% percent of the property owners that represent 41.8% of the assessed property value. The properties that have signed the petition are shown on the map in Attachment 2.

	Number of Properties	Assessed Value
Signed Petition Properties within SSMID boundary	33	\$10,228,700
All Commercial Properties within SSMID boundary	72	\$24,454,960
Percentage (Minimum 25% Required)	45.8%	41.8%

The maximum levy rate for a SSMID is proposed by the entity presenting the petition. All residential properties are exempt from the SSMID levy as well as other properties that are exempt from paying property taxes (e.g., churches and Planned Parenthood). If approved, the SSMID levy will apply to all commercial properties within the district regardless of the property owner's signature of support for the petition. The letter and petition submitted by CAA details why said rates were chosen and what type of projects the revenues will fund (Attachment 3). The proposed Ames Campustown SSMID has two rates:

- A range of \$2.00/\$1,000 to \$5.00/\$1,000 of taxable valuation on buildings that are 100 percent commercial assessed. This rate will initially be \$2.00/\$1,000. If the SSMID Board wants to increase this levy rate it may do so with City Council approval, as long as it does not exceed the maximum proposed rate of \$5.00/\$1,000 of taxable valuation.
- A range of \$5.00/\$1,000 to \$8.00/\$1,000 of taxable valuation on commercial square footage of buildings that are in mixed-use buildings. This rate will initially be \$5.00/\$1,000. If and when the SSMID Board wants to increase this levy rate it may do so with City Council approval, as long as it does not exceed the maximum proposed rate of \$8.00/\$1,000 of taxable valuation.

The actual rate charged to property owners will be established annually at the time a budget is proposed for the SSMID and approved by City Council. City staff estimates that the combined levies will generate approximately \$50,000 to \$70,000 in the first year of the SSMID. The rate charged in support of the budget cannot exceed the maximum rate established for the SSMID as described in the petition. The draft ordinance for the SSMID indicates that for the first year of the SSMID, the maximum rate will be the \$2.00/\$1,000 and \$5.00/\$1,000, thereafter the rate could be increased up to the maximum levels.

Upon the conclusion of the Public Hearing, the Council may adopt an ordinance to establish the SSMID. **The proposed SSMID ordinance identifies the boundaries of the SSMID, the maximum tax levy rates, designation of a fund for the revenues, limits on types of activities for use of the funds, and designates a SSMID board.**

Chapter 386 of the Iowa Code requires three readings of an ordinance in order to approve a SSMID. Statute also includes a requirement that the third reading and final approval cannot take place until 30 days after the public hearing. the earliest date for a third reading to establish the SSMID would be September 11<sup>th</sup>. **At any time within those thirty days a petition of remonstrance can be submitted requiring a unanimous vote of approval, or if enough signatures are submitted it can stop the process all together.** This process is explained in the FAQ attachment.

Upon establishment of a district, a SSMID Board is recognized and charged with creating budget for expenditures of the funds and proposing it to the City Council for approval of the budget its corresponding tax levy. In this instance, if the SSMID is created this year

the first year for collection of taxes will be fiscal year 2019/2020. The process for the upcoming fiscal year would include the following steps:

- City receives taxable value of properties based upon January 2018 valuations in December of 2018.
- SSMID Board submits a budget by January 1, 2019 to City Council.
- City Council would review and approve the SSMID budget at the same time the City's budget is approved, March 2019. The required property tax levy for the budget would be calculated at that time.
- 2018 property tax bills are collected for a first payment in September 2019 and a second payment in March 2020.
- The collected funds are directed to the City and placed in a separate SSMID Operations Fund for use exclusively within the SSMID for activities defined in the ordinance.

After approval of the SSMID Ordinance, City Council would enter into a Memorandum of Agreement between the City and the SSMID Board. This agreement would address how the funds are received and define the parameters for expenditures by the Board. The agreement would also require the CAA to submit an annual summary of expenses to Council provide oversight on the use of the funds. Due to the current makeup of CAA, the agreement would likely be with the Chamber of Commerce with CAA as the SSMID Board. CAA is an affiliate organization of the Ames Chamber of Commerce. The Chamber of Commerce would then distribute funds received from property taxes to the SSMID Board.

**Public Hearing notice was published and mailed to property owners within the proposed boundary by certified mail, as required by State Code. With the public hearing notice, staff included a letter outlining the proposed SSMID parameters and created a website with relevant information for review by interested parties.**

#### **ALTERNATIVES:**

1. The City Council can hold a public hearing and approve on first reading the Campustown Self-Supported Municipal Improvement District and direct staff to prepare a Memorandum of Agreement between the City of Ames and the Campustown SSMID Board prior to approval of a budget for the SSMID.
2. The City Council can take hold the public hearing and ask staff to provide more information prior to any approval.
3. The City Council can deny the request for the Campustown Self-Supported Municipal Improvement District.

#### **CITY MANAGER'S RECOMMENDED ACTION**

Iowa Code Chapter 386 establishes the process for authorizing a SSMID. The City Council is at the final step of holding a public hearing prior to approving the requested

SSMID. If approved the ordinance is approved, the SSMID Board will bring a budget back to City Council for approval annually. The SSMID Board will administer the funds once they are collected.

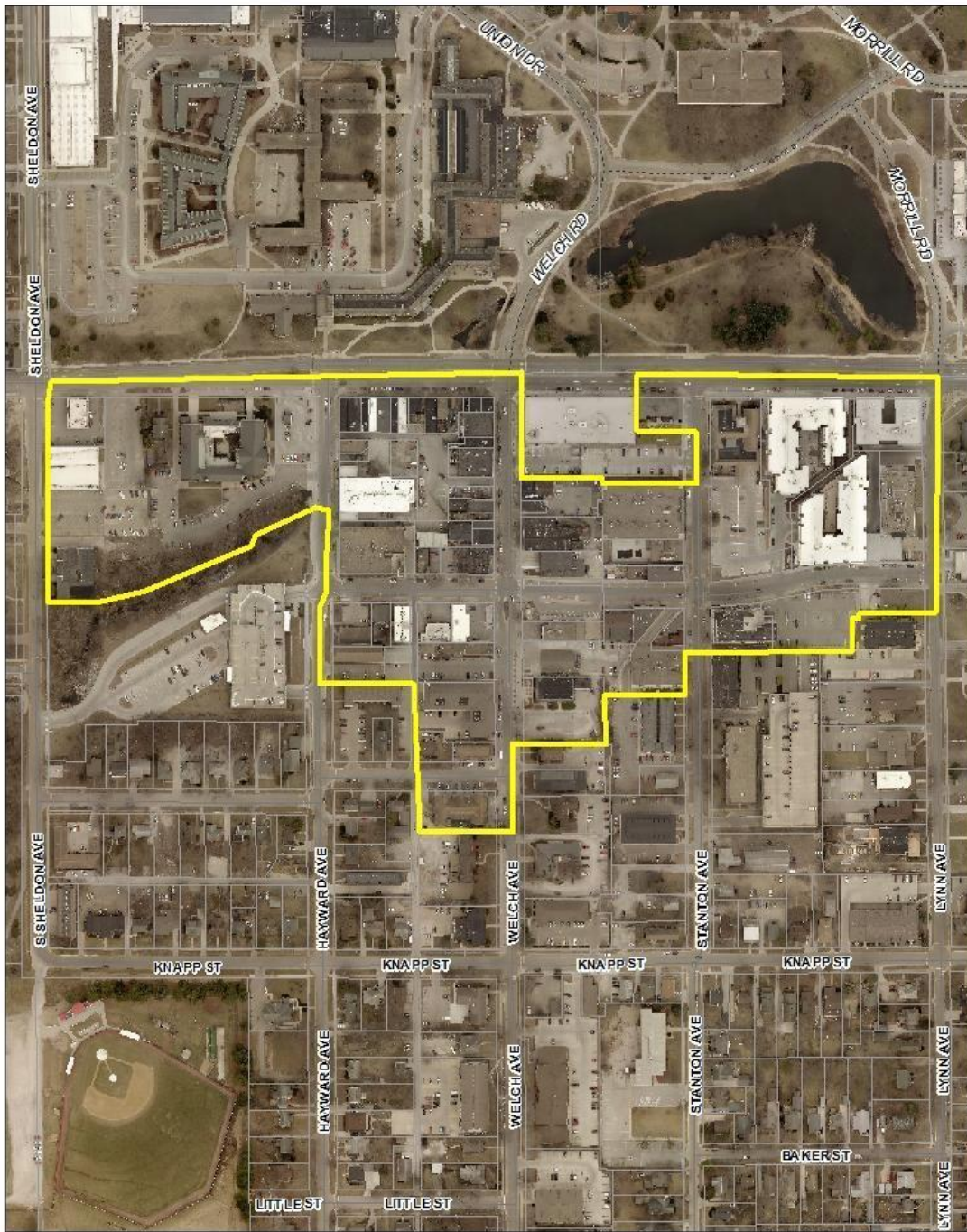
**Therefore, it is the recommendation of the City Manager that the City Council approve on first reading an ordinance establishing the Campustown SSMID and direct staff to prepare a Memorandum of Agreement between the City and Campustown Action Association (CAA).**

## **ADDENDUM**

Campustown Action Association has worked for over a year to get information out and gather signature of support for the Campustown SSMID. Outreach efforts were conducted through mailings, meetings, and other forms of outreach (Attachment 5). The petition language outlines the purpose of the district and how it will serve the overall district in a manner that may be above and beyond typical city services. The petition, as required by State Code, does provide the purpose of the SSMID and a list of services the SSMID Board hopes to provide with the use of the SSMID funds. The petition (Attachment 3) lists those services on page 3. They include marketing for the entire SSMID district general area beautification projects and additional sidewalk maintenance.

On June 20, 2018, the Planning and Zoning Commission reviewed the petition for the SSMID as required by state law. Representatives of the CAA were present and spoke in support of the proposal. The Commission reviewed the proposed activities and taxing rates. The Commission also reviewed the information for the petition regarding both the number and value of the properties. The Commission also inquired about the notification procedures for the establishing the SSMID. Staff explained no notice was required with the initial review by the Commission, but at the time of setting a public hearing with the City Council notice is required by certified mail of the hearing. Staff also explained that state statute identifies a procedure to protest creating a SSMID. The Commission voted 2-1 with one abstention to find the proposed SSMID to be financially feasible and that it has merit based on the proposed programming to be beneficial to the district.

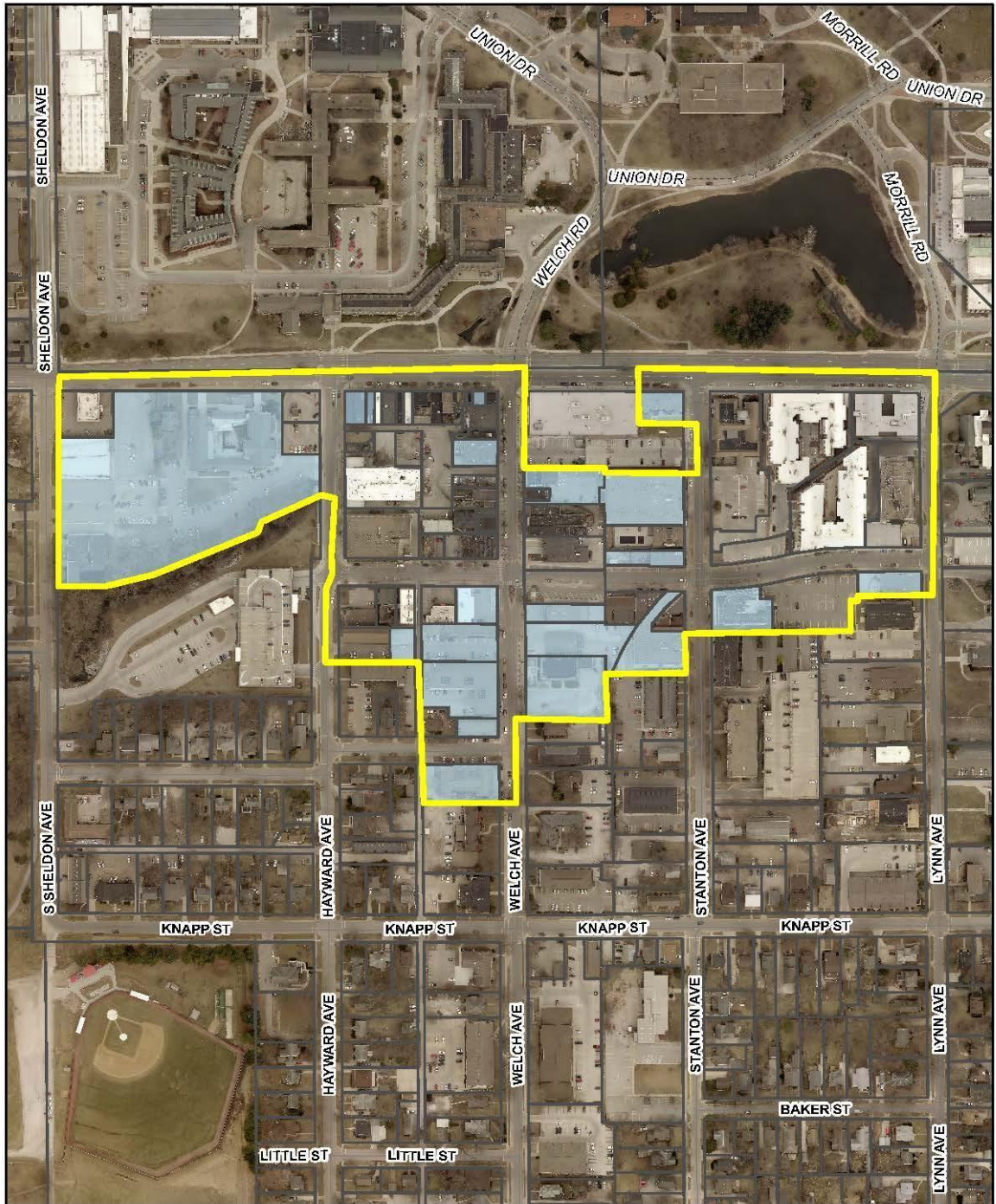
# Attachment 1: SSMID Boundary



Properties within SSMID boundaries



## Attachment 2: Properties with Signed Petitions



**Properties within SSMID boundaries**

## Attachment 3: Campustown SSMID Petition



campustown  
action  
association

April 17, 2018

A Self-Supported Municipal Improvement District (SSMID) is a mechanism for property owners and businesses in a defined area to fund improvements and services. Generally, SSMIDs are established to deliver a variety of services above and beyond the level of existing services. They can be used as an economic development tool to revitalize neighborhoods, improve business growth and retention, and help unify a district. Once established, the levied funds are used to pay for projects and services aimed at keeping the district economically competitive. The Campustown Action Association (CAA) is requesting approval to create the Ames Campustown SSMID utilizing the boundaries of the Campustown Service Center (CSC).

While the use of SSMID funds is dependent on the needs of an individual district, uses generally fall under two categories: maintenance or improvements. In Campustown, maintenance projects would include sidewalk snow removal, power washing and litter pick up. Improvements would cover projects that add to the appeal of the district, such as plants for sidewalk planters, additional way-finding signage, banners, or holiday lights. SSMID funds will also be used to cover a portion of the district's administrative costs, fund district events and take the place of membership dues.

CAA did extensive research on existing SSMIDs throughout the state. This information, coupled with estimates received from vendors, brought us to our proposed rate of \$2/thousand of taxable valuation. A change in legislation during our process removed the option of taxing residential portions of mixed-use buildings. The population growth of the CSC is a driving factor in our bid to create an improvement district, therefore we needed to find a way to capture these "lost" funds. The decision was made to have a separate rate proposed for mixed-use buildings. This rate of \$5/thousand of taxable valuation is only levied on the commercial portion of the mixed-use building, yet it does help account for the use and wear of these residents on the district.

Two separate mailings were sent to property owners in the CSC detailing the proposed SSMID. CAA also held multiple public meetings to gather input from property and business owners in the district. Throughout the process, our Business Improvement and Community Outreach committees made monthly efforts to reach out to those who did not respond.

SSMIDs first existed in Iowa beginning in 1977. They were conceived as a way for areas experiencing blight, or expecting growth, to finance projects aimed to create positive conditions for businesses. Through continued partnership with the City of Ames and Iowa State University we can strengthen and unify the Campustown District, making it a more appealing place for people to spend time in. The Campustown Action Association feels strongly that creating a sustainable funding source for projects and maintenance in the Campustown District will allow us to achieve a desirable environment for our businesses, residents and the entire Ames Community to enjoy.

119 Stanton Ave. #602

Ames, IA 50014

[www.amescampustown.com](http://www.amescampustown.com)



PETITION TO ESTABLISH THE AMES CAMPUSTOWN  
SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT  
PURSUANT TO CHAPTER 386 OF THE CODE OF IOWA

We, the undersigned, being at least 25 per cent of all owners of property within the self-supported municipal improvement district proposed and hereinafter defined by this petition, and being owners of property within the proposed district having an assessed value of at least 25 per cent of the assessed value of all the property in the proposed district, hereby petition the City Council of the City of Ames, Iowa, pursuant to the provisions of Chapter 386 of the Code of Iowa (the "Act") as follows:

- 1) To establish a self-supported municipal improvement district in the City of Ames, Iowa, as follows:
  - a) The name of the district shall be the "Ames Campustown Self-Supported Municipal Improvement District" (hereinafter referred to as the "Proposed District"),
  - b) The purposes of the Proposed District shall be the undertaking of actions and the design and construction of any and all improvements authorized by the Act and the performance of administration, redevelopment, and revitalization of the Proposed District, as authorized by the Act, any and all of which actions and improvements are intended to benefit property within the Proposed District,
  - c) A description of the property within the Proposed District is:

A PARCEL IN THE CITY OF AMES, STORY COUNTY, IOWA; THE BOUNDARY LINE DESCRIBED AS FOLLOWS:  
BEGINNING AT THE CENTERLINES OF LINCOLN WAY AND S SHELDON AVENUE, CITY OF AMES, STORY COUNTY, IOWA; THENCE EASTERLY ON SAID LINCOLN WAY CENTERLINE TO THE CENTERLINE OF WELCH AVENUE; THENCE SOUTHERLY ON SAID WELCH AVENUE CENTERLINE TO THE EXTENSION OF A SOUTH LINE DESCRIBED AS PARCEL AA IN BEARDSHEAR'S ADDITION AND PARKER'S ADDITION ON THE WEST LINE OF SAID PARCEL AA; THENCE EASTERLY 190.34 FEET TO A POINT ON THE SOUTH PROPERTY LINE OF SAID PARCEL AA IN BEARDSHEAR'S ADDITION AND PARKER'S ADDITION; THENCE SOUTHERLY 7.98 FEET TO A POINT ON THE SOUTH PROPERTY LINE OF SAID AS PARCEL AA IN BEARDSHEAR'S ADDITION AND PARKER'S ADDITION, THENCE EASTERLY ON THE EXTENDED SOUTH LINE OF AS PARCEL AA IN BEARDSHEAR'S ADDITION AND PARKER'S ADDITION TO THE CENTERLINE OF STANTON AVENUE; THENCE NORTHERLY ALONG THE CENTERLINE OF STANTON AVENUE TO THE CENTERLINE OF LINCOLN WAY; THENCE EASTERLY ALONG THE CENTERLINE OF LINCOLN WAY TO THE CENTERLINE OF LYNN AVENUE; THENCE SOUTHERLY ON SAID LYNN AVENUE CENTERLINE TO THE EXTENSION OF A SOUTH LINE DESCRIBED AS BEGINNING 45 FEET SOUTH OF THE NORTHEAST CORNER OF LOT 5 IN GREER'S SUBDIVISION OF LOT 24 OF PARKER'S ADDITION ON THE EAST LINE OF SAID LOT 5; THENCE WESTERLY TO A POINT ON THE WEST LINE OF SAID LOT 5, 46 FEET SOUTH OF

THE NORTHWEST CORNER OF SAID LOT 5; THENCE NORTHERLY ON THE EXTENDED WEST LINE OF SAID LOT 5 TO THE CENTERLINE OF CHAMBERLAIN STREET; THENCE WESTERLY ALONG THE CENTERLINE OF SAID CHAMBERLAIN STREET TO THE EXTENDED EASTERLY LOT LINE OF WESTERLY ALONG THE CENTERLINE OF SAID CHAMBERLAIN STREET TO THE EXTENDED EASTERLY LOT LINE OF PARCEL S OF LOT 17 IN PARKER'S ADDITION, SAID EASTERLY LOT LINE IS 116.48' EAST ON A CURVE BEING ON THE SOUTH RIGHT-OF-WAY OF SAID CHAMBERLAIN STREET; THENCE SOUTHERLY ON SAID EASTERLY LINE 31.78 FEET TO A CORNER ON SAID PARCEL S; THENCE EASTERLY ON SAID PARCEL S TO A POINT ON THE EAST LINE OF SAID PARCEL S; THENCE SOUTHERLY ON THE EAST LINE OF SAID PARCEL S TO THE SOUTHEAST CORNER OF SAID PARCEL S; THENCE WESTERLY ON THE EXTENDED SOUTH LINE OF SAID PARCEL S TO THE CENTERLINE OF STANTON AVENUE; THENCE SOUTHERLY ON THE CENTERLINE OF SAID STANTON AVENUE TO THE EXTENDED SOUTH LINE OF LOT 2, SECOND ADDITION, TERRA FIRMA SUBDIVISION; THENCE WESTERLY ON SAID SOUTH LINE TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE WESTERLY ON THE SOUTH LINE OF A LOT DESCRIBED AS THE SOUTH 120 FEET OF LOT 1 WEST OF RAILWAY, PARKER'S ADDITION, TO A POINT ON THE EAST LINE OF LOT 8, BLOCK 1, IN BEARDSHEAR'S ADDITION; THENCE SOUTHERLY ON SAID EAST LINE OF LOT 8 TO THE WEST RIGHT-OF-WAY LINE OF THE DEEDED F. DODGE, DES MOINES AND SOUTHERN RAILWAY COMPANY RECORDED IN BOOK 2012 PAGE 9886; THENCE SOUTHWESTERLY ON SAID RAILWAY RIGHT-OF-WAY TO A POINT ON THE NORTH LINE OF LOT 9 IN SAID BLOCK 1; THENCE EASTERLY ON SAID LOT 9 TO THE NORTHEAST CORNER OF SAID LOT 9; THENCE SOUTHERLY ON THE EAST LINE OF SAID LOT 9 TO A POINT ON THE NORTH 60 FEET OF SAID LOT 9; THENCE WESTERLY ON THE EXTENDED NORTH 60 FEET OF SAID LOT 9 TO THE CENTERLINE OF WELCH AVENUE; THENCE SOUTHERLY ON SAID WELCH CENTERLINE TO THE EXTENDED SOUTH LINE OF LOT 1, BLOCK 2, BEARDSHEAR'S ADDITION; THENCE WESTERLY ON THE EXTENDED SOUTH LINE OF SAID LOT 1 TO THE CENTERLINE OF THE EXTENDED CENTERLINE OF CHAMBERLAIN PLACE; THENCE NORTHERLY ON THE SAID EXTENDED CHAMBERLAIN PLACE CENTERLINE TO THE EXTENDED SOUTH LINE OF LOT 14 IN BLOCK 3 IN AUDITOR'S REPLAT OF BLOCKS 3, 4, AND 5, BEARDSHEAR'S ADDITION AND WALTER'S SUBDIVISION IN THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5<sup>TH</sup> P.M.; THENCE WESTERLY ON THE SOUTH LINE OF SAID LOT 14 TO THE SOUTHEAST CORNER OF LOT 7 OF SAID AUDITOR'S REPLAT; THENCE WESTERLY ON EXTENDED LINE OF SAID LOT 7 TO THE CENTERLINE OF HAYWARD AVENUE; THENCE NORTHERLY ON SAID HAYWARD AVENUE TO THE EXTENDED SOUTH LINE OF PARCEL K LOCATED IN PART OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5<sup>TH</sup> P.M., AND IN HOOVER'S ADDITION AND IN SAID AUDITOR'S REPLAT; THENCE SOUTHWESTERLY ON THE EXTENDED SAID SOUTH LINE OF PARCEL K TO THE CENTERLINE OF S. SHELDON AVENUE; THENCE NORTHERLY ON SAID CENTERLINE OF S SHELDON AVENUE TO THE POINT OF BEGINNING.

- 2) To establish an Operation Fund with respect to the Proposed District to be known as the “Campustown Self-Supported Municipal Improvement District Operation Fund” (the Operation Fund”), and levy an annual tax (the “Operation Tax”) upon the property, as defined in the Act (excluding property assessed as residential property for property tax purposes) within the Proposed District (the “Property”) for the purposes of: (a) paying the administrative expenses of the Proposed District, as defined and authorized in the Act, and/or (b) paying part or all of the maintenance expenses of “improvements” as defined in the Act, with respect to the Proposed District. The district levy will continue until dissolved in accordance with the provisions of Chapter 386 of the 2013 Code of Iowa, commencing with the levy of taxes collection in the fiscal year beginning July 1, 2018.
  - a) The Operation Tax shall be levied at an initial rate of \$2.00 per thousand of taxable valuation upon parcels in buildings which are 100% commercial assessed. The Operation Tax shall not exceed a rate of \$5.00 per thousand dollars of taxable valuation on parcels in buildings which are 100% commercial assessed during the lifetime of the District.
  - b) The Operation Tax shall be levied at an initial rate of \$5.00 per thousand of taxable valuation upon parcels in buildings with mixed assessment. The Operation Tax shall not exceed a rate of \$8.00 per thousand dollars of taxable valuation on parcels in buildings with mixed assessment during the lifetime of the District.
  - c) The levy rate shall be reviewed at minimum every 3 years to ensure the Operation Fund maintains a level appropriate to performing services in accordance with the Act. Any rate change must be approved by City Council.
  
- 3) To disburse annually revenues collected in the Operation Fund for one or more of the following purposes, pursuant to the budget submitted to the City Council by the SSMID Board of Directors.
  - a) Communications and Advocacy including:
    - i) Develop a branding and marketing campaign for district
    - ii) Manage media relations to project a positive image
    - iii) Promote a positive image with public relations initiatives
    - iv) Advocate to attract additional resources to improve district
  - b) Director/Staff Operations including but not limited to:
    - i) Street beautification
    - ii) Cosmetic improvements such as seasonal banners and decorations
    - iii) Public event planning
    - iv) Gateways, signage and public art
    - v) Special projects to improve and beautify public spaces
  - c) Enhanced Maintenance including:
    - i) Sidewalk cleaning/power washing
    - ii) Sidewalk snow removal
    - iii) Litter pick-up
    - iv) Ongoing maintenance of SSMID-financed improvements that are deemed to be beyond the City’s base level of services
    - v) Enhanced services that would not be expected from the City

- 4) The SSMID shall be guided by the board of the Campustown Action Association.
  
- 5) To require the SSMID Board to submit to the Ames City Council a budget showing, in general terms, proposed expenditures of SSMID funds for the fiscal year. Once the budget has been approved by the City Council and the assessment has been collected, the City will transfer the entire annual SSMID allotment to the SSMID Board who will oversee administration and allocation of those funds.
  
- 6) It is the intent of this Petition that the City of Ames and the District will continue to work together to establish roles of both organizations pursuant to a Memorandum of Agreement (MOA) which outlines current and future responsibilities of both organizations with regard to District services, maintenance, and operations described in this Petition.

## Attachment 4: SSMID FAQ

### Self-Supporting Municipal Improvement District Frequently Asked Questions (FAQ)

1. What is a SSMID? A Self-Supporting Municipal Improvement District (SSMID) is allowed under the Code of Iowa Chapter 386 for a defined area within a city where properties are assessed an additional tax along with their regular property taxes to fund area improvements and services. These improvements and services that are generally above and beyond the level of existing municipal services. SSMID funds can also be used to aide in the growth and revitalization of an area.
2. Who proposed the Campustown SSMID District? The initiator of the process is the Campustown Action Association (CAA). CAA is a business membership group that works with the City of Ames and Iowa State University to foster economic, cultural, aesthetic, and social progress for commercial areas adjacent to campus. CAA's programs and events are currently funded through a combination of sources that include Iowa State University, the City of Ames, Ames Chamber of Commerce, and membership dues. CAA has provided a statement of intent that describes why they have submitted a petition to start the process of creating a SSMID district for the Campustown Area.
3. What is required for a SSMID Petition? State law requires that a petition to create a SSMID have the support of property owners representing 25% of the number of properties within the proposed district and 25% of the value of the properties within the proposed district. The proposed Campustown SSMID petition includes signatures representing 45.8% of the properties and 41.8% of the value of properties within the proposed district.
4. How Does a SSMID Work? A separate tax levy is imposed on commercial property within a SSMID, in addition to all other tax levies. Residential property assessments are excluded from the levy by state law.

The added revenues can only be used for the SSMID. They can be used for improvements to the District, administrative fees, and to pay off debt for the cost of improvements, or a combination of all three. The submitted petition lists several services and activities the funds would go towards. Paragraph 3 of the Campustown SSMID petition lists items such as street beautification, snow removal, promotion of the district, and more.

A budget must be approved annually by the SSMID Board and the requested tax levy must be approved by the City Council annually. The levy rate cannot exceed the amount established at the time of creation of the SSMID without amending the SSMID.

5. How much is the proposed SSMID tax levy rate? The SSMID tax levy rate is proposed as part of the petition. State law sets no minimum or maximum rates prior to establishing the SSMID. The proposed Campustown SSMID proposes two different levy rates based on property type.
  - An initial maximum rate of \$2.00/\$1,000 of taxable valuation on buildings that are 100 percent commercially assessed. The maximum rate during the lifetime of the district is \$5.00/\$1,000 of taxable valuation.
  - A maximum initial rate of \$5.00/\$1,000 of taxable valuation on commercial square footage of buildings that are in mixed-use buildings, e.g. commercial and residential within the same building. The maximum rate during the lifetime of the district is \$8.00/\$1,000 of taxable valuation.

- The Campustown SSMID petition states that the maximum levy rate would be reviewed at a minimum of every three years.
  - If there is a proposal to exceed the \$5.00/\$1,000 or \$8.00/\$1,000 respectively, a new petition would have to come before City Council that meets the same requirements for property owner signatures used for the initial SSMID petition.
6. What is the SSMID approval process? The minimum property owner signature requirements of 25% of the properties and property value is verified by City staff. A valid petition is forwarded to the Planning and Zoning Commission for a recommendation to the Council. The Planning and Zoning Commission reviewed the petition on June 20, 2018.

The City Council must hold a public hearing with public notice to property owners prior to approving an ordinance establishing a SSMID. The City Council set a date of Public Hearing for the Campustown SSMID for July 31, 2018. The City is required to publish notice of the meeting and notify all property owners within the proposed Campustown SSMID area by certified mail not less than 15 days prior to the public hearing.

The City Council must wait at least 30 days after the public hearing to adopt an ordinance establishing the district. September 11, 2018 would be the earliest City Council meeting that the district could be approved.

7. Can the property owners within a proposed SSMID District oppose its establishment? Yes, if 25% of property owners representing 25% of the property value within the proposed SSMID District file a valid remonstrance petition with signatures prior to the conclusion of the public hearing, a unanimous vote of the City Council is required.

If 40% of the property owners representing 40% of the value within the proposed SSMID District file a valid remonstrance petition, establishment of the District is abandoned and the process stops.

8. How is a SSMID District amended or dissolved? Procedures for amending a SSMID District are generally similar to those for creating one, requiring submittal of a valid petition. A District can be dissolved by the City Council with a rescission of the ordinance establishing the SSMID. However, dissolution would not necessarily eliminate a levy for any outstanding debt for the District.

9. What happens if the Campustown SSMID is approved? Upon approval of the ordinance establishing the Campustown SSMID, a board must be created to administer the SSMID. The Campustown SSMID petition identifies that the CAA board will serve as the Board of Directors of the SSMID. This Board would create an annual budget to detail the services and projects that the funds would go to for an upcoming year. The Campustown SSMID Board of Directors would receive the funds once property taxes have been collected and the SSMID levy has been separated out from the regular property taxes.

State Code does allow options for who manages the SSMID funds, those include City Council, a third party (i.e. Chamber of Commerce), or the entity proposing/operating the

SSMID.

9. If approved, when would the levy take effect? The Campustown SSMID petition proposes the levy would apply to 2018 taxes. **Property taxes are back paid, so 2018 property taxes will not be calculated until July,1 2019.** If the SSMID is approved a property owner would not see the SSMID levy as part of their property tax bill until the September 2019 payment.



## Attachment 5: CAA SSMID HANDOUT



### SSMID: Self-Supported Municipal Improvement District

**MARKETING BENEFITS:** CAA membership • Co-op advertising with peers • Listing on CAA website  
Social media outreach • Invitation to membership and committee meetings • Additional wayfinding

**BEAUTIFICATION BENEFITS:** Plantings and streetscapes • Litter pick-up • Special event clean ups  
Light pole banners • Sidewalk snow/ice removal • Window cleaning

SAVE  
5-15%

In addition to beautification benefits and marketing opportunities, SSMID has the ability to give added protection to "slip & fall" suits, potentially saving businesses/organizations 5% to 15% on insurance rates.

**SSMID REPLACES THE  
CURRENT CAA  
MEMBERSHIP DUES.**

## SSMID: Self-Supported Municipal Improvement District

A Self-Supported Municipal Improvement District (SSMID) is a mechanism for property owners and businesses in a defined area to fund district-specific improvements and services.

SSMIDs are established to deliver a variety of services above and beyond the level of existing municipal services. All funds provided by the SSMID levy are invested within the district and can serve as an economic development tool to revitalize neighborhoods and spur business growth and retention.

### Proposed Rates:

**\$2/1000** of taxable valuation upon parcels in buildings which are assessed 100% commercial property.

**\$5/1000** of taxable valuation upon parcels in buildings with mixed-use assessment (i.e. commercial / residential)

Total Taxable Property value in the designated area:  
Approximately \$39.4 million

**Total finances raised: Approximately \$85,000**

### Proposed SSMID Expenses:

Sidewalk snow and ice removal:  
\$50,000

Campustown Action Association Membership and Additional Marketing opportunities:  
\$15,000

Additional beautification projects, events funding, operations funding:  
\$15,000

**Total SSMID Expenses: \$80,000**

### Potential Additional City Services provided through City Grant Process:

Deep Clean Litter pick up once per week:  
\$22,000

Power washing one time per week (April-November):  
\$28,000



director@amescampustown.com • 515-292-4528 • 119 Stanton Avenue #602 • Ames, IA 50014

## Surrounding Area SSMID Campaigns

*"The neighborhood has never been more unified than it is now. We all want our neighbors to succeed." Dave Diebler, Owner of Octopus College Hill*

*"We just felt there was a need for businesses to succeed."  
Doug Johnson, President of the College Hill Partnership, Vice President of University Book and Supply*

### COLLEGE HILL

Rate for the College Hill SSMID is \$2.25 per \$1000. The fund will be used for events, beautification, branding, and help direct more commercial development.

### DOWNTOWN DSM

In 2015 the downtown DSM SSMID rate was \$1.30/\$1000 and will be used as general funding and maintenance for Western Gateway Park, Principal Park, MLK Jr Parkway improvements and East Village Street Scape projects.

### INGERSOLL

The Ingersoll SSMID is set at \$2.25/\$1000 and is used for improving sidewalks, pedestrian crossings, events, landscaping, planters, decorative lighting, marketing and business retention.

### IOWA CITY

The Iowa City SSMID was up for renewal in summer 2016 and passed with 76% approval from valuation owners and 55% approval from "unique" property owners.

#### Uses Include:

Collaborating with the city to make downtown cleaner and safer; a police officer dedicated to the downtown area was hired, and the city has increased its powerwashing of sidewalks.

Creating Downtown District-branded events and initiatives.

Working with the city and a consultant to develop a new retail strategy.



**ORDINANCE NO.**

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY ENACTING A NEW CHAPTER 24, SECTION 24.18 THEREOF, FOR THE PURPOSE OF S-SMID (SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT) REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.**

**BE IT ENACTED**, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by enacting a new Chapter 24, Section 24.18 as follows:

**“Sec. 24.18. CAMPUSTOWN SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT.**

(A) **District established.** There shall be and there is hereby created in the city a self-supported municipal improvement district, as defined in Iowa Code Ch. 386, the name of which shall be the “Campustown Self-Supported Municipal Improvement District” (sometimes hereinafter referred to as the “District”), the purposes of which district are the undertaking of actions and the design and construction of any and all improvements and self-liquidating improvements, as defined in Iowa Code Ch. 386 and the performance of administration, redevelopment and revitalization of the district, as authorized by Iowa Code Ch. 386.

(B) **District boundaries.** The district shall include all non-residentially assessed properties within the following described boundary:

PARCELS IN THE CITY OF AMES, STORY COUNTY, IOWA; THE BOUNDARY LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINES OF LINCOLN WAY AND S SHELDON AVENUE, CITY OF AMES, STORY COUNTY, IOWA; THENCE EASTERLY ON SAID LINCOLN WAY CENTERLINE TO THE CENTERLINE OF WELCH AVENUE; THENCE SOUTHERLY ON SAID WELCH AVENUE CENTERLINE TO THE EXTENSION OF A SOUTH LINE DESCRIBED AS PARCEL AA IN BEARDSHEAR’S ADDITION AND PARKER’S ADDITION ON THE WEST LINE OF SAID PARCEL AA; THENCE EASTERLY 190.34 FEET TO A POINT ON THE SOUTH PROPERTY LINE OF SAID PARCEL AA IN BEARDSHEAR’S ADDITION AND PARKER’S ADDITION; THENCE SOUTHERLY 7.98 FEET TO A POINT ON THE SOUTH PROPERTY LINE OF SAID AS PARCEL AA IN BEARDSHEAR’S ADDITION AND PARKER’S ADDITION, THENCE EASTERLY ON THE EXTENDED SOUTH LINE OF AS PARCEL AA IN BEARDSHEAR’S ADDITION AND PARKER’S ADDITION TO THE CENTERLINE OF STANTON AVENUE; THENCE NORTHERLY ALONG THE CENTERLINE OF STANTON AVENUE TO THE CENTERLINE OF LINCOLN WAY; THENCE EASTERLY ALONG THE CENTERLINE OF LINCOLN WAY TO THE CENTERLINE OF LYNN AVENUE; THENCE SOUTHERLY ON SAID LYNN AVENUE CENTERLINE TO THE EXTENSION OF A SOUTH LINE DESCRIBED AS BEGINNING 45 FEET SOUTH OF THE NORTHEAST CORNER OF LOT 5 IN GREER’S SUBDIVISION OF LOT 24 OF PARKER’S ADDITION ON THE EAST LINE OF SAID LOT 5; THENCE WESTERLY TO A POINT ON THE WEST LINE OF SAID LOT 5, 46 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 5; THENCE NORTHERLY ON THE EXTENDED WEST LINE OF SAID LOT 5 TO THE CENTERLINE OF CHAMBERLAIN STREET; THENCE WESTERLY ALONG THE CENTERLINE OF SAID CHAMBERLAIN STREET TO THE EXTENDED EASTERLY LOT LINE OF WESTERLY ALONG THE CENTERLINE OF SAID CHAMBERLAIN STREET TO THE EXTENDED EASTERLY LOT LINE OF PARCEL S OF LOT 17 IN PARKER’S ADDITION, SAID EASTERLY LOT LINE IS 116.48’ EAST ON A CURVE BEING ON THE SOUTH RIGHT-OF-WAY OF SAID CHAMBERLAIN STREET; THENCE SOUTHERLY ON SAID EASTERLY LINE 31.78 FEET TO A CORNER ON SAID PARCEL S; THENCE EASTERLY ON SAID PARCEL S TO A POINT ON THE EAST LINE OF SAID PARCEL S; THENCE SOUTHERLY ON THE EAST LINE OF SAID PARCEL S TO THE SOUTHEAST CORNER OF SAID PARCEL S; THENCE WESTERLY ON THE EXTENDED SOUTH LINE OF SAID PARCEL S TO THE

CENTERLINE OF STANTON AVENUE; THENCE SOUTHERLY ON THE CENTERLINE OF SAID STANTON AVENUE TO THE EXTENDED SOUTH LINE OF LOT 2, SECOND ADDITION, TERRA FIRMA SUBDIVISION; THENCE WESTERLY ON SAID SOUTH LINE TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE WESTERLY ON THE SOUTH LINE OF A LOT DESCRIBED AS THE SOUTH 120 FEET OF LOT 1 WEST OF RAILWAY, PARKER'S ADDITION, TO A POINT ON THE EAST LINE OF LOT 8, BLOCK 1, IN BEARDSHEAR'S ADDITION; THENCE SOUTHERLY ON SAID EAST LINE OF LOT 8 TO THE WEST RIGHT-OF-WAY LINE OF THE DEEDED F. DODGE, DES MOINES AND SOUTHERN RAILWAY COMPANY RECORDED IN BOOK 2012 PAGE 9886; THENCE SOUTHWESTERLY ON SAID RAILWAY RIGHT-OF-WAY TO A POINT ON THE NORTH LINE OF LOT 9 IN SAID BLOCK 1; THENCE EASTERLY ON SAID LOT 9 TO THE NORTHEAST CORNER OF SAID LOT 9; THENCE SOUTHERLY ON THE EAST LINE OF SAID LOT 9 TO A POINT ON THE NORTH 60 FEET OF SAID LOT 9; THENCE WESTERLY ON THE EXTENDED NORTH 60 FEET OF SAID LOT 9 TO THE CENTERLINE OF WELCH AVENUE; THENCE SOUTHERLY ON SAID WELCH CENTERLINE TO THE EXTENDED SOUTH LINE OF LOT 1, BLOCK 2, BEARDSHEAR'S ADDITION; THENCE WESTERLY ON THE EXTENDED SOUTH LINE OF SAID LOT 1 TO THE CENTERLINE OF THE EXTENDED CENTERLINE OF CHAMBERLAIN PLACE; THENCE NORTHERLY ON THE SAID EXTENDED CHAMBERLAIN PLACE CENTERLINE TO THE EXTENDED SOUTH LINE OF LOT 14 IN BLOCK 3 IN AUDITOR'S REPLAT OF BLOCKS 3, 4, AND 5, BEARDSHEAR'S ADDITION AND WALTER'S SUBDIVISION IN THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M.; THENCE WESTERLY ON THE SOUTH LINE OF SAID LOT 14 TO THE SOUTHEAST CORNER OF LOT 7 OF SAID AUDITOR'S REPLAT; THENCE WESTERLY ON EXTENDED LINE OF SAID LOT 7 TO THE CENTERLINE OF HAYWARD AVENUE; THENCE NORTHERLY ON SAID HAYWARD AVENUE TO THE EXTENDED SOUTH LINE OF PARCEL K LOCATED IN PART OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., AND IN HOOVER'S ADDITION AND IN SAID AUDITOR'S REPLAT; THENCE SOUTHWESTERLY ON THE EXTENDED SAID SOUTH LINE OF PARCEL K TO THE CENTERLINE OF S. SHELDON AVENUE; THENCE NORTHERLY ON SAID CENTERLINE OF S. SHELDON AVENUE TO THE POINT OF BEGINNING.

(C) **Related benefit area.** It is hereby found and determined that the owners of all the property within the District have a present and potential benefit from the condition, development and maintenance of the District and that all of the property within the district is related by virtue of its location within an area of the city zoned for commercial use.

(D) **Operation fund.** Pursuant to provisions of Iowa Code Ch. 386, there is hereby established and created a self-supported improvement district operation fund which shall be known as the "Campustown Self-Supported Municipal Improvement District Operation Fund", for which operation fund the city may certify taxes (the "operation tax") against the property, as defined in Iowa Code Ch. 386 (excluding property assessed as residential property for property tax purposes) within the District (the "property") each year, in addition to all other taxes, commencing with the levy of taxes for collection in the fiscal year beginning 7-1-2019. The purpose of the levy is for paying such expenses of the district as are authorized by Iowa Code Ch. 386, including, but not limited to, the administrative expenses of the district and part or all of the maintenance expenses of improvements or self-liquidating improvements, as defined in Iowa Code Ch. 386. This levy shall continue annually until such time as the City Council rescinds the ordinance establishing The District.

(E) **Operation tax.** The operation tax, as provided in division (D) above, shall be levied as two rates based upon building types. The tax shall be levied annually upon commercial property at a rate not to exceed \$2.00 per \$1,000 of taxable value of the property in the first year of the District and may be increased by the City Council to a rate not to exceed \$5.00 per \$1,000 of taxable value after the first year. The tax shall be levied annually upon commercially assessed value of property within mixed-use buildings, buildings with residential use and commercial use, at a rate not to exceed \$5.00 per \$1,000 of taxable value of property in in the first year of the District and may be increased by the City Council to a rate not to exceed \$8.00 per \$1,000 of taxable value after the first year.

The City may disburse the amounts collected in the Operation Fund, in accordance with the recommendations made to the City Council by the Board established pursuant to the Petition, for one or more of the following purposes:

- i. Communications and Advocacy; and
- ii. Operations Planning and Improvements, including Events; and
- iii. Enhanced Maintenance.

(F) **Board.** The City of Ames recognizes the Campustown Action Association as the Board for administering the Operation Fund as described in the petition for establishment of the The District. The Board shall annually submit to the City Council by January 1<sup>st</sup> a recommended budget for use of Operation funds and the associated tax levy rate needed to sustain the actives and improvements identified within the proposed budget. The Board shall be responsible for the administration and accounting of expenditures for use of Operation Funds.

The City Council may by resolution change the designation of the Board of Directors for the The District from Campustown Action Association to a specified board of 5 or more members appointed by the Mayor or assume the role of the Board of Directors itself.”

Section Two. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Three. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane R. Voss, City Clerk

\_\_\_\_\_  
John A. Haila, Mayor

**COUNCIL ACTION FORM**

**SUBJECT: TEXT AMENDMENT TO THE ZONING ORDINANCE ALLOWING DRY CLEANING AND LAUNDRY FACILITIES IN THE HIGHWAY-ORIENTED COMMERCIAL (HOC) ZONE BY SPECIAL USE PERMIT**

**BACKGROUND:**

On June 26, 2018, based on the request of Kurt Friedrich of Friedrich Realty and Rick & Jay Kasperbauer of Mayfair Cleaners, the City Council authorized an application for a text amendment to expand opportunities for the on-site processing activities of Dry Cleaning and Laundry Facilities into the Highway Oriented Commercial (HOC) Zone. The Kasperbauers are interested in acquiring a site zoned HOC and moving their business currently located at 508 Lincoln Way. Dry Cleaning and Laundry Facilities are considered an Industrial Service Use and are currently permitted only in the General Industrial (GI) Zone. The existing operation is considered a nonconforming use in the HOC zone.

The term “Dry Cleaning” can be described as any cleaning process for clothing and textiles that uses a chemical solvent rather than water. Dry cleaning is used to clean fabrics that degrade in water, and delicate fabrics that cannot withstand the rough and tumble of a washing machine and clothes dryer. Dry Cleaning operations are traditionally viewed as an intensive process due to use of chemical solvents and the nature of large scale laundry activities. Due to concerns about the intensity of processing activities and use of chemicals, such uses are considered an industrial process.

The most common chemical solvent in dry cleaning is Perchloroethylene (PCE or referred to as Perc). It is used worldwide by 85% of the industry, because of its effectiveness in degreasing and deodorizing fabrics without shrinkage or fading. However, PCE is classified as a Toxic Air Contaminant by the Environment Protection Agency (EPA) underscoring the concerns related to long term exposure to solvents used in Dry Cleaning. Specifically, long term exposure of residential uses within the same building has been studied and found to increase the likelihood of detrimental health conditions. Some industry efforts have been made to phase out the use of Perc due to environmental and health concerns for long term exposure to the chemical.

The health risks of PCE as a dry cleaning solvent has spurred interest in alternative solvents to replace its use. “Green or earth-friendly dry cleaning” are not defined industry terms, but generally refer to any Dry Cleaning method that does not involve using PCE. Due to potential changes in chemical processes with Dry Cleaning, there is potential to reclassify the use as requested by the applicant. Regulations for alternative solvents and processes are still evolving.

Therefore, the unique characteristics of Dry Cleaning and Laundry Facilities merit careful consideration before expanding the use beyond the General Industrial zone. Staff proposes to classify the use as a Special Use Permit that allows for case-by-case

review of a proposed operation and its proximity to other properties that may have sensitive uses. **Staff also recommends adding special standards to Article XIII to clarify that the use of “Perc” is not allowable within the HOC zoning district. Additionally, it is important that facilities not be co-located in the same building with childcare or educational facilities, or any residential use, due to the potential effects of solvent exposure on human health.**

The special use permit process would also be consistent with the approach utilized for other uses of an industrial nature. The Special Use Permit criteria are included for reference as Attachment 1.

### **PLANNING AND ZONING COMMISSION RECOMMENDATION:**

The Planning and Zoning Commission reviewed the requested amendment at its July 18, 2018 meeting. The Commission reviewed the need for the changes and consistency with the requirements of the zoning district. The Commission then voted 6-0 to recommend approval of the text amendment to allow dry cleaning and laundry facilities in the HOC zoning district by special use permit, as proposed by staff.

### **ALTERNATIVES:**

1. The City Council can approve on first reading the proposed ordinance related to “Dry Cleaning and Laundry Facilities” in the Highway-Oriented Commercial (HOC) Zone.
2. The City Council can recommend alternative language for the proposed text amendment.
3. The City Council can request additional information and defer taking action.

### **CITY MANAGER’S RECOMMENDED ACTION:**

Currently, Dry Cleaning and Laundry Facilities may locate by right, as an Industrial Service use, within the General Industrial zone under minimal development standards. Approval of this text amendment, to allow “Dry Cleaning and Laundry Facilities” in the Highway-Oriented Commercial (HOC) zone, will enable the construction and location of new uses in the HOC zone that include dry cleaning and laundry facilities. This will be the only commercial zoning district that will allow such uses. Other zones allow for drop off and pickup where processing occurs off site.

HOC is a zone intended for a wide range of commercial uses with an emphasis on vehicular access. HOC is located through the City and commonly abuts a variety of other zoning districts, such as Residential Low Density, Residential High Density, and General Industrial. **Requiring a Special Use Permit for dry cleaning and laundry facilities will provide added assurance that such facilities will be appropriate to their location within the HOC zone and meet certain special standards.**

**Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1 as described above.**

## **Addendum**

### **Applicant's Description of use**

The applicant current operates Mayfair Cleaners. The Applicant describes its operations as earth-friendly. Mayfair Cleaners utilizes an alternative solvent, known as SolvonK4 (formaldehyde dibutyl acetal) for their dry cleaning processes. SolvonK4 (formaldehyde dibutyl acetal) is considered a volatile organic component and requires an air permit. SolvonK4 claims to be halogen-free and biodegradable. Mayfair is able to recycle the SolvonK4 and they state that the only byproduct going down the drain is dirty water from their three small commercial washing machines. Currently, there is limited toxicity information available for SolvonK4. The applicant believes their method of operation is distinguishable from traditional Perc based dry cleaning methods and could be found to compatible with commercial surroundings. A restriction on use of Perc within HOC zoning meets the applicant's interest for the text amendment.

### **Zoning Ordinance**

"Laundry, Dry Cleaning, and Carpet Cleaning Facilities" are defined uses within the Zoning Ordinance and are categorized as Industrial Service within Table 29.501(4)-4. Establishments that do Laundry, Dry Cleaning, and Carpet Cleaning on-site are distinguished from Laundromats that are for personal laundry uses and Dry Cleaners with only pick up/drop off which are allowed as a Commercial use, since the processing occurs offsite.

Industrial Service uses are currently allowed as of right in only one zoning district- General Industrial (GI). If the text amendment is not approved, a new dry cleaning facility could be established on a property within the GI zoning district.

Highway-Oriented Commercial (HOC) Zone. The "Purpose" of the HOC zoning district is described in Section 29.804(1) as follows:

The Highway-Oriented Commercial (HOC) Zone is intended to allow auto-accommodating commercial development in areas already predominantly developed for this use. The zone allows a full range of retail and service businesses with a large local or citywide market. Development is expected to be generally auto-accommodating, with access from major traffic ways. The zone's development standards are intended to promote an open and pleasant street appearance; development that is aesthetically pleasing for motorists, pedestrians and the businesses themselves; and compatibility with adjacent residential areas.

As a commercial zone, industrial uses are limited within HOC. Currently two Industrial Service uses are also permitted within the Highway-Oriented Commercial Zone (HOC)- 1) Mini-Storage Facilities and 2) Printing, Publishing, Commercial Art and Reproduction Services. Small production facilities, e.g. breweries, are viewed as a manufacturing use. Each of the existing allowed Industrial uses within HOC zoning require approval of a Special Use Permit.

The proposed text amendment classifies “Dry Cleaning and Laundry Facilities” as a Special Use within the HOC zoning district. Requiring approval of a Special Use Permit for “Dry Cleaning and Laundry Facilities,” in the HOC zoning district, is consistent with the manner in which other “Industrial Service” uses have been allowed in the HOC Zone.

A Special Use Permit requires certain criteria be met for approval and are also subject to “general standards” and “specific standards” for proposed uses in Commercial zones. These standards and the process for approval of a Special Use Permit provides for a detailed review of the particular and unique characteristics of each proposed use. The requirement for a Special Use Permit provides the opportunity for the Zoning Board of Adjustment to address the welfare of adjacent properties and the community as a whole.

In addition to the Special Use Permit process, specific standards are proposed to be added to Article XIII of the Zoning Ordinance to limit the use of toxic chemicals. These standards would apply only to facilities that are not located within the GI zoning district.

Staff proposes the parking rate for the use match that of other HOC retail and service uses. The typical rate is 1 parking spaces for 300 gross square feet of use. This rate would accommodate a range of customer and employee parking needs. Additionally, requiring a standard retail parking rate allows for versatility of use for a site in the future if the dry cleaning establishment closes.

**ATTACHMENT “1”**  
**Sec. 29.1503. SPECIAL USE PERMIT.**

(1) **Purpose.** This Section is intended to provide a set of procedures and standards for specified uses of land or structures that will allow practical latitude for the investor or developer, but that will, at the same time, maintain sound provisions for the protection of the health, safety, convenience and general welfare. This Section permits detailed review of certain types of land use activities that, because of their particular and unique characteristics, require special consideration in relation to the welfare of adjacent properties and to the community as a whole. Land and structural uses possessing these characteristics may be authorized within designated Zones by the issuance of a Special Use Permit. This Section also provides for the use of Single Family Dwellings, Two Family Dwellings, and Single Family Attached Dwellings by a Functional Family.

(2) **Submission Requirements.** An application for a Special Use Permit, filed in accordance with Section 29.1503, shall be accompanied by:

- (a) A statement of supporting evidence that the general and specific standards as delineated in this Article will be fulfilled;
- (b) A Site Plan meeting all the submittal requirements stated in Section 29.1502(2); and
- (c) Preliminary plans and specifications for all construction, as applicable.

(3) **Procedure for Special Use Permits.**

(a) **Zoning Board of Adjustment.** The Zoning Board of Adjustment shall consider the application at a public hearing conducted as part of a regularly scheduled meeting. Notification of the public hearing shall be made by mail, posting, and publication, in accordance with Sections 29.1500(2)(d)(i), (ii) and (iii) above. The Zoning Board of Adjustment must approve, deny, or modify the Special Use Permit application within 60 days of the public hearing. (*Ord. No. 3815, 12-21-04; Ord. No. 3983, 2-10-09*)

(4) **Review Criteria.** Before a Special Use Permit application can be approved, the Zoning Board of Adjustment shall establish that the following general standards, as well as the specific standards outlined in subsections (b), (c), and (d) below, where applicable, have been or shall be satisfied. The Board's action shall be based on stated findings of fact. The conditions imposed shall be construed as limitations on the power of the Board to act. A mere finding that a use conforms to those conditions or a recitation of those conditions, unaccompanied by specific findings of fact, shall not be considered findings of fact for the purpose of complying with this Ordinance.

(a) **General Standards.** The Zoning Board of Adjustment shall review each application for the purpose of determining that each proposed use meets the following standards, and in addition, shall find adequate evidence that each use in its proposed location will:

- (i) Be harmonious with and in accordance with the general principles and proposals of the Land Use Policy Plan of the City;
- (ii) Be designed, constructed, operated, and maintained so as to be harmonious in appearance with the existing or intended character of the general vicinity and that such a use will not change the essential character of the area in which it is proposed;
- (iii) Not be hazardous or disturbing to existing or future uses in the same general vicinity;
- (iv) Be served adequately by essential public facilities and services such as highways, streets, police, fire protection, drainage structure, refuse disposal, water and sewage facilities, and/or schools;
- (v) Not create excessive additional requirements at public cost for public facilities and services;
- (vi) Not involve uses, activities, processes, materials, equipment or conditions of operation that will be detrimental to any person, property or general welfare by reason of excessive production of traffic, noise, smoke, fumes, glare, or odors; and
- (vii) Be consistent with the intent and purpose of the Zone in which it is proposed to locate such use.

(b) **Residential Zone Standards.** The Zoning Board of Adjustment shall review each application for the purpose of determining that each proposed use in a residential zone meets the following standards, as well as those set forth in Section 29.1503(4)(a) above and, in addition, shall find adequate evidence that each use in its proposed location will:

- (i) Not create excessively higher levels of traffic than the predominant pattern in the area and not create additional traffic from the proposed use that would change the street classification and such traffic shall not lower the level of service at area intersections;
- (ii) Not create a noticeably different travel pattern than the predominant pattern in the area. Special attention must be shown to deliveries or service trips in a residential zone that are different than the normal to and from work travel pattern in the residential area;



(iii) Not generate truck trips by trucks over 26,000 pounds g.v.w (gross vehicular weight) to and from site except for food delivery vehicles, waste collection vehicles and moving vans;  
(*Ord. No. 4159, 9-24-13*)

(iv) Not have noticeably different and disruptive hours of operation;

(v) Be sufficiently desirable for the entire community that the loss of residential land is justifiable in relation to the benefit;

(vi) Be compatible in terms of structure placement, height, orientation or scale with the predominate building pattern in the area;

(vii) Be located on the lot with a greater setback or with landscape buffering to minimize the impact of the use on adjacent property; and

(viii) Be consistent with all other applicable standards in the zone.

(c) **Commercial Standards.** The Zoning Board of Adjustment shall review each application for the purpose of determining that each proposed use located in a commercial zone meets the following standards as well as those set forth in Section 29.1503(4)(a) above and, in addition, shall find adequate evidence that each use in its proposed location will:

(i) Be compatible with the potential commercial development and use of property planned to occur in area;

(ii) Represent the sufficiently desirable need for the entire community that the loss of commercial land is justifiable in relation to the benefit; and

(iii) Be consistent with all other applicable standards in the zone.

(d) **Special Use Permits for Functional Families.**

(i) **Purpose.** This Section is to provide for the regulation of Functional Families that may request to reside in a Single Family Dwelling, Two Family Dwelling or Single Family Attached Dwelling. The regulations are also intended to prohibit larger groups of unrelated persons from residing in Single Family Dwellings, Two Family Dwellings, or Single Family Attached Dwellings. Larger groups of unrelated persons have frequently shown to have a detrimental affect on Single Family neighborhoods since larger groups of unrelated persons do not live as a family unit and do not have significant economic or emotional ties to a neighborhood.

(ii) **Standards of Functional Families.** The Zoning Board of Adjustment shall review each application for a Special Use Permit for a functional family as provided for in this section after having determined that the application meets the following standards:

a. The functional family shares a strong bond or commitment to a single purpose (e.g. religious orders);

b. Members of the functional family are not legally dependent on others not part of the functional family;

c. Can establish legal domicile as defined by Iowa law;

d. Share a single household budget;

e. Prepare food and eat together regularly;

f. Share in the work to maintain the premises; and

g. Legally share in the ownership or possession of the premises.”

(e) **Conditions.** The Board may impose such additional conditions as it deems necessary for the general welfare, for the protection of individual property rights, and for ensuring that the intent and objectives of this Ordinance will be observed.

(*Ord. No. 3591, 10-10-00; Ord. No. 3983, 2-10-09*)

(5) **Lapse of Approval.** All Special Use Permits shall lapse 12 months after the date of issuance unless the use is undertaken or a building permit has been issued and actual construction started. Where unusual circumstances may prevent compliance with this time requirement, the Zoning Board of Adjustment may, upon written request by the affected permittee, extend the time for required start of construction an additional 60 days. Excavation shall not be considered construction for the purpose of enforcing this Section.

(6) **Successive Applications.** In the event that the Board denies an application for a Special Use Permit, a similar application shall not be refiled for 12 months from the advertised public hearing date. The Board, on petition by the applicant, may permit a refiled of this application after 6 months from the original hearing date when it determines that significant physical, economic or land use changes have taken place within the immediate vicinity, or a significant zoning ordinance text change has been adopted, or when the reapplication is for a different use than the original request. The applicant shall submit a detailed statement setting out those changes that he or she deems significant or upon which he or she relies for refiled the original application.

(7) **Site Plans approved as part of a Special Use Permit.** All site plans approved as part of an approved Special Use permit may only be amended pursuant to the same procedures for approving Minor Changes to a Major Site Development Plan as provided in Section 29.1502(6).

(*Ord. 4279, 11-15-16*)

**ATTACHMENT “2”  
Draft Standards**

**Table 29.804(2)  
Highway-Oriented Commercial (HOC) Zone Uses**

USE CATEGORY	STATUS	APPROVAL REQUIRED	APPROVAL AUTHORITY
***			
<b>INDUSTRIAL USES</b>			
<u>Dry Cleaning and Laundry Facility (see Section 29.1315)</u>	N, except mini-storage warehouse facility (see Section 29.1308(8)(a)(v)) <u>Y</u>	<u>SP</u>	<u>ZBA</u>
<u>Mini-Storage Warehouse Facility (see Section 29.1308)</u>	<u>Y</u>	<u>SP</u>	<u>ZBA</u>
<u>Small Production Facility</u>	<u>Y</u>	<u>SP</u>	<u>ZBA</u>
***			

Y = Yes: permitted as indicated by required approval.  
 N = No: prohibited  
 SP = Special Use Permit required: See Section 29.1503  
 SDP Minor = Site Development Plan Minor: See Section 29.1502(3)  
 SDP Major = Site Development Plan Major: See Section 29.1502(4)  
 ZBA = Zoning Board of Adjustment

\*\*\*

**Sec. 29.1315. DRY CLEANING AND COMMERCIAL LAUNDRY FACILITIES.**

Dry cleaning is any cleaning process for clothing and textiles that uses a chemical solvent rather than water.

Dry cleaning and laundry facilities are permitted in the General Industrial (GI) Zone. Dry Cleaning and Laundry may be located in the Highway Oriented Commercial District (HOC) by virtue of a Special Use Permit authorized by the Zoning Board of Adjustment.

A Special Use Permit for a dry cleaning and laundry facility shall be subject to the Zone Development Standards of the HOC Zone and also be subject to the following additional regulations:

- (1) **Chemical Processes.** Use of Perchloroethylene (PCE or also referred to as Perc) is prohibited;
- (2) **Adjacent Uses.** Dry Cleaning Facilities shall not be co-located in the same building with any residential use, childcare, or schools.
- (3) **Parking.** The number of off-street parking spaces shall be calculated at the same rate as other retail parking requirements of Article IV.

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY AMENDING TABLE 29.804(2) UNDER INDUSTRIAL USES AND ENACTING A NEW SECTION 29.1315 THEREOF, FOR THE PURPOSE OF ALLOWING DRY CLEANING AND LAUNDRY FACILITIES IN THE HOC ZONE BY SPECIAL USE PERMIT REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.**

**BE IT ENACTED**, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by amending Table 29.804(2) under Industrial Uses and enacting a new Section 29.1315 as follows:

**“Sec. 29.804. "HOC" HIGHWAY-ORIENTED COMMERCIAL.**

...

(2) **Permitted Uses.** The uses permitted in the HOC Zone are set forth in Table 29.804(2) below:

**Table 29.804(2)  
Highway-Oriented Commercial (HOC) Zone Uses**

<b>USE CATEGORY</b>	<b>STATUS</b>	<b>APPROVAL REQUIRED</b>	<b>APPROVAL AUTHORITY</b>
...			
<b>INDUSTRIAL USES</b>			
Dry Cleaning and Laundry Facility (see Section 29.1315)	Y	SP	ZBA
Mini-Storage Warehouse Facility (see Section 29.1308)	Y	SP	ZBA
Small Production Facility	Y	SP	ZBA
...			

- Y = Yes: permitted as indicated by required approval.
- N = No: prohibited
- SP = Special Use Permit required: See Section 29.1503
- SDP Minor = Site Development Plan Minor: See Section 29.1502(3)
- SDP Major = Site Development Plan Major: See Section 29.1502(4)
- ZBA = Zoning Board of Adjustment

...

**Sec. 29.1315. DRY CLEANING AND COMMERCIAL LAUNDRY FACILITIES.**

Dry cleaning is any cleaning process for clothing and textiles that uses a chemical solvent rather than water.

Dry cleaning and laundry facilities are permitted in the General Industrial (GI) Zone. Dry Cleaning and Laundry may be located in the Highway Oriented Commercial District (HOC) by virtue of a Special Use Permit authorized by the Zoning Board of Adjustment.

A Special Use Permit for a dry cleaning and laundry facility shall be subject to the Zone Development Standards of the HOC Zone and also be subject to the following additional regulations:

- (1) **Chemical Processes.** Use of Perchloroethylene (PCE or also referred to as Perc) is prohibited;
- (2) **Adjacent Uses.** Dry Cleaning Facilities shall not be co-located in the same building with any residential use, childcare, or school; and
- (3) **Parking.** The number of off-street parking spaces shall be calculated at the same rate as other retail parking requirements of Article IV.”

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable as set out by law.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Diane R. Voss, City Clerk

\_\_\_\_\_  
John A. Haila, Mayor

**COUNCIL ACTION FORM**

**SUBJECT: AMENDMENT TO 2014-18 FIVE-YEAR CDBG CONSOLIDATED PLAN TO INCORPORATED THE RECEIPT OF HOME PROGRAM FUNDS**

**BACKGROUND:**

At the May 8, 2018 City Council meeting, the City Council approved a resolution to authorize staff to proceed with preparing an amendment to the 2014-18 CDBG Five-Year Consolidated Plan to incorporate the receipt of HOME funds and to set July 31, 2018 as the date of public hearing.

The Consolidated Plan is the federal planning document (Comprehensive Housing Affordability Strategy, or CHAS) for the jurisdiction. This plan requires detailed background information on the community, derived both from census data and other comprehensive studies performed by the community. The Plan must identify, over a **three or five-year period**, the goals and priorities to address the housing and community development needs of both low- and moderate-income persons as well as needs for higher income housing. It must also contain an Annual Action Plan that outlines program activities that will be undertaken to address or meet those goals and priorities. The Annual Action Plan can address one or all of the goals and priorities of the identified housing and community development needs. The Annual Action Plan is adopted every year by the City Council.

Since City Council direction to amend the Plan, staff has been working closing with the HUD Omaha staff these past months to complete all of the required steps to receive the HOME funds. One major change from May with the information that in addition to the annual "local match" requirement for the HOME funds, that the City also has to provide a one-time shortfall gap of \$148,736 to receive the 2018-19 HOME allocation of \$601,264. As staff reported in June, the Iowa Finance Authority (IFA) agreed to transfer \$148,736 in HOME funds to the City of Ames to reach the \$750,000 initial funding threshold requirement. This is a one-time grant to the City of state HOME funds.

Once all of the funding requirements were satisfied, staff proceeded with preparing the amendment to the Five-Year Consolidated Plan. Because the City is entering into the last year (2018/19) of its current 2014-18 Five-Year Plan, **only the Strategic Planning section of the plan was required to be amended** (see attached Executive Summary). Additionally, 2014-18 adopted goals and priorities were not changed (Executive Summary Section 2).

**The entire Amendment to the 2014-18 Five-Year Consolidated Plan documents are available on the City's web page at: [www.cityofames.org/housing](http://www.cityofames.org/housing)**

Federal regulations require a 30-day public comment period, which ended on July 26<sup>th</sup>. No written comments have been received by staff. At the conclusion of the Public Hearing and with Council's approval of the Plan, staff is required to submit the plan to HUD as soon as possible due to the fact that the Consolidated Plan must be approved by HUD before the 2018-19 Action Plan can be submitted for approval. The statutory deadline to submit the Action Plan is August 16<sup>th</sup>, failure to have the plan submitted to HUD by this date will result in the City not being eligible to receive its 2018-19 funding allocation of both CDBG and HOME.

### **ALTERNATIVES:**

1. The City Council can approve the Amendment to the 2014-18 Five-Year Consolidated Plan to incorporate the receipt of HOME funding beginning in fiscal year 2018-19.
2. The City Council can modify, and then approve, the Amendment to the 2014-18 Five-Year Consolidated Plan to incorporate the receipt of HOME funding beginning in fiscal year 2018-19.
3. The City Council decline to approve the Amendment to the 2014-18 Five-Year Consolidated Plan to incorporate the receipt of HOME funding beginning in fiscal year 2018-19.

### **CITY MANAGER'S RECOMMENDED ACTION:**

CDBG funds continue to bring the City a unique opportunity to use federal funding to address our housing and community development priorities. With the **addition of HOME funding, more housing and community development opportunities can be addressed**. In order to qualify for receipt of both of these funds over the next fiscal year, the Consolidated Plan must be amendment and approved by City Council.

**The City's required CDBG timeliness test by HUD will still occur on May 2<sup>nd</sup>, which could mean that approximately \$200,000 would need to be expended by April 25, 2019 based upon the project budget. Additionally, the new HOME funding also will have a timeliness deadline, that the date is yet to be determined. In either cases, staff must concentrate its initial efforts on activities that can be accomplished in this timeframe, which is primarily the 321 State Avenue infrastructure improvements and the construction of single-family homes for the development.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the Amendment to the 2014-18 Five-Year Consolidated Plan to incorporate the receipt of HOME funding beginning in fiscal year 2018-19, which must be submitted to HUD as soon as possible.

# Executive Summary

## ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

The City of Ames beginning July 1, 2018 will be receiving its first allocation of HOME Partnership Investment Program Funds. HOME administered by the Department of Housing and Urban Development (HUD), is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. HOME funds can be used for a variety of housing activities, according to local housing needs. Eligible uses of funds include, but not limited to: tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing.

In order to receive HOME funds, will require the City of Ames to amend its 2014-2018 Five-Year Consolidated Plan and update its 2018-19 Annual Action Plans to not only reflect the receipt of HOME funds, but also propose what eligible activities will be implemented using the HOME dollars.

Starting July 1, 2018, the City will enter into the last year of its' 2014-18 Five-Year Consolidated Planning period. The next new Five-Year (2019-2024) Consolidated Plan will be started in the fall of 2018 and is required to be submitted to HUD in May of 2019. **Therefore, only the following specific factors portions of the "Strategic Plan" section of the current 2014-2018 Consolidated Plan are needing to be updated to reflect the HOME funding and activity (ies) to be implemented:**

- (SP-10) Geographic Priorities
- (SP-25) Priority Needs (See Strategic Plan)
- (SP-30) Influence of Market Conditions (See Strategic Plan)
- (SP-35) Anticipated Resources
- (SP-45) Goals/Activities
- (SP-55) Barriers to affordable housing (See Strategic Plan)
- (SP-80) Monitoring (See Strategic Plan)

The process for amending the Plan will still include identifying priority needs, establishing goals to address the needs, and then identifying projects to achieve the goals, but specifically including the HOME program eligibility requirements. **Priority needs were determined through analysis of data and an extensive public involvement process, however, for this amendment a 30-day comment period and public hearing will be the citizen input process. A more extensive public involvement process and updating of the data for analysis and will occur as part of the new 2019-2024 Five-Year Consolidated Planning process.**

The goals set forth in this amendment to the Consolidated/Strategic Plan are in keeping with the overall mission of HUD's Community Planning and Development (CPD) Programs: Community Development Block Grants (CDBG) and HOME Partnership Investment Program. The statutes for these programs set three primary goals for the benefit of low, very low- and extremely low-income persons: to Provide Decent Housing, to Provide a Suitable Living Environment, and to Create and/or Expanded Economic Opportunities.

## **2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

Because the goal of the HOME program is to create affordable housing for low-income households, which is similar, if not the same as the CDBG program goals, as part of the Amendment to the 2014-18 Five-Year Consolidated Planning process, **no changes** will be made to the City of Ames's strategies toward serving the needs of homeless, extremely low-income, low-income, and moderate-income families and households for the remainder of the current five-year plan.

Additionally, the following Priority Goal Objectives and Outcomes **will remain** through the remainder of the 2018-19 program year:

### **1. Goal: Utilize and leverage CDBG Funds for Low and Moderate Income Persons through private and public partnerships as follows:**

A1. Objective: To create, expand and maintain Affordable Housing for Homeless and Low-income persons

Outcomes:

- i. Increase the supply of affordable rental housing
- ii. Improve the quality of affordable rental housing
- iii. Increase the availability of affordable owner-occupied housing
- iv. Maintain the supply of affordable owner-occupied housing
- v. Provide temporary rental assistance
- vi. Increase the supply of mixed-use development
- vii. Expand and maintain the supply of emergency shelter and transitional housing

A2. Objective: To maintain the Community Development Services of the Community

Outcomes:

- i. Continue provision of the Public Service Needs for homeless, special populations, and low income households (utilities, rent, deposits, childcare, transportation, employment training, substance abuse, health services, legal services, other public service needs) and reduce duplication of services.
- ii. Continue provision of Public Facilities Needs for homeless, special populations and low income households (senior centers, homeless facilities, child care centers, mental health facilities, neighborhood facilities, and other public facility needs).
- iii. Continue provision of Public Infrastructure Needs in low-income census tracts (water, street, sidewalk improvements).



**2. Goal: Utilize and leverage CDBG Funds for NON Low and Moderate Income Persons through private and public partnerships as follows:**

**A1. Objective: Address Housing Needs in Non-Low and Moderate Income Census Tracts**

Outcomes:

- i. Integrate affordable and market rate residential developments
- ii. Remove blight and deteriorated housing to reuse into new housing
- iii. Support and address code enforcement of deteriorated housing
- iv. Remove blight and deteriorated housing in flood plain and other hazardous areas.

**SP-10 Geographic Priorities.** The City of Ames will focus a large portion of its CDBG funding in its newly formed Neighborhood Revitalization Strategy Area (NRSA) in West Ames, and 100% of its new funding of HOME dollars will be targeted in the NRSA (see detail chart in the Strategic Plan) below). There will be some City-wide programming as well. The majority of the determined benefit will be based on individual income eligibility, low-income limited clientele benefit, and low-area benefit, (based on census tracts containing concentrations of 51% or more low- to moderate-income persons, as established by HUD). The application process will be open to all interested persons.

Based on the above Objectives, the following Activity Outcomes including the HOME funds are being proposed. For 2018-19, the City of Ames received an additional \$61,579 of CDBG funds that is being Revised and the new addition of HOME funding.

(SP-35) Anticipated overview of Sources of Revenue of both CDBG & HOME for 2018-2019:

<b>REVISED Proposed 2018-19 CDBG Program Revenue Resources</b>		
	<b>Proposed</b>	<b>Revised</b>
FY 2018-19 CDBG Allocation	\$510,515	\$572,094
FY 2017-18 Anticipated Program Rollover	\$626,942	\$600,000
FY 2018-19 Anticipated Program Income	\$6,000	\$ 6,400
<b>Total FY 2018-19</b>	<b>\$1,143,457</b>	<b>\$1,178,494</b>
Non-CDBG Revenue Resources (GO Bonds)	\$250,000	\$250,000
<b>Grand Total Revenues</b>	<b>\$1,393,457</b>	<b>\$1,428,494</b>

<b>Proposed FY 2018-19 HOME Program Revenue Resources</b>	
	<b>Proposed</b>
18-19 HOME Allocation	\$601,264
Shortfall Commitment by IFA	\$148,736
25% Local Match	TBD annually
<b>Grand Total Revenues</b>	<b>\$750,000</b>

**Summary of SP-45-48 Proposed Summary Goals:**

<b>1</b>	<b>Project Name</b>	<b>Renter Affordability Program/DFMR</b>
	<b>Target Area</b>	CITY-WIDE & Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons Maintain Development Services in the Community
	<b>Needs Addressed</b>	<b>Renter Affordability Programs</b>
	<b>Funding</b>	<b>CDBG: \$35,000</b> (Rollover 17-18 funding)
	<b>Description</b>	Funds under this project will be used to provide Deposit and/or First month rent assistance to households with annual incomes at 60% or less of the area median income limits;
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	30 LMI Households at 60% or less of Ames MSA
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	The activities under this program is to provide one-time funding to households and/or families with incomes at or below 60% of the Story County Median income limits by assisting them with Security Deposits and/or First Month's rent. The assistance may be expanded to include up to three months of rent assistance.

<b>2</b>	<b>Project Name</b>	<b>Renter Affordability Program/Transportation Assistance</b>
	<b>Target Area</b>	CITY-WIDE & Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons Maintain Development Services in the Community
	<b>Needs Addressed</b>	Renter Affordability Programs
	<b>Funding</b>	<b>CDBG: \$5,000</b> (Rollover 17-18 funding)
	<b>Description</b>	Under this activity funds will be used to assist approximately 25 households at 60% or less of the AMI with their interim transportation needs (fuel vouchers, or bus passes).
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	25 LMI Households at 60% or less of Ames MSA
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	The activities under this program is to provide financial assistance to households and/or families with incomes at or below 60% of the Story County Median Income limits with assistance with their transportation needs through either fuel vouchers or bus passes for 2018-19.

<b>3</b>	<b>Project Name</b>	Acquisition/ Reuse Program for Affordable Housing
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Acquisition Reuse For Affordable Housing
	<b>Funding</b>	<b>CDBG: \$140,000</b> (18-19 Funding Allocation)
	<b>Description</b>	Under this activity funds will be used to: a. Purchase vacant in-fill lots for redevelopment into affordable housing, which may include demolition and clearance; b. Purchase of properties for rehabilitation into affordable housing. The goal is to create, expand and maintain Affordable Housing for homeless and low income households. Funding will be allocated from the 2018-19 CDBG Allocation.
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Anticipated (1) LMI Household/family at 80% or less of Ames MSA
	<b>Location Description</b>	See Target Area
<b>Planned Activities</b>	Under the implementation of the Acquisition/Reuse for Affordable Housing, which will consist of the purchase of infill lots (vacant or with properties needing to be demolished and cleared); the purchase of fore-closed or blighted properties for rehabilitation, or the purchase of single-family or multi-family units that can be rehabilitated; it is anticipated that one (1) property maybe acquired for reuse into either an affordable rental or owner-occupied unit for a household at 80% or less of the Story County median income limits. The activity may include demolition and clearance and/or Acquisition/Rehab.	

<b>4</b>	<b>Project Name</b>	<b>Homebuyer Assistance</b>
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Homebuyer Assistance for First-time Homebuyers
	<b>Funding</b>	<b>CDBG: \$180,000</b> (18-19 Funding Allocation)
	<b>Description</b>	The objective under this program is to provide financial assistance to qualified low- and moderate-income first-time homebuyers, with incomes at or below 80% of the AMI limits, to purchase existing and/or newly constructed single-family housing in residentially-zoned areas with the NRSA. The overall goal of the Homebuyer Assistance Program is to allow low- and moderate-income households to gain access to housing and/or improve their housing status.
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Potentially 4 LMI Households at 80% or less of the Ames MSA
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	see above

5	<b>Project Name</b>	<b>Public Infrastructure Improvements Program for State Avenue NRSA (including Engineering costs)</b>
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Homebuyer Assistance for First-time Homebuyers
	<b>Funding</b>	<b>CDBG: \$560,000 (rollover 17-18 funds); \$110,000 (18-19 Funding Allocation); \$250,000 (16-17 General Obligation Bonds);</b>
	<b>Description</b>	Under this activity funding for the installation of public infrastructure improvements (streets, utilities, curbs, sidewalks, etc.) to redevelop a new mixed use residential subdivision of both low and moderate and market rate housing units. Located in the City's approved designated NRSA at 321 State Avenue.
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Potentially developing 37 lots, of which 19 (51%) would be LMI Households at 80% or less of the Ames MSA and 18 (49%) would be market rate
	<b>Location Description</b>	See Target Area
<b>Planned Activities</b>	see description above	

6	<b>Project Name</b>	Disposition of 1228/30 Stafford & 6 <sup>th</sup> Street Properties
	<b>Target Area</b>	CITY-WIDE
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Renter Affordability Programs
	<b>Funding</b>	<b>CDBG: \$1,075 (18-19 funding allocation)</b>
	<b>Description</b>	Under this activity the property is being sold to a Non-Profit Organization. The beneficiary data for this property will be reported under this activity.
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Two (2) Low-Income Households at 80% or less of the Ames MSA Three (3) lots to be sold on the open market
	<b>Location Description</b>	See Target Area
<b>Planned Activities</b>	Cover ongoing maintenance and fees until properties are sold	

7	<b>Project Name</b>	<b>Rehabilitation/Disposition of 241 Village Drive</b>
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Affordable Homeownership Housing
	<b>Funding</b>	<b>CDBG: \$21,000</b> (18-19 funding allocation)
	<b>Description</b>	Under this activity the property will be sold to an eligible low-Income First-time Home Buyer after some rehabilitation has occurred on the property.
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	Cover ongoing rehabilitation/ maintenance fees until property is sold

8	<b>Project Name</b>	<b>Rehabilitation/ Disposition of 3305 Morningside Street</b>
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Homebuyer Assistance Program
	<b>Funding</b>	<b>CDBG: \$12,000</b> (18-19 funding allocation)
	<b>Description</b>	Under this activity the property will be sold to a Low-Income First-time Home Buyer or to a Non-Profit Organization, after any necessary repairs have been completed
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	Cover ongoing repairs/maintenance fees until property is sold



<b>9</b>	<b>Project Name</b>	HOME Homeownership Construction Program
	<b>Target Area</b>	Neighborhood Revitalization Strategy Area (NRSA)
	<b>Goals Supported</b>	Create & Expand Affordable Housing for LMI Persons
	<b>Needs Addressed</b>	Affordable Housing Units
	<b>Funding</b>	<b>HOME: \$562,500</b> (18-19 funding allocation)
	<b>Description</b>	Under this activity the funds will be used to construct possibly 19 homes to be sold to LMI First-time Homebuyers in the NRSA at 321 State Avenue
	<b>Target Date</b>	June 30, 2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	New Home Construction

<b>10</b>	<b>Project Name</b>	General Administration for CDBG & HOME
	<b>Target Area</b>	CITY-WIDE/NRSA
	<b>Goals Supported</b>	Create & expand Affordable Housing for LMI Persons Maintain Development Services in the Community Address Needs of Non-LMI Persons
	<b>Needs Addressed</b>	Acquisition Reuse For Affordable Housing Homebuyer Assistance for First-time Homebuyers Renter Affordability Programs; Rehabilitation/Disposition Programs Public Infrastructure Improvements Program New Construction; General Administration
	<b>Funding</b>	<b>CDBG: \$114,419</b> (18-19 allocation funds); <b>HOME: \$75,000</b> (18-19 funding allocation)
	<b>Description</b>	Under the activity the overall administration of the CDBG & HOME programs will occur and be expended (i.e. salaries, contractual, commodities, etc.)
	<b>Target Date</b>	2018-19
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	See Target Area
	<b>Planned Activities</b>	Overall day to day program administrative activities and expenses for both CDBG & HOME

## **Rationale for determining objectives**

The rationale for determining the above priority objectives and outcomes continues to be as follows:

- The proposed project activities are consistent with the 2014-18 Adopted Consolidated Plan goals and address the following two barriers that were outlined in the 2013 Impediments to Fair Housing Analysis Study 1) the “lack of available, decent rental units in affordable price ranges” and 2) the “cost of housing” for both renters and home buyers.
- The proposed project activities are consistent with the needs outlined in the Comprehensive Housing Affordability Strategy (CHAS) Data, American Community Survey (ACS) and Analysis to Impediments to Fair Housing Study (ASI) data for the City of Ames.
- The proposed implementation sequence for the project activities should help the meet HUD’s timely expenditure requirements.
- Funds have been included to contract for additional staff to accomplish the proposed project activities in FY 2018-19.
- All of the activities proposed would be of 90-100% benefit to low- and moderate-income persons.
- The addition of the HOME funding will only assist in reaching the goals and objectives outlined in the data.

Additionally, these objectives and outcomes will provide the most positive impacts on addressing the needs of homeless, extremely low-, low- and moderate-income households in the community and will be the area of focus anticipated for the Annual Action Plans over the remaining year in utilizing CDBG, HOME, and other local and/or state funds to address these objectives and outcomes. Therefore, we are confident that the development of this Five-Year Strategic Plan document for the City of Ames is a comprehensive, unified, cohesive vision of the strengths, gaps, and challenges of the needs of the community. It will serve as a tool to coordinate housing, community and economic development activities for the next five years, starting July 1, 2014, through June 30, 2019.

### **3. Evaluation of past performance**

As the City of Ames nears the completion of its third 5-year Consolidated Plan period, we have been very successful in implementing the program activities over the last fifteen (15) years, which has led to having exceeded the 70% low- and moderate-income benefit expenditure threshold required by HUD. Based on reviews and monitoring by the HUD Area Field Office of the City’s performance over the last ten years, the City has been very successful in not only meeting the regulatory and statutory requirement of the CBDG programs, but also more specifically the timely expenditures of funds within the required time period. Through the administration of the various housing, public service, public infrastructure, and public facility activities implemented, the City has achieved a 100% cumulative benefit to low- and moderate-income persons for each of the three 5–year periods, which exceeds the regulatory standard of 70%. Additionally, as a result of a monitoring review by HUD, the City had no findings or concerns. This was noted to be extremely

rare. It is anticipated that this performance will continue with the implementation of the HOME program rules and regulations as well.

#### **4. Summary of citizen participation process and consultation process**

The City of Ames has a *Citizen Participation Plan* that details the public involvement process. The Plan is available at [www.cityofames.org/housing](http://www.cityofames.org/housing). Public participation is an ongoing process, not only in preparation of the Consolidated or Action Plans but as an on-going part of the City of Ames's commitment to solicit community involvement and participation.

Due to the short time-frame available to prepare the Amendment to the 2014-18 Five-Year Consolidated Plan and update to the 2018-19 Action Plan process to incorporate the HOME funding, the citizen participation process will involve a 30-day comment period, and a public hearing as required by the regulations. The public notification will include direct mailings to Human service agencies, neighborhood associations, non-profit housing providers, Section 8 participants, faith-based organizations, and other community groups and businesses mailings inviting them to attend these public forums. This is in addition to ads in the area free newspaper, press releases, Facebook postings, and Twitter announcements.

#### **5. Summary of public comments**

The 30-day public comment period will begin Tuesday, June 26, 2018, through Thursday, July 26, 2018. The public hearing to be held with the Ames City Council is scheduled to occur on Tuesday, July 31, 2018. Summary of public comments will be placed in the "Citizen Participation Comments" attachment.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

Comments can be seen in the "Citizen Participation Comments" attachment after the public hearing.

#### **7. Summary**

For more details, see the full version of the 2014-2018 Five-Year Consolidated Plan and update to the 2018-19 Annual Action Plan are on the City's website at [www.cityofames.org/housing/CDBG](http://www.cityofames.org/housing/CDBG).

**COUNCIL ACTION FORM**

**SUBJECT: PUBLIC HEARING ON SUBMITTAL OF COMMUNITY DEVELOPMENT  
BLOCK GRANT PROGRAM REVISED 2018-2019 ANNUAL ACTION  
PLAN**

**BACKGROUND:**

At the May 8, 2018 City Council meeting, the City Council approved a resolution to continuation of the public hearing to July 31, 2018 for the submittal of the Revised Proposed 2018-19 Annual Action Plan to include the 2018-19 CDBG funding allocation increase of \$572,094 and incorporate the new allocation of HOME funding in the amount of \$601,264 for 2018-19.

Staff has been working closing with the HUD Omaha staff these past months to complete all of the required steps to receive the HOME and were informed that in addition to the "local match" requirement for the HOME funds, that the City also has to provide a one-time shortfall gap of \$148,736 to receive the 2018-19 HOME allocation of \$601,264. As reported to City Council in late June, the Iowa Finance Authority (IFA) agreed to transfer \$148,736 in HOME funds to the City of Ames to reach the \$750,000 funding threshold requirement. This is a one-time grant of funds to the City.

Therefore, staff proposes the following budget and program "revisions" for the redistribution of the additional amount of CDBG and HOME shortfall funds for the 2018-19 proposed Action Plan projects.

<b>REVISED Proposed 2018-19 CDBG Program Revenue Resources</b>		
	<b>Proposed</b>	<b>Revised</b>
18-19 CDBG Allocation	\$510,515	\$ 572,094
17-18 Anticipated Program Rollover	\$626,942	\$ 600,000
18-19 Anticipated Program Income	\$6,000	\$ 6,400
<b>Total 2018-19</b>	<b>\$1,143,457</b>	<b>\$1,178,494</b>
Non-CDBG Revenue Resources (GO Bond)	\$250,000	\$250,000
<b>Grand Total Revenues</b>	<b>\$1,393,457</b>	<b>\$1,428,494</b>

<b>REVISED Proposed 2018-19 CDBG Program Action Plan Activities and Expenses</b>		
	<b>Proposed</b>	<b>Revised</b>
Homebuyer Assistance Program	\$200,000	\$180,000
Public Infrastructure Improvements Program for State Ave. (Includes CDBG and GO Bond funds)	\$836,000	\$840,000
Public Infrastructure Program Delivery costs (Engineering, etc.)	\$80,000	\$80,000
Renter Affordability (Deposits, First Month's Rent & Transportation, Assistance) Programs	\$35,000	\$40,000
Disposition of Stafford, & 6 <sup>th</sup> St. Properties	\$0.00	\$1,075
Rehabilitation/Disposition of 241 Village Drive	\$0.00	\$21,000
Rehabilitation/Disposition of 3305 Morningside	\$0.00	\$12,000
Acquisition/Reuse Affordability Program	\$140,354	\$140,000
<b>Total Programming</b>	<b>\$1,291,354</b>	<b>\$1,314,075</b>
2018-19 Program Administration	\$102,103	\$114,419
<b>Grand Total</b>	<b>\$1,393,457</b>	<b>\$1,428,494</b>

<b>Proposed 2018-19 HOME Program Revenue Resources</b>	
	<b>Proposed</b>
18-19 HOME Allocation	\$601,264
Shortfall Commitment	\$148,736
Local Match 25%	TBD annually
<b>Grand Total Revenues</b>	<b>\$750,000</b>

<b>Proposed 2018-19 HOME Activities and Expenses</b>	
	<b>Proposed</b>
New Home Construction at 321 State	\$675,000
<b>Total Programming</b>	<b>\$675,000</b>
2018-19 Program Administration	\$75,000
<b>Grand Total</b>	<b>\$750,000</b>

Staff's rationale for recommending these project activities for 2018-19 both Programs continues to be:

- The project activities are consistent with the recently adopted 2014-18 Five-Year Consolidated Plan goals that address the following two barriers that were outlined in the 2013 Impediments to Fair Housing Analysis Study: **1) the “lack of available, decent rental units in affordable price ranges” and 2) the “cost of housing” for both renters and home buyers.** Additionally, the **data** outlined in the Comprehensive Housing Affordability Strategy (CHAS), and the American Community Survey (ACS) information for the City of Ames is consistent with the two needs outlined above.
- The proposed projects are consistent with the **City Council’s goals and priorities to focus on neighborhood sustainability by improving and expanding the housing stock for in low- and moderate-income households and in our vital core neighborhoods.**
- The proposed implementation sequence for the project activities should help meet HUD’s timely expenditure requirements.
- All of the activities proposed would be of 100% benefit to low- and moderate-income persons.
- Increasing the Acquisition Program allow for more flexibility to purchase a property for affordable housing if an opportunity arises. The reduction in first time homebuyer assistance is not substantial in regard to proceeding with the 321 State Avenue and the timing of the construction of single-family homes.
- For the HOME program, using the funds to build the affordable housing units on the 321 State Avenue land, would meet the goals of our Neighborhood Revitalization Strategy Area (NRSA) designation and well as addressing the needs outlined in our 2013 Impediments to Fair Housing Analysis Study as noted in the above by being able to finance the construction of houses that CDBG funds are not eligible to be use for construction.

### **ALTERNATIVES:**

1. The City Council can approve the REVISED 2018-2019 Proposed Annual Action Plan and budget that included the increased to the 2018-19 CDBG funding allocation in amount of \$572,094, and the new 2018-19 HOME funding in the amount of \$750,000.
2. The City Council can modify, and then approve, the REVISED Proposed 2018-2019 Annual Action Plan programs and budget.
3. The City Council can decline to approved REVISED 2018-2019 Proposed Annual Action Plan and budget with HOME Funds.

**CITY MANAGER'S RECOMMENDED ACTION:**

CDBG funds continue to bring the City a unique opportunity to use federal funding to address our housing and community development priorities and now with the addition of HOME funding more housing and community development opportunities can be addressed. In order to qualify for receipt of both of these funds over the next fiscal year, this document must be approved.

The City's required CDBG timeliness test by HUD will still occur on May 2<sup>nd</sup>, **which could mean that approximately \$200,000+ could need to be expended by April 25, 2019 based upon the project budget.** Additionally, the new HOME funding also will have a timeliness deadline, that the date is yet to be determined. In either cases, staff must concentrate its initial efforts on activities that can be accomplished in this timeframe, which is primarily the 321 State Avenue infrastructure improvements and the construction of single-family homes for the development.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the REVISED 2018-2019 Proposed Annual Action Plan and budget that must be submitted to HUD to on or before August 16, 2018.



Staff Report

**REQUEST FOR COMMERCIAL LUPP MAP AMENDMENT AND REZONING OF RESIDENTIAL HIGH-DENSITY PROPERTY AT 3115 AND 3125 GROVE AVE.**

July 31, 2018

**BACKGROUND:**

At the June 12 meeting, the City Council referred a letter (*See Attachment D*) to staff from Heath Bullock for a background memo. The request from Mr. Bullock is for the **rezoning of property at 3115 and 3125 Grove Avenue (See Attachment A – Location Map – Letter Requesting Rezoning) to accommodate a proposed 4,000 square foot store for the Sherwin-Williams Company.** At the July 10 meeting, the City Council asked that this item be placed on the agenda for discussion.

Mr. Bullock, on behalf of the Sherwin-Williams Company, is proposing to construct a retail paint store at this location by demolishing the duplex and six-unit apartment building, and combining the two parcels into a single parcel. No residential use of the property is anticipated. **The applicant is requesting the creation of a Convenience Commercial Node in support of the rezoning.**

**Although the request is for rezoning to a commercial zoning designation, use of the property exclusively for commercial would first require a LUPP Future Land Use Map Amendment from High-Density Residential to a commercial designation.**

The combined size of the two properties is approximately 0.78 acres. The site would have frontage along Grand Avenue, but no access from Grove Avenue. The properties are currently designated as High-Density Residential on the Land Use Policy Plan (LUPP) Future Land Use Map, and are zoned as RH (Residential High-Density) (*See Attachment B – LUPP Map and Attachment C – Current Zoning Map*). The east side of Grand Avenue north and south of the site also have a High Density Residential designation reflecting the pattern of multi-family properties along Grand Avenue. **However, properties located across Grove Avenue (to the east) are designated as Low Density Residential and zoned as Low Density Residential (RL). These homes are also accessed from Grove.**

**OPTIONS:**

The applicant requests applying a Convenience Commercial Node to the area to support rezoning of the site to Community Commercial Node zoning. **The primary land use question is consistency of changing the designation of the site to commercial with the policies of the LUPP for the location of commercial uses.** The LUPP does not have a designation for commercial expansion in this area or a policy to consider new “strip commercial” development patterns along arterial roads. Setting a Node would indicate

support for potential expansion in the area. **The change would likely include some adjustment to the text of the LUPP and a Map Amendment to place a Node.**

Chapter 2 of the LUPP (starting pg. 61) describes the planned commercial patterns of the City. **The LUPP has clearly defined commercial boundaries for the west side of Grand Avenue as Planned Regional Commercial zoning for the North Grand Mall and Wal-Mart site and for Community Commercial Node (CCN) zoning for the Northern Lights area. These areas were recognized as part of the commercial services needed to serve north Ames.** Currently, there is vacant space available within these areas that may be suitable for the applicant without establishing a new commercial site.

### **Option 1- Retain the Existing LUPP Designation**

The City Council can choose to retain the existing LUPP designation of High-density Residential. Other uses on the east side of Grand Avenue between Bloomington Road and 24<sup>th</sup> Street are almost entirely residential. Located north of the site is the nonconforming use of Mary Kay's. Single-family homes are located along Grove Avenue across from the subject properties. Retaining the current designation corresponds to the current land use patterns and the policies of the LUPP for siting of new commercial areas. The Sherman Williams store would need to consider a location within an already established commercial area.

### **Option 2- LUPP Map Amendment to Convenience Commercial Node**

The City Council can allow Mr. Bullock to submit an application for a LUPP Map Amendment to place a Convenience Commercial Node in the vicinity of the site. Placing a Node in this area would indicate the potential for expansion of commercial use to the east side of Grand Avenue. Staff notes that Grand Avenue will not have direct access for commercial uses as it is a restricted access arterial roadway and a state highway subject to IDOT jurisdiction. This would mean side street access is required for commercial uses if they are approved in the future.

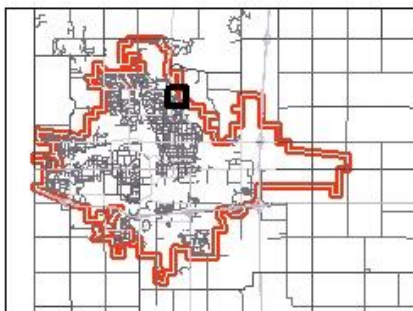
**Staff believes it would be highly unusual for the City Council to pursue Option 2 and carve out a new commercial site adjacent to single-family residential zones given the fact that there are other commercial spaces available in the City.**

### **STAFF COMMENTS:**

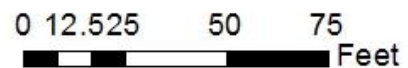
City Council could determine the change warrants a Major or Minor Amendment process. The small size of the site justifies a minor amendment process, whereas the change to creating commercial could be viewed as a major amendment per the policies of the LUPP (Appendix C of the LUPP). A Minor Amendment would warrant an early outreach meeting even if it not part of the Major Amendment process. **The proposed change is likely a moderate level staff time for the overall project and should be prioritized along with similar referral requests.**

If a commercial designation for this area is approved, City Council would then have to consider as a second step the appropriate zoning for the site. The two most likely zoning options would be CCN or Neighborhood Commercial (NC) zoning. Each of these zones has dramatically different design requirements to consider in a rezoning process.

Attachment A – Location Map

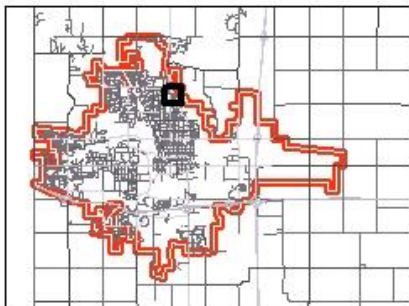
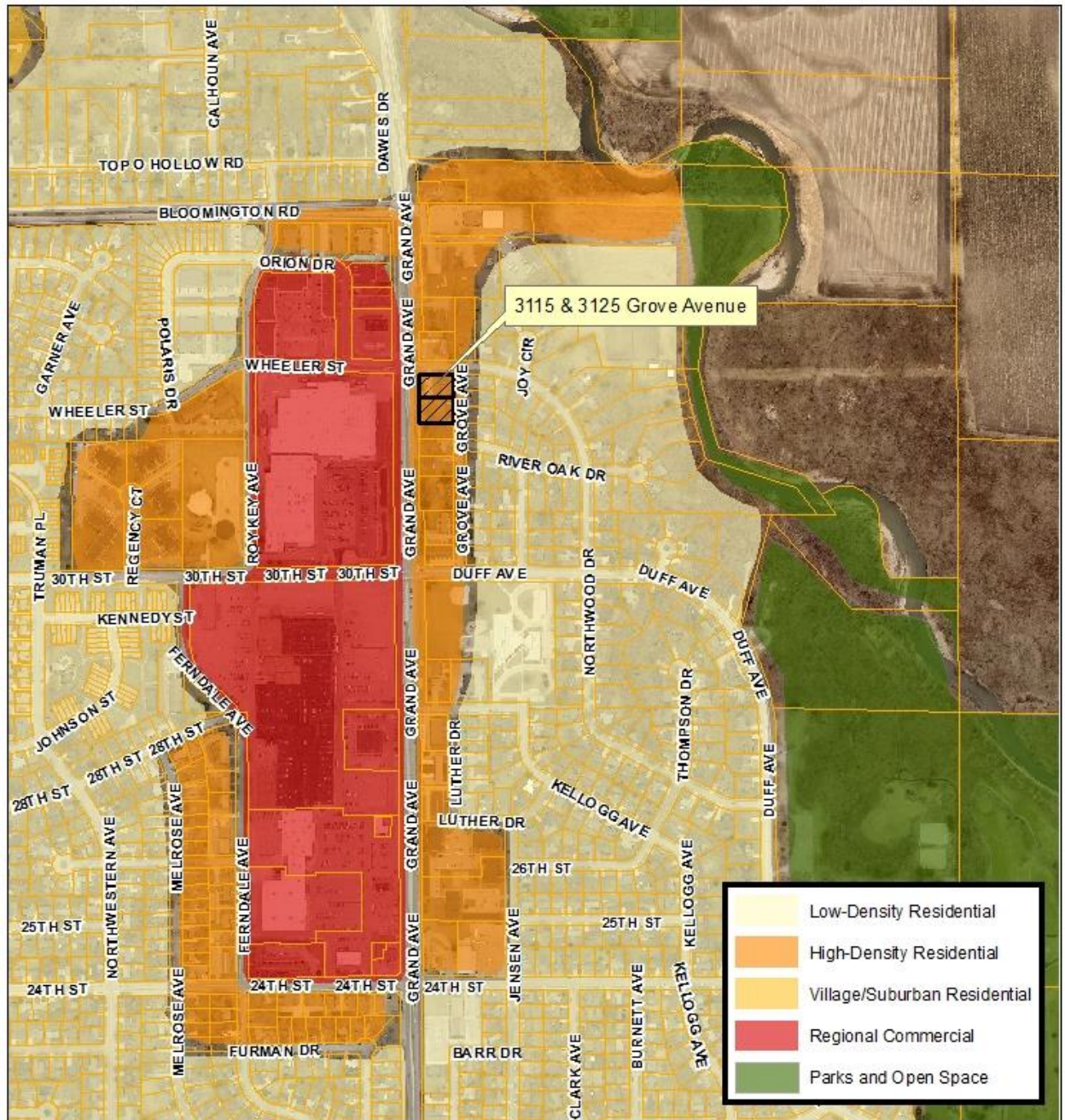


**Location Map**  
**3115 & 3125 Grove Avenue**

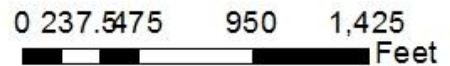




Attachment B – LUPP Map

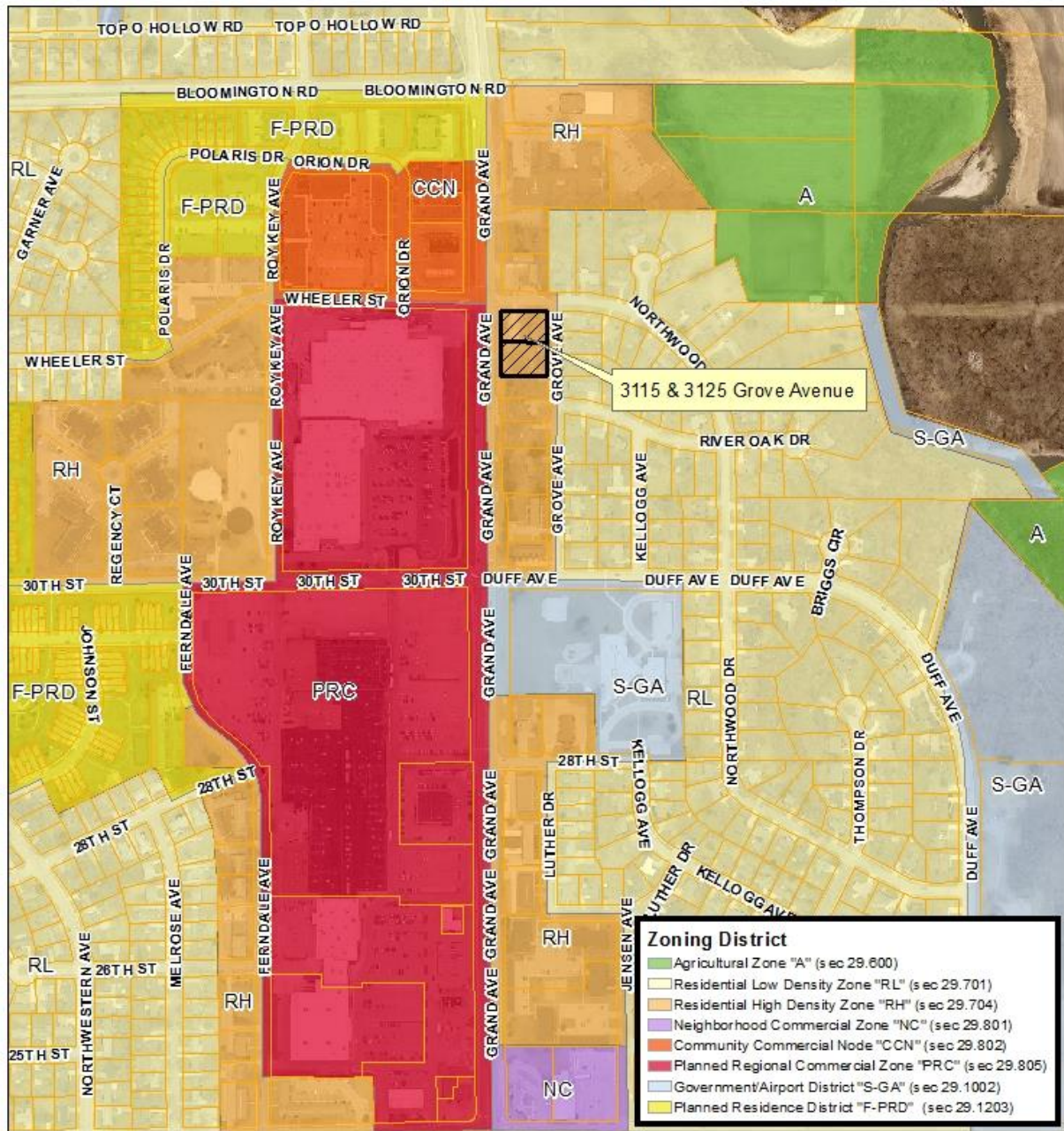


**LUPP Map**  
**3115 & 3125 Grove Avenue**

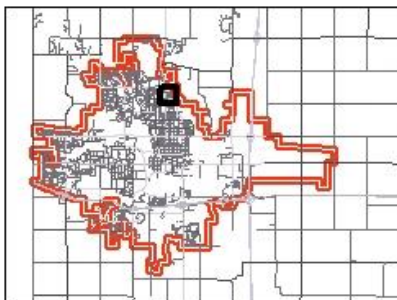




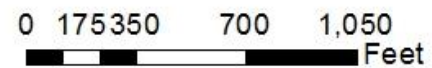
Attachment C – Current Zoning Map



Zoning District	
	Agricultural Zone "A" (sec 29.600)
	Residential Low Density Zone "RL" (sec 29.701)
	Residential High Density Zone "RH" (sec 29.704)
	Neighborhood Commercial Zone "NC" (sec 29.801)
	Community Commercial Node "CCN" (sec 29.802)
	Planned Regional Commercial Zone "PRC" (sec 29.805)
	Government/Airport District "S-GA" (sec 29.1002)
	Planned Residence District "F-PRD" (sec 29.1203)



**Zoning Map**  
**3115 & 3125 Grove Avenue**



## Attachment D – Letter Requesting Rezoning



Heath D. Bullock, CCIM, SIOR  
515-554-7412 | heath.bullock@creciowa.com  
HD2 GROUP, LLC dba CREC IOWA  
5550 Wild Rose Lane, Suite 400  
West Des Moines, IA 50266

June 6, 2018

**Honorable Mayor and City Council**  
City of Ames  
515 Clark Avenue  
Ames, IA 50010

**RE: 3125 & 3115 Grove Avenue, Ames, IA 50010**

**Dear Mayor and City Council:**

I am requesting rezoning of 3115 and 3125 Grove Avenue to accommodate a proposed 4,000 square foot store for the Sherwin-Williams Company. Attached is a map showing the location of the rezoning request. Sherwin-Williams has been a staple in the Ames market and located at 1624 Duff Avenue since 1992. This location is frequently visited and very popular supplier of paint products and supplies. The success at this location is cause for The Sherwin-Williams Company to desire a *second* location in the Ames market. For the past two years I have been working with this client to identify an acceptable site in north Ames which led to the identification of the two under-utilized high density residential properties.

I am leading a development group that is working on behalf of Sherwin-Williams. We completed similar commercial projects in central and northern Iowa. We feel the proposed re-zoning and repurposing of the corner would be appropriate for the following reasons:

- Adjoining commercial development and zoning on the west and north sides
- Located on a Major Arterial Street
- Major commercial adjacent to the site with other regional and national retailers
- Signalized intersection with turn lane improvements in place
- Underutilized high density residential zoning
- Replacement of eight apartment units with higher and better use as single-story commercial
- Provide an additional outlet for retail paint products and supplies alleviating trips on busy Duff Avenue
- Improved appearance and greater assessed valuation
- Additional development and activity for North Grand Mall District

**We are requesting the zoning change from Residential High Density (RH) to Community Commercial Node (CCN).** There is a CCN zone directly NW of this site and Planned Regional Commercial (PRC) for the North Grand Mall to the west across the street. We believe the CCN zone would be appropriate for Sherwin-Williams and the adjacent residential neighbors.

We ask you refer this to Staff and to proceed with the process of rezoning. We appreciate your time and consideration of this request. We are excited to work with the City of Ames to identify a zoning classification that fits this project.

Sincerely,

CREC IOWA

A handwritten signature in black ink that reads "Heath D. Bullock".

Heath D. Bullock, CCIM, SIOR  
President

## Attachment E – LUPP Excerpt Appendix C

### II. AMENDMENT TYPES

Amendments of the LUPP are defined as major or minor, more specifically defined as follows:

1. **Major Amendments.** These include any amendment that is either a *change* to current goals and policies, or that is *inconsistent* with current goals and policies.
2. **Minor Amendments.** These include changes determined by the Council to be of minor consequence. Examples might include:
  - a. Shifting the boundary of a land use designation to account for existing site conditions and/or lot configurations.
  - b. Changing a land use designation to a related type of land use designation, as follows:
    - i. Residential to next level intensity residential.
    - ii. Non-neighborhood commercial to another type of commercial.
    - iii. Commercial node to another type of commercial node.
    - iv. Industrial to next level intensity industrial.
    - v. Any change which the Council determines necessary to address an immediate public need or to provide broad public benefit, and which is determined by the City Council to further the current vision, goals and objectives of the Land Use Policy Plan.

### V. REVIEW CONSIDERATIONS

When reviewing major and minor proposed amendments to the Land Use Policy Plan, consideration should be given to whether or not the proposed amendment is consistent with the *Goals for a New Vision* described in the Land Use Policy Plan. These goals, and the related objectives below each goal, should apply to review of both minor and major amendments. In addition to these, it is also helpful to consider for major amendments:

1. City resources, including staff, budget, utilities, transportation, parks and/or schools, necessary to implement the proposed amendment.
2. The City's ability to provide the full range of public facilities and services at the planned level of service, or if the proposal will consume public resources otherwise needed to support comprehensive plan implementation strategies.
3. How the proposal relates to current land use allocations and growth projections that are the basis of the comprehensive plan.
4. Compatibility of development allowed under the proposal amendment with neighboring land uses and surrounding neighborhoods, if applicable.
5. Affects of the proposed amendment on historic resources or neighborhoods, or the City's general sense of place.
6. The cumulative impacts of the proposed amendment, in combination with other proposed or recently approved amendments.



## Staff Report

**Request for Urban Revitalization Area Designation  
127, 121 and 115 Dotson Drive**

July 31, 2018

**BACKGROUND:**

Hendra Hardi has made an inquiry as to whether the City Council would consider creating an Urban Revitalization Area (URA) for his Highway Oriented Commercial (HOC) zoned properties along Dotson Drive (see attached map). His initial request was via an email dated June 6<sup>th</sup> (Attachment A). Mr. Hardi desires to redevelop the 0.81 acre site with a new multi-tenant commercial building. Mr. Hardi is interested in a preliminary finding of eligibility for creating a commercial URA. The property at 127 Dotson Drive currently contains an 1,844 square foot single story building constructed in 1973. The properties at 115 and 121 Dotson are vacant. The property is located inside the boundaries of the Lincoln Way Corridor Plan area. The site is located south of Lincoln Way on the west side of Dotson Drive.

The City currently has a policy for considering establishing new commercial URAs. The policy includes mandatory criteria for eligibility, which are partially met by the applicant (Attachment B). Mr. Hardi describes that two of the three properties have been vacant for over seven years, while the third currently contains a building with an operating restaurant.

Even if a project meets the prerequisites, City Council is not obligated to create a URA and has discretion on what qualifying criteria would apply to an eligible project at the time of establishment of a URA. The City has not commonly created commercial URAs without a demonstrated impediment to development or a City specified desired type of development. In this area, the City Council established a URA for the Walnut Ridge Mixed-Use project based upon removal of former mobile home park and specific design criteria and secondly created a URA for the Aspen Heights Apartments and Mixed-Use development with specific design criteria.

The subject site is located within the boundaries of the Westside Retail Focus Area of the Lincoln Way Corridor Plan. The Plan includes objectives supporting commercial redevelopment of underutilized properties to serve the west Ames area with select areas for potential multi-family redevelopment. The current HOC zoning allows for a diverse set of uses including, restaurants, offices, retail, and service uses. The Plan does not specify a desire for specific uses in this area due to the wide range of property types and commercial opportunities that exist in the area. The design goals for the area are to promote pedestrian oriented design features along the corridor with mobility enhancements. This particular site on Dotson does not have any specific streetscape or transportation enhancements identified for it within the Plan. Incentives for redevelopment have not been discussed or prioritized for this area within the context of the Corridor Plan.



**OPTIONS:**

If the City Council indicates an interest in creating a URA it can proceed with one of two options:

**OPTION #1. PROPERTY OWNER APPLICATION FOR A COMMERCIAL URBAN REVITALIZATION AREA**

The City’s policy for a commercial URA outlines a requirement that a property owner file an application for consideration by the City Council based upon the current Commercial URA policies. The property owner would include a site plan and building plans with the application for the Council to consider establishing a URA. At the time of the application, City Council would then determine if the project was consistent with City goals for revitalization and what, if any, specific qualifying criteria would apply. **However, it would be beneficial to Mr. Hardi if City Council could indicate an interest in supporting the interpretation of his site meeting the current criteria before proceeding with a site plan.**

**OPTION #2. CITY INITIATED URA WITH PREDEFINED ELIGIBILITY CRITERIA**

If the City Council is interested in establishing pre-defined incentives for redevelopment the City Council could initiate creation of a URA for this area that may benefit Mr. Hardi’s property on Dotson. This approach would require City Council to prioritize a review of the area and define the needs for revitalization and what criteria are desirable for revitalization. Currently there are no defined objectives for the area other than support of commercial zoning for redevelopment.

**STAFF COMMENTS:**

At this time the City has not established a specific policy or goals for incenting revitalization in this area. The current commercial policy does apply to HOC land in the area, but does not fully address the property owner’s situation of a partially vacant site.

**Creating a URA for the overall area, Option 2, is a moderate to high level of staff time to review development priorities with Council and to establish criteria. Such an undertaking would need to be prioritized with other referrals. This type of project may not get completed this fall and meet the interests of the requesting property owner as it would be focused on priorities for the overall area rather than one site.**

**Establishing a site specific URA, Option 1, could be a low to moderate level of staff time depending on Council’s interests in specific criteria and review of a plan for the site. This option would take less time than an overall area option, but may still need to be prioritized as a project for this fall to meet the property owner’s interest to look at developing this fall.**



# Location Map- 115-127 Dotson



## Attachment A-Email Request for URA Designation

Good morning, Diane Voss,  
Charles Kuester and John Hall has been very kind to suggest that I could submit my request for your consideration in establishing an urban revitalization plan with 10 years tax abatement program, for a piece of land waiting to be redeveloped.

The land property consists of three parcels, as follows,

- 1) **121 Dotson**, (HOC zone), with the building demolished in December of 2009, recorded and photographed on 17th of February, 2010.
  - = **0.2641 acre (11,502 Sq Ft) (land)**
  - = **\$ 51,750.00 (net taxable value)**
  - = **\$ 1,182.00 (net taxes yearly)**
- 2) **115 Dotson**, (HOC zone) has always been vacant and had served as driveway to the demolished building.
  - = **0.2135 acre (9,300 Sq Ft) (land)**
  - = **\$ 75,330.00 (net taxable value)**
  - = **\$ 1,720.00 (net taxes yearly)**
- 3) **127 Dotson**, (HOC zone) current tenant Indian Delight restaurant agreeing for early lease termination.
  - = **0.3444 acre (15,000 Sq Ft) (land)**
  - = **Building (1,844 Sq Ft)**
  - = **\$ 189,090.00 (net taxable value)**
  - = **\$ 4,316.00 (net taxes yearly)**

Based on the Urban Revitalization Redevelopment Criteria, it looks like

A) 121 Dotson parcel (meets the criteria)

B) 115 Dotson (meets the criteria but needs your final judgement and verification)

\*\* as it has been the live line for and the only entrance to 121 Dotson parcel.

\*\* Please pardon me for my English and explanation, technically, 121 and 115 Dotson has been living in common law marriage, and assuming common recognition and understanding in Ames community.

C) 127 Dotson parcel,

\*\* If possible, I'd like to appeal for your special consideration to include 127 Dotson parcel in an urban revitalization plan and as a package deal, so that

I could proceed to plan out a build-up of ~7000-8000 Sq Ft of quality strip stores (~4-6 units).

\*\* Your approval would definitely add tremendous and inviting dynamic to the surrounding area.

\*\* Your approval of tax abatement in the revitalization plan, would definitely help providing incentives to retain all potential small business tenants.

\*\* With continual rising construction cost, your approval would definitely provide me, as a small businessman, some leverage to compete with bigger developers.

After consulting with a Banker about a loan for strip stores build-up, I have been encouraged to take out a loan of \$1,200,000.00, for the project.

I hope and pray that the opportunity to develop the land and to contribute to the City of Ames would be just as a great news for you and me in the many year to come.

Wish you the best of Year 2018.

Thank your so much in advance for all your efforts, time and consideration for my special request.

Looking forward to hearing from you soon.

Respectfully,  
Hendra Hardi and Chenchen Hartono  
(515-289-9089).(jsastore@yahoo.com)

## Attachment B – Commercial Criteria

### URBAN REVITALIZATION HIGHWAY ORIENTED COMMERCIAL (HOC) REDEVELOPMENT CRITERIA

**Properties eligible** for tax abatement must be within the Highway-Oriented Commercial zoning district, and also fit within one or more criteria.

1. Properties from which the principal building has been removed and the property has been vacant for at least seven years.
2. Properties with a principal building that has been determined by the Building Official as meeting the definition of “Public Nuisance” in the Ames *Municipal Code*, Chapter 5, “Building, Electrical, Mechanical and Plumbing Code” (Currently Section 5.401(7)).
3. Development or redevelopment of Brown Fields. Brown Fields include abandoned or underused industrial and commercial facilities or sites available for re-use or redevelopment. Expansion or redevelopment of such a facility or site is complicated by environmental contaminations.
4. Properties with at least 20% of the property area being within 1,000 feet of a City of Ames water well and within the Floodway-Fringe Overlay zoning district. 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.

**Non-qualifying Uses.** Notwithstanding compliance under the above categories, tax abatement shall not be granted for properties developed for or otherwise used for the following uses:

1. Mini-storage warehouse facilities or other industrial uses.
2. Transportation, communications, and utility uses.
3. Institutional uses.
4. Automotive, boat, and/or RV sales.
5. Adult entertainment businesses.
6. Detention facilities.
7. Agricultural or industrial equipment sales.

Staff Report

**REQUEST TO WAIVE CITY POLICY AND ALLOW BOUNDARY LINE ADJUSTMENT  
WITHIN AN URBAN RESIDENTIAL AREA OF AMES URBAN FRINGE**

June 26, 2018

**BACKGROUND:**

The City Council referred a letter (see Attachment 1) from Paul and Margot Eness to staff for a background memo. At the July 10 meeting, the City Council asked that this item be placed on the agenda for discussion. The Enesses own two parcels of land on the east side of Hyde Avenue, abutting the city limits of Ames. These properties are not within the city limits. The Enesses would like to consolidate their two parcels into a single parcel and to convey portions of the parcels to two abutting owners, Eness/Taylor and Gregg/Schwery. Ultimately, their plan is to transfer the remainder of the consolidated parcel to the Iowa Natural Heritage Foundation to prevent development. A map of the current lot configuration is found in Attachment 2.

The properties along Hyde Avenue lie within the Urban Residential area of the Ames Urban Fringe Plan. Subdivision authority is under the sole review of the City. **The Fringe Plan policies require that land be annexed and city services be provided before development or property boundary changes can occur.** The specific language of the Ames Urban Fringe plan can be found on page 38:

“Urban Residential Policy 2: Require annexation by the City before land is developed or subdivided.”

This area was the subject of numerous annexation discussions over the past five plus years. **The Enesses and the other property owners do not seek annexation at this time and have expressed desires to remain in unincorporated Story County.** Paul and Margot Eness have requested that the boundary line adjustment be allowed without annexation as it creates no additional developable lots and would have a benefit to the public of allowing the transfer of land to the Iowa Natural Heritage Foundation, thus protecting the upland area of Ada Hayden Heritage Park.

**OPTIONS:**

**OPTION 1- FOLLOW THE EXISTING POLICIES:**

The City Council could follow the policies of the Ames Urban Fringe Plan and decline to allow a boundary line adjustment until such time as these properties are annexed into the City.

Staff notes that annexation would require the inclusion of a fourth owner, Hamblin, who lies south of these subject parcels to allow the annexation, followed by the boundary line adjustment described by the Eness. Hamblin would need to be included so as not to create an island of unincorporated land. Eness would need to include their two properties and the properties of Eness/Taylor, Gregg/Schwery, and Hamblin in order to complete a voluntary annexation.

If annexed, these properties would be zoned as Agricultural, requiring a one-acre minimum lot size, 35 feet of street frontage, and 100 feet width at the building line (with a minimum of a 50-foot setback). It appears that these four subject properties would meet those minimum standards (although the Eness/Taylor property may not meet the front setback, it would qualify as a pre-existing non-conformity). After annexation, a plat of survey can be submitted for review by staff before presenting to the City Council for action.

### **OPTION 2 – WAIVE THE FRINGE POLICIES:**

The City Council could allow the plat of survey to adjust the boundaries by waiving the policy of not allowing subdivisions or development without prior annexation.

This option would allow a plat of survey to be prepared and submitted to the City for review by staff and approval by the City Council. As with all plats of surveys, the plat would need to be accompanied by a resolution of the City Council when presented to the County Recorder.

In this instance, no new developable parcels are being created. As described to staff, the two parcels owned by Eness will be combined. Small portions of this Eness parcel will be combined with the Eness/Taylor and with the Gregg/Schwery parcels. There would be a net decrease of one lot (the current four lots would become three lots). Therefore, if annexation does not occur, only a very limited amount of development could occur, although the owner indicates that the intent is to give the land in trust to the Iowa Natural Heritage Foundation.

### **OPTION 3 – WAIVE THE FRINGE POLICIES BUT WITH ACCOMPANYING AGREEMENTS TO ANNEX AND BUYOUT RURAL WATER WHEN REQUESTED BY THE CITY OF AMES**

The City Council could allow the plat of survey to adjust the boundaries by waiving the policy of not allowing subdivisions or development without prior annexation if accompanied by the covenants requiring annexation when the City requests and the buyout of the Xenia territory and connection to City utilities **if further development of these properties occurs.**

As with Option 2, this option would allow the preparation of a plat of survey and its submittal to the City for review and approval. **The plat of survey would need to be accompanied by two covenants.** These covenants would be binding on the current and all future owners of the property and are routinely required for subdivisions in the

Rural/Urban Transitional areas of the fringe. Typically, though, these two covenants include a third—a covenant waiving the right to protest assessments for the installation of public infrastructure to serve the area. In this case, infrastructure has already been installed. The road was paid by special assessment, which did not include these owners and sewer and water connection districts were created to recoup the costs of their installation.

With these two covenants, the three owners (Eness, Eness/Taylor, Gregg/Schwery) would seek voluntary annexation in the future when the City Council deemed it necessary.

### **STAFF COMMENTS:**

The Ames Urban Fringe Plan, since its adoption in 2007, has provided guidance and consistency for the City for development in the Fringe. One emphasis of the Plan is on preserving the Urban Residential Areas from rural development and reserving them for annexation into the City. To that end, it recommends against subdivisions, boundary line adjustments, and rural development unless and until the land is annexed and full city services provided. **This approach is consistent with Option 1, which would place the burden of organizing and annexation petition on the Eness family to proceed with the boundary line adjustment.**

However, some deviation from the strict application of these policies has occurred in the past based on the unique circumstances the parcels find themselves in. In this instance, the Eness request would result in no new development parcels that would impact standard urban densities. Neither would the ability to obtain infrastructure, roadways, or utility corridors be lost as these properties on the east side of Hyde Avenue do not lend themselves well to further development.

It has been the policy of the City for nearly eight years to annex the area east of the Union Pacific railroad, west of Ada Hayden Heritage Park, and south of 190<sup>th</sup> Street. In order to meet that goal and to allow the Eness boundary line adjustment, the City Council could support Option 3. While this option would not lead immediately to annexation, it would allow the boundary line adjustment to move forward and would put the owners (and all subsequent owners) on notice that they would be obligated to seek annexation at some point in the future.

All of the proposed options include a low amount of staff time similar to a small scope development project. **This type of referral does not require prioritization with other projects.**



## Attachment 1: Eness Request

Paul and Margot Eness  
3903 Stone Brooke Circle  
Ames, Iowa 50010

Ph. 515-291-3108

Ames City Council  
515 Clark Ave  
Ames Iowa 50010

May 21, 2018

RE: Boundary line adjustment for 4604, 4606 and 4714

To: Ames City Council

We are the owners of the above mentioned parcels of land that lie within the Ames Urban Fringe. The City has reviewed the proposed boundary line adjustment of these parcels of land which we wish to make, and we have met with City staff on May 14, 2018 for the pre-application conference which is a required first step for any proposed subdivision, lot merger, or boundary adjustment.

We are writing this letter to the City Council to explain the reason we are requesting permission to make this boundary adjustment.

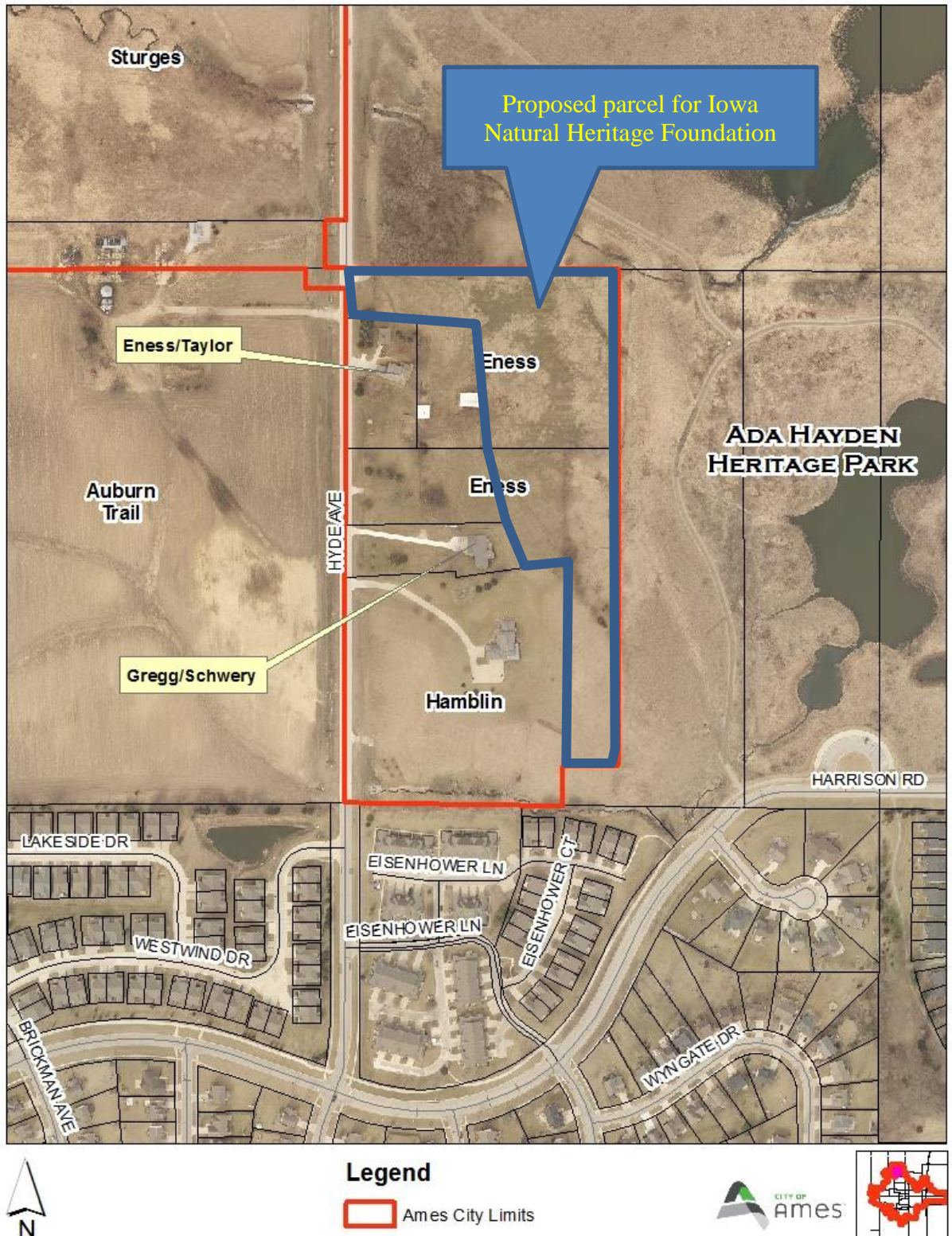
The land we owned consists of two adjoining parcels comprising 9 + acres total. Our land surrounds, on three sides, the lots owned by Gregg/Schwery and Eness/Taylor and separates them by approximately 200 feet. (Refer to the map submitted to the City.)

We are in the process of setting up an estate plan which would transfer our land to Iowa Natural Heritage when we die, in order that we could be assured it would not be developed as residential or commercial land in the future. It is land that adjoins Ada Hayden Park and we feel strongly that it should be protected as Public Land. It would be a disservice to the owners of the house lots to have the possibility of the land between them being turned into a parking lot or access to our donated land. (The INH would have access on our land which lies north of the Taylor/Eness land)

These boundaries were drawn up in cooperation with the lot owners, and we think we leave a more usable portion of land for INH by eliminating the extra road frontage and encompassing a well and a barn for which the Public Land would have no use.

Paul and Margot Eness

## Attachment 2: Location Map



Staff Report

**REQUEST FOR ZONING TEXT AMENDMENT RELATING TO HEIGHT LIMIT OF INTERIOR CLIMATE CONTROLLED MINI-STORAGE FACILITIES ADJACENT TO RESIDENTIAL USES IN HOC ZONING**

July 31, 2018

**BACKGROUND:**

**City Council referred to staff at its July 10<sup>th</sup> meeting a request for a Zoning Text Amendment from OnPoint Development, LLC to allow for two-story interior climate controlled facilities adjacent to residential where currently only one story is allowed in HOC zoning.** OnPoint Development, LLC is considering redevelopment of 1405 Buckeye Avenue, also known as the former K-Mart site and would like to include self-storage as a component of their development. **The proposed change by OnPoint is for buildings constructed prior to July 1, 2018 and adjacent to residential zoned property be allowed to have two stories of interior climate controlled storage units with no exterior building doors for individual storage units.**

Mini-Storage Warehouse Facilities are a permitted use in the General Industrial (GI) District. They are allowed by virtue of a Special Use Permit in the Highway-Oriented Commercial (HOC) District. Section 29.1308 (Attachment 1) applies when facilities are located on a property zoned HOC. This section lays out architectural design, landscaping, screening, access, and other site design requirements. (Climate Controlled Standards-Attachment 2). **The interior climate-controlled storage use will need to obtain a Special Use Permit in order to exist at 1405 Buckeye Avenue, regardless of the approval of text amendment to change height allowances.** The City requires a special use permit in HOC due to classification of the use as an industrial use which may not be compatible with its surroundings and may not be an appropriate use of commercial land intended for the day to day retail and office commercial needs of the City.

OnPoint is looking to reuse a portion of the existing K-Mart for an interior climate-controlled mini-storage facility use. Their desired location would be at the back of the building, along the west property line, and adjacent to residentially zoned land. They argue that to make the reuse of the existing building and to expand the shopping center financially feasible two stories of storage would be necessary for a tenant in the rear of the existing building. **Section 29.1308(8)(d) limits the size of the use to one story adjacent to residential. Climate controlled facilities may be up to three stories when not located adjacent to residential zoning.**

The developer's letter states that the existing building height, 21 feet and four inches is tall enough to provided two stories of interior storage units without increasing the height

of the building. The only exterior changes would be those required by Section 29.1308 (1) Architectural Standards. Retrofitting a use to work in an existing building may make it difficult to meet all of the design requirements, but this would be handled through the Special Use Permit process to determine compliance with adopted standards.

### **OPTIONS:**

The suggested text amendment language would apply to all properties in an HOC district with a building that was constructed prior to January 1, 2018. Most HOC zoned land has an existing building, especially lands abutting residential properties, so the proposed change would effectively apply to all HOC properties in the City adjacent to residential. By establishing the 2018 date, it would restrict new buildings from being two-stories, but would promote conversion of existing buildings if they could meet the other design standards of the Zoning Ordinance.

Any changes to the standards could be an incentive for more applications for the use in HOC areas compared to locating in GI zones areas. Staff believes that the date a building was constructed has no bearing on the desired use and its suitability for the self-storage. A change based on age of building is likely not needed as a citywide standard, although it suits the interests of the developer for their location.

City Council could respond to the request with one of four options described below.

#### **Option #1 – Allow interior climate controlled mini-storage facilities to be two-stories in buildings constructed prior to January 1, 2018 when adjacent to residential zoning and make no changes to the exterior door requirements (applicant request).**

Onpoint Development desires to reuse the existing K-Mart building at 1405 Buckeye Avenue as interior climate controlled mini-warehouse facility, which was initially constructed in the 1990s. This building would not require any exterior changes due to its existing height to house two-stories of storage, but this may not be the case for other previously constructed buildings in HOC that would be subject to the amendment request. The developer believes they can meet all other design standards for the existing building. Other buildings built prior to January 1, 2018 in an HOC district may not be able to meet the other requirements of Section 29.1308. T

Section 29.1308 already addresses exterior doors to storage facilities and where they can be located. Staff believes this design element is adequately addressed for both mini-warehouse facilities and interior climate controlled mini-storage facilities and not needed as part of a text amendment.

#### **Option #2 – Rather Than Using The Term “Adjacent”, Establish A Minimum Setback Of 50 Feet.**

The current terminology restricts the height of climate controlled facility if it is “adjacent” to a residential zone. Staff has interpreted this to mean a storage use that is the nearest

use to a residential zone without some other intervening use or buildings would be adjacent. This allows for some flexibility in the review and is open to interpretation by the Zoning Board of Adjustment as part of the Special Use Permit process. The standard could be changed to create a defined setback requirement. Standard setbacks in HOC zoning area are 20 feet when abutting residentially zoned properties. If the setback restriction for one-story is any distance of 50 feet or less it would meet the applicant's interest to allow for consideration of a two-story facility within the current building.

**Option #3 – Eliminate the one-story standard for interior climate controlled mini-storage facilities.**

This option would allow all interior climate controlled mini-storage facilities to be a maximum of three-stories at all HOC locations if a Special Use Permit is approved. This would make case-by-case review and determinations of compatibility through the Special Use Permit. This option would create the greatest incentive to locate the use in HOC as it is the most permissive option.

**Option #4 – No Change**

Leaving the standard as is with no text amendment still allows the space in the building to be used as an interior climate controlled mini-storage facility. They applicant would be unable to construct as many interior units as desired with the requested amendment. Leaving the standard as is discourages locating self-storage facilities in HOC areas when adjacent to residential.

**STAFF COMMENTS:**

Any change to the self-storage facility standards would incent locating the use in HOC compared to GI. In this instance, the number of sites limited by the current one-story standard is minimal. Some examples of areas with existing buildings adjacent to residential are the Kmart site, the Lincoln Center, West Hy-Vee shopping center, and other miscellaneous properties. **If there is a change to the standards, staff believes Option #2 for a defined setback is preferable as it creates a clear standard for future application of the height restriction without regard to age of construction of a building.**

**Any of the options to initiate a text amendment would be straight forward as a zoning text amendment and could be accomplished with minimal staff time. As a developer request for a specific project, the City Council would authorize the developer to apply for the amendment rather than initiate it as a city project. As noted earlier, any change to the limit of the number of stories does not change the requirement to obtain a special use permit for the proposed use.**



## Attachment 1: Section 29.1308 Mini-Storage Warehouse Facilities

(iii) 60 feet.

(e) **Antenna Support Structure Safety.** The applicant shall demonstrate, to the reasonable satisfaction of the Zoning Board of Adjustment, that the proposed antenna and support structure are safe and the surrounding areas will not be negatively affected by support structure failure, falling ice or other debris, or radio frequency interference. All support structures shall be fitted with anti-climbing devices, as approved by the manufacturers.

(f) **Fencing.** An opaque fence constructed of wood or masonry material, or other substantial material, that is consistent with the existing structures on the proposed site and approved by the Zoning Board of Adjustment, shall be installed around the antenna support structure and other equipment unless the antenna is mounted on an existing structure.

*(Ord. No. 3629, 9-25-01)*

(g) **Co-location.** In order to reduce the number of antenna support structures needed in the community in the future, the proposed support structure shall be required to accommodate other users, including other wireless communications companies and local police, fire and ambulance companies.

(h) **FCC License.** The wireless communication company shall provide proof that it is licensed by the Federal Communications Commission.

(i) **Required Parking.** If the cell site is fully automated, adequate parking shall be required for maintenance workers. If the site is not automated, the number of required parking spaces shall equal the number of people on the largest shift.

(j) **Painting.** Antenna support structures should be painted in such a manner as to reduce the visual impact and create a harmonious appearance with its surroundings.

(k) **Site Plan.** A full site plan shall be required for all cell sites, showing the antenna, antenna support structure, building, fencing, buffering, and access.

(l) **Air Safety.** Support structures 200 feet in height or taller, or those near airports, shall meet all Federal Aviation Administration regulations.

*(Ord. No. 3629, 9-25-01)*

(8) **Changes.** There shall be no change in the exterior appearance of a cell site, including any change in the profile of the antenna support structure, that is a departure from what was shown or represented in the initial application for the granted special use permit. Additional antenna devices may be attached to the antenna once an antenna support structure has been certified as having been installed according to the approved special use permit. The additional antenna devices may be attached as provided for in Section 29.1307(3) as a means to accomplish the objective of co-location as specified in Section 29.1307(7)(b).

*(Ord. No. 3591, 10-10-00)*

(9) **Engineered Addition.** If an additional antenna is installed on an existing antenna support structure, engineering data and certification by a licensed professional engineer assuring that the installation is structurally sound within the standards of good engineering practice shall be provided to the City Building Official.

(10) **Removal.** If a cell site, or any antenna support structure, is not used for a period of one year, it shall be the duty and obligation of the party then in possession and control of the site to have the unused antenna support structure and any other unused cell site apparatus completely dismantled and removed from the site.

### Sec. 29.1308. MINI-STORAGE WAREHOUSE FACILITIES.

Mini-storage warehouse facilities are self-storage spaces designed and used for the purpose of renting or leasing individual storage space to tenants who have access to such space for the purpose of storing and removing personal properties. Mini-storage warehouse facilities are permitted in the General Industrial (GI) Zone only, except that such facilities may be located in the Highway Oriented Commercial District (HOC) by virtue of a Special Use Permit authorized by the Zoning Board of Adjustment. A Special Use Permit for a mini-storage warehouse facility shall be subject to the Zone Development Standards of the HOC Zone and also be subject to the following additional regulations:

(1) **Architectural Standards.**

(a) **Architectural Theme.**

(i) Facilities placed in or near a shopping center or other retail uses shall be designed to be consistent with the dominant theme or design of surrounding buildings.

(ii) Building surface colors shall be restricted to muted earth tones.

(iii) All buildings, including storage units shall be surfaced in high quality materials such as stone, split face block, or brick. Smooth-faced concrete block, painted masonry, tilt-up concrete panels and prefabricated metal panels are prohibited.

- (b) General Architectural Requirements.
- (i) Buildings shall include design elements such as columns, ribs or pilasters, piers, quoins, and fenestration patterns to prevent a utilitarian, industrial, warehouse-like appearance.
  - (ii) Unit doors shall be screened or sited so they are not visible from the street.
  - (iii) Unit doors shall be integrated into the overall design theme of the site through color and texture.
  - (iv) Buildings greater than forty feet (40') long must include a change in wall plane, recess, or reveal every twenty feet (20').
  - (v) Maximum building length on the site perimeter is sixty feet (60'), except where the buildings are adjacent to an industrial land use or zone and/or Airport Clear Zone.  
*(Ord. No. 3811, 11-23-04)*
  - (iv) Buildings greater than forty feet (40') long must include a change in wall plane, recess, or reveal every twenty feet (20').
  - (v) Maximum building length on the site perimeter is sixty feet (60'), except where the buildings are adjacent to an industrial land use or zone and/or Airport Clear Zone.  
*(Ord. No. 3811, 11-23-04)*
- (c) Roof Design.
- (i) Buildings shall include a roof pitch greater than or equal to 6:12, with roofs incorporating a high quality surface such as architectural shingles, standing seam metal or tile. Flat roofs are prohibited.
  - (ii) Roofs shall include four (4) or more planes, and have overhanging eaves extending at least one and one-half feet (1.5') past the building wall.
- (d) Height. No building shall exceed twenty feet (20') in height.
- (e) Building Placement. Screening and building location shall be such that overhead doors are not visible from off the site.
- (2) Landscaping and Screening. Visual separation is desirable between mini-storage warehouse facilities and adjacent land uses or development. Landscaping shall provide a physical and visual separation.
- (a) High shrubs shall be spaced at a maximum distance of six (6) feet on center to form a screen six (6) feet high.
  - (b) One Landscape Tree is required per fifty (50) lineal feet of landscaped area or as appropriate to provide a tree canopy over the landscaped area.
  - (c) Ground cover plants shall fully cover the remainder of the landscaped area.
  - (d) River rock or similar non-organic materials shall not be substituted for the landscaping area or used in combination with the minimum landscaping requirements in the zone or this section.
- (3) Fencing. Fencing is required for additional screening and as a security measure. Fencing shall comply with Section 29.408(2), and comply with the following:
- (a) Fencing shall provide a five (5) foot minimum setback from the property line.
  - (b) Fencing shall be wrought iron or similar material with brick or stone columns spaced at a maximum of fifty (50) feet on center. Landscaping, as required in Section 29.1308(2)(a), shall be provided on the exterior side of the fence facing adjacent land uses. Fences containing barbed wire, electric charges, or sharp materials are prohibited.
  - (c) Where a setback abuts a residential zone, a six (6) foot masonry wall is required. Landscaping, as required in Section 29.1308(2)(a), shall be provided on the exterior side of the fence facing adjacent land uses. Masonry walls must be designed and constructed to facilitate maintenance and not to modify natural drainage in such a way as to endanger adjacent property.
- (4) Building Access.
- (a) Doors providing access to individual storage units shall not be permitted on the front yard side of the building, nor on any side abutting a public street or a residential district.
  - (b) Storage units and drive aisles shall be sited so a truck or car parked at a unit cannot trap another vehicle and prevent it from leaving the facility.
  - (c) Vehicular aisles providing access to storage units on both sides of the aisles, whether interior or exterior, shall not be less than twenty (20) feet wide.
  - (d) Aisles providing access to storage units on only one side of the aisle shall not be less than twenty (20) feet wide provided that there is more than one aisle available for circulation around a building.
  - (e) Loading docks shall not be permitted as part of the storage building.

- (5) **Signage.**
- (a) The only types of signs permitted are wall signs and monument signs, and shall adhere to the following:
- (i) **Wall-mounted Signs.**  
 A. Only one wall-mounted sign is permitted along a street frontage.  
 B. The number of wall-mounted signs shall not exceed two (2) signs per facility.
- (ii) **Monument Signs.**  
 A. Only one monument sign is permitted along a street frontage per facility  
 B. The number of monument signs shall not exceed two (2).  
 C. The base of a monument sign shall be landscaped with ground cover plants at a minimum of three (3) feet from the base. River rock or similar non-organic materials shall not be substituted for the landscaping area or used in combination with ground cover plants.
- (b) **Signage Size Restrictions.**  
 (i) A wall sign is a sign that is displayed by being affixed to the outside of an exterior wall of a building. Wall signs shall be affixed to only those walls that face a street. A wall sign shall be no larger than thirty-two (32) square feet.  
 (ii) Monument signs shall be no larger than sixty-four (64) square feet, excluding the base.
- (c) **Signage Height Restrictions.** The maximum permissible height for a monument sign is eight (8) feet, including the sign base; that is, the top of a monument sign shall be no more than eight feet above the grade of the site on which it is erected.
- (d) **Signage Lighting Restrictions.**  
 (i) The face of an illuminated sign shall have a dark background.  
 (ii) The lighting of both wall signs and monument signs shall be projected downward.  
 (iii) Signs that flash light in any manner are prohibited.  
 (iv) Internally lighted signs and computerized/digital scrolling signs are prohibited.
- (6) **Lighting.** Lighting shall be in accordance with Section 29.411, and with the following conditions:
- (a) Night lighting and security lighting shall be sensitively designed to ensure no off-site glare is directed to neighboring parcels and that the overall intensity of the site lighting is not in violation of the standards for Section 29.411 or unreasonably intrusive on the use of adjoining property. All lights shall be shielded to direct light onto the site and away from adjacent property.
- (b) Building mounted sconces shall be used instead of freestanding light poles wherever possible.
- (c) When a mini-storage facility is adjacent to a residential zone, pole mounted lights shall



## Attachment 2: Section 29.1308(8) Interior Climate Controlled Mini-Storage Warehouse Facilities

be turned off between 9:00 PM and 6:00 AM..

(7) **Parking.** Parking shall be situated in conjunction with an office or management structure, for use by staff, service or delivery personnel, or prospective tenants.

(a) For developments less than or equal to two hundred (200) storage units, a minimum of five (5) off-street parking spaces shall be provided.

(b) For developments greater than two hundred (200) storage units, five (5) off-street parking spaces shall be provided on the property for the first two hundred (200) units, and one additional parking space is required for every one hundred (100) storage units thereafter

(c) Except for purposes of loading and unloading, there shall be no parking or storage of trucks, trailers, and moving vans.

(8) **Interior Climate Controlled Mini-storage Facilities.** Interior climate controlled mini-storage facilities are mini-warehouse buildings where storage is primarily accessed from the interior of the building. Such facilities shall meet all regulations of this Section 29.1308 with the following exceptions:

(a) Interior climate controlled mini-storage facilities may exceed the sixty feet (60') maximum building length at the perimeter.

(b) Exterior garages and/or bays may be located on interior climate controlled mini-storage facilities, but shall not be located on a building that is adjacent to and facing the site perimeter.

(c) Interior climate controlled mini-storage facilities shall be exempt from roof design requirements. Flat roofs may be permitted. All sloped roofs shall incorporate a high quality surface such as architectural shingles, standing seam metal or tile.

(d) No building shall exceed three stories in height. Buildings adjacent to a residential zoned property shall not exceed one story.

(e) Facilities with no exterior accessed storage units shall be exempted from the specific requirements of Landscaping and Screening and Fencing requirements of this section 29.1308. Each project shall incorporate perimeter landscaping in addition to other landscape requirements to enhance visual interest and compatibility with surrounding land uses and development where a total visual screen may not be necessary. Landscaping and fencing needs shall be reviewed as part of the Special Use Permit review for each site.

(9) **Prohibited Uses.**

(a) The following uses and activities shall be prohibited:

(i) Any business activity other than the rental of storage units, including miscellaneous or garage sales and transfer-storage enterprises that utilize vehicles as part of said business is prohibited.

(ii) Servicing or repair of motor vehicles, boats, trailers, lawnmowers, or similar equipment is prohibited.

(iii) Outdoor storage of boats, vehicles, or other materials is prohibited. All items stored on the property shall be located within buildings.

(iv) Storage of hazardous, toxic, or volatile substances is prohibited.

(v) Residential uses, other than one (1) unit for a 24-hour facility caretaker not to exceed 1,200 square feet.

*(Ord. No. 4308, 6-13-17)*

Sec. 29.1309 SOLAR ENERGY SYSTEMS (SES).

**Purpose.** Solar energy is a clean, readily available and renewable energy source. This section establishes regulations to facilitate the installation and construction of Solar Energy Systems so that systems are safe, effective, and efficient, as well as harmonious with the character of the adjacent area where located. The provisions of this Section apply to the placement, construction and use of "solar energy systems" as defined in this chapter.

## MINIMUM HEIGHT AND FLOOR AREA RATIO STANDARDS IN THE DOWNTOWN SERVICE CENTER (DSC) ZONING DISTRICT

July 31, 2018

### **BACKGROUND:**

City Council held a workshop concerning Downtown Visioning on June 17, 2018. At the conclusion of the workshop, City Council requested a staff report specifically addressing minimum two-story height and 1.0 Floor Area Ratio (FAR) standards for DSC zoning and a separate staff report from the Transportation Division on the scope of a comprehensive parking study for Downtown. City Council stated an intent to revisit the issues of development standards, public amenities (plaza), public parking, and development incentives originally described within the November 14, 2017 staff report after reviewing the requested staff reports.

This staff report addresses background information on the DSC zoning standards that require a new development to be constructed at a minimum of two-stories and with a minimum 1.0 Floor Area Ratio. **City Council specifically requested information on how the standards may vary for properties not located along Main Street.** The belief by Council at the workshop was the two-story standard should remain in place along Main Street, but to investigate if other options are appropriate for other areas of Downtown. Staff notes that City Council recently adopted Downtown Gateway Zoning for the 100 Block of Kellogg Avenue that included a requirement for two-story buildings, but no FAR requirement. This block of Kellogg was previously zoned DSC.

DSC zoning currently applies to 146 properties with approximately 70% of the total properties having a two-story building and 30% with either a one-story building or a surface parking lot. All new construction must meet the minimum two-story building height and 1.0 FAR requirement, including additions to existing buildings. Additionally, a property cannot be used solely for surface parking without a building as the minimum intensity for use of a property is a 1.0 FAR. Each property that does not have a building that meets minimum height and/or the FAR is considered a nonconforming structure. Nonconforming structures have limitations on the degree of changes allowed before complying with all standards.

**The current standards were adopted in 2000 to further the objectives for the DSC area identified within the LUPP for DSC to be the most intense area of development of the city and to ensure new development is of the same character as the current surroundings.** Specifically, Goal 8 addresses Downtown and the Urban Core Policies section of Chapter 2 describe the expected intensity as 1.0 FAR for the traditional Downtown Area (See Attachment 3 & 4) Additionally, the LUPP describes the intent to preserve older buildings and support their reuse versus their demolition and replacement. No new buildings have been constructed Downtown since adoption of the standard.

However, dozens of buildings have been remodeled with and without Downtown Façade Grants.

City Council reviewed the minimum building standards as an informational item in 2011 at the time the 100 block of Kellogg was rezoned to DSC, but no direction was given to change requirements at that time. From the review of the 2011 staff report and P&Z minutes, there was no consensus on providing relief to the 2-story requirement versus maintaining high standards. City Council created an exception process in 2016 for certain non-commercial uses, described more fully below. Staff has been approached in the past three years by three different commercial property owners considering either redeveloping their site or doing an addition to a building; however, their projects were complicated, at least in part, by the requirements of minimum FAR and two-stories and they did not proceed. Each of these sites were business/operator owned properties with an intent to meet the current business’s needs and not as a developer seeking high levels of redevelopment potential.

**Minimum FAR and height standards work together to ensure a consistent two-story appearance of buildings.** Although the standards are related, each standard addresses separate design interests and have independent utility. FAR is a measurement of intensity of use with the amount of floor area related to lot size. FAR does not directly result in a minimum building height unless the FAR standard exceeds 1.0. In comparison, a minimum two-story building height requirement ensures two floors of use and a consistent look, but does not address the overall amount of building floor area on a lot. The smaller a lot the more likely the two standards reach the same result and the larger the lot the more likely the standards diverge and have different results

The City employs minimum building standards in five other zoning districts. The following table describes the requirements for other zones.

Zoning District	Minimum FAR	Minimum Height
<b>DSC (Downtown Service Center)</b>	1.00	2-stories
<b>CSC (Campustown Service Center)</b>	1.00	25 feet
<b>DGC (Downtown Gateway Commercial)</b>	NA	2-stories (Kellogg Only)
<b>RI (Research Park Innovation Dist.)</b>	NA	2-stories (Hub area only)
<b>Village- Mixed Use/Shop House</b>	NA	2-stories
<b>Village- Com./Shop Front</b>	NA	16 feet

Some exemptions are afforded to specific development types with DSC and CSC. City Council enacted an exemption in 2016 for the CSC and DSC zoning districts that allow for uses that require a Special Use Permit to be approved when “...a proposed use and design is compatible in character with its surrounding and is exempt from meeting minimum FAR and minimum height.” The applicability of this exemption is narrow in scope as the types of uses include, religious institutions, funeral facilities, and other institutional use types. To date, this exemption has been approved three times to allow

for an addition to a church, remodeling of a funeral home, and construction of an accessory garage for a church.

However, there is also an exception process available for any use in CSC and DSC in regards to meeting the minimum 2-story requirement as part of Section 29.808 (4) and 29.809 (4) of the Zoning Ordinance. The exception standard is a high bar that may be approved by the ZBA when it determines the following:

1. *Physical circumstances exist for the property which result in a lot with a size and shape that is not conducive to a multi-story structure, and*
2. *It can be demonstrated that there is a direct benefit to the community to have a one-story structure, at the proposed location, as opposed to a multi-story structure.*

### **OPTIONS:**

**DSC zoning includes standards that in combination promote a traditional walkable downtown area.** These standards include no parking between the building and the street, no on-site parking requirements for commercial and office uses, minimum building height of two stories, and minimum intensity of 1.0 FAR, and mixed use is allowed when commercial is on the ground floor. **Any change to these core standards needs to be weighed against the priorities for the maintaining the character of Downtown with redevelopment options of a different scale.** Provided that City Council has an interest in changing standards, Council needs to determine generally if is there an interest in expanding the exception process applicability, or to adjust the FAR or Height requirement directly without the need for an exception.

### **OPTION #1. MODIFY THE MINIMUM 1.0 FAR REQUIREMENT.**

The current FAR requirement supports the LUPP policy to intensify development within Downtown. It does not directly address character issues of design, such as the minimum height requirement. **City Council could consider eliminating this standard in its entirety if the combination of other standards would yield the desired character of development focused along streets.** If the intent is for Main Street type of character, other standards can address this issue if there is clarity on the minimum height and design requirements. If Council wants to maintain a minimum FAR requirement to ensure that surface parking does not overtake a site, the FAR standard would have to be reduced to at least 0.5 FAR to allow for partial development of a site without forcing a two-story building type. If allowing for surface parking on standalone lots is not a concern, then eliminating the standard would be appropriate

One trade off of eliminating FAR is its effect on allowing for stand lone parking lots without a principal use. **Staff believes encouraging private surface parking lots is not supportive of Downtown character and if there is a change in FAR standards, a restriction on new standalone parking lots should be maintained.**

City Council may need to consider a LUPP amendment to the text of Chapter 2 depending on the degree of change or the precise geography of the proposed change due to the statement of requiring a 1.0 FAR for Downtown north of the railroad tracks. (Excerpt of LUPP text is attached) If the exception applies to all areas not along Main Street, then an LUPP amendment is needed. If the exception is more limited in scope along 6<sup>th</sup> Street an LUPP Amendment may not be warranted.

### **OPTION #2. MODIFY THE MINIMUM TWO-STORY REQUIREMENT:**

**The two-story height requirement is the most important urban design character standard of matching the historic look of Downtown.** Traditionally, buildings had multiple stories due to the high value of the location or to give an opportunity for mixed use with residential above ground floor commercial. There are three basic approaches to changing this standard:

- a) Eliminate minimum height requirements.
- b) Change the two-story standard to only require part of a building to be two-stories. *This could include a requirement for the front façade to be two stories or a certain percentage of the ground floor to be covered by a second story.*
- c) Change to a minimum building height requirement to match Campustown of a height measured in feet. *This type of standard does not require any amount of usable floor area on a second floor, only that the building is a certain height. The height of a building is measured to its highest point by definition in the code, accounting for gable roofs and flat roofs with parapets.*

### **OPTION #3. MODIFY THE EXCEPTION CRITERIA FOR EITHER FAR OR HEIGHT:**

This approach would make it a case-by-case review with site specific findings evaluated by the Zoning Board of Adjustment. The current criteria are difficult to meet and vague in their intent. New criteria could be established that address only additions to existing buildings or for all types of projects. **The criteria could be revised to clarify the intent of when such an exception is appropriate based upon the type of use, design, and the context within Downtown.** Staff would need to understand the Council's priorities for use, location, and character to help draft language for the change. Depending on the language of the exception, this could be a low bar to meet or a high bar to meet.

### **OPTION #4. INCLUDE MINIMUM FAR OR HEIGHT WITHIN URA CRITERIA:**

If City Council still has a preference for more intense development, it could modify zoning standards to allow property owner flexibility, but incentivize more intense development with an amendment to the Urban Revitalizations Area criteria. Currently the design guidelines of the URA address design requirements, but do not address building intensity because of existing zoning standards. Lowering the zoning standards would reduce the cost of development and allow for easier redevelopment of sites for smaller projects.

Providing incentives would recognize the additional costs associated with high FAR development and appropriately provide incentives for a City preference of higher intensity development. Council should only accept this option if it is comfortable with one-story buildings being developed in Downtown as not all projects would seek URA incentives.

**OPTION #5. REZONING OF PROPERTIES ALONG 6TH STREET TO NEIGHBORHOOD COMMERCIAL (NC):**

With this option DSC zoning would remain as is, but would allow for properties with frontage along 6th Street to seek a rezoning from DSC to NC. This option would potentially affect five properties with uses that are not institutional. These properties are the Friedrich Iowa Realty offices, Ames Elks Lodge, multi-tenant building with Torrent and Triplett Companies, First National Bank, and Premier Credit Union. Both the First National Site and the Triplett Companies building also have frontage along 5<sup>th</sup> Street.

Neighborhood Commercial has a different approach than DSC. NC zoning is based upon limiting the maximum size of development while encouraging walkable smaller scaled development. NC zoning does not require minimum FAR or building height. NC does prohibit the location of parking between the building and street to support walkable environments. One very substantial difference is a requirement for on-site parking within NC zoning whereas DSC zoning does not require parking.

Under this option a property owner would need to balance the trade-offs of standards when determining how to redevelop a site with the limited scale and parking of NC zoning versus the more intense options available under DSC zoning. This option does not address other sites within Downtown that do not have frontage on 6th Street.

**STAFF COMMENTS:**

Requiring larger buildings can be viewed as a negative by a developer due to additional cost per square foot for construction, potentially triggering elevator and other accessibility requirements with larger buildings, and having floor area that may exceed an individual users interest and thereby potentially making it a multi-tenant building. The benefits of two-stories in Downtown are the efficient use of limited land resources, diversity of business types, and the contribution of character to the traditional downtown context of Main Street.

Balancing development standards that meet City goals with individual property owner objectives can be difficult in existing areas such as Downtown. The unique character of Downtown supports having standards that recognize it as a special location within the City and reinforce its character as new development occurs. This type of approach to development standards is consistent with the Goals and Objectives of the LUPP. Additionally, the high expectations for development support reinvestment and reuse of existing older buildings that make up the fabric of the Downtown.

The counter argument is that in order to facilitate reinvestment then some loosening of expectations is necessary and that most of the goals for Downtown character can be accomplished with reduced zoning standards.

The five options described above are a reasonable range of choices based on the priorities for character of Downtown and an interest in encouraging redevelopment with lower intensity projects. **City Council must first determine if it's appropriate to reduce zoning standards for all projects or redefine the exception process to proceed with a zoning text amendment. Secondly, City Council must articulate a goal for the character of development in the Downtown Area to allow for staff to draft code changes that reflect the intent for the area.**

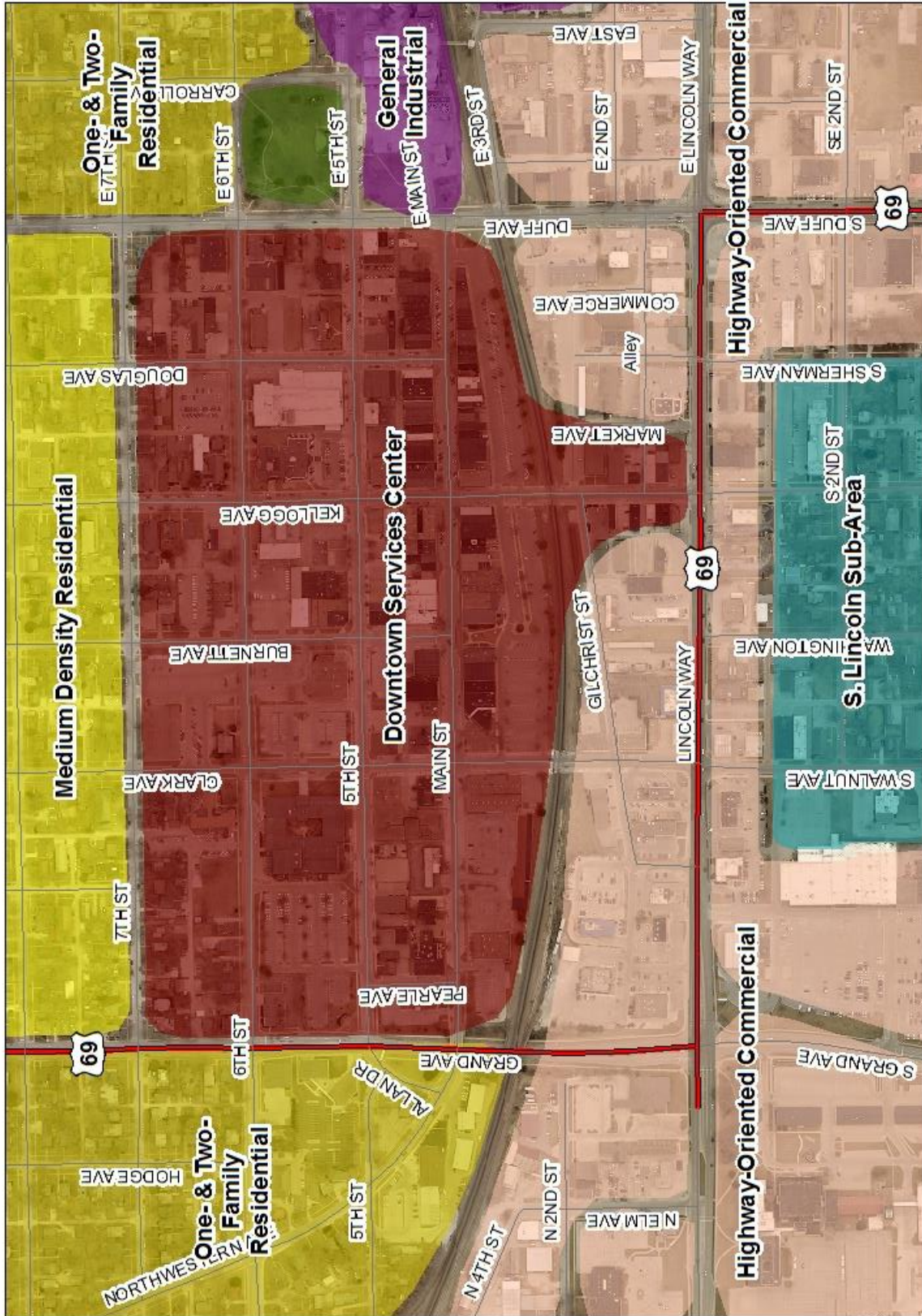
The FAR standard has less utility as a zoning standard for defining architectural character than minimum height standards. This is one reason why the new Downtown Gateway Commercial zoning does not include an FAR standard. However, FAR does assure that more floor area is developed and the intensity of use is increased overall for Downtown. The more floor area that is developed, the greater number of commercial businesses may locate Downtown and diversify the commercial base as desired by the City. **Staff believes that maintaining character is the priority for the periphery of Downtown and reducing or eliminating FAR would be feasible and still meet this goal.**

**At the same time, reinforcing the two-story character seems appropriate to reach the City's objectives for Downtown.** Although eliminating the standard would allow for building additions and changes that make single purpose redevelopment easier, it would likely detract from the current character if redevelopment replaces existing two-story buildings for a large number of sites. **Staff believes retaining a minimum building height standard for at least part of a building is a valuable standard for the City.**

The proposed amendments require prioritization by City Council along with similar project requests. **Depending on the direction of Council on the scope of changes or if Council has an interested in more refined options, the task of amending Downtown standards would be low to moderate in the number of hours (15-50 hours) of staff time directed to the project.** Staff does not envision substantial outreach as part of any changes to DSC zoning that affects the periphery of the Downtown.

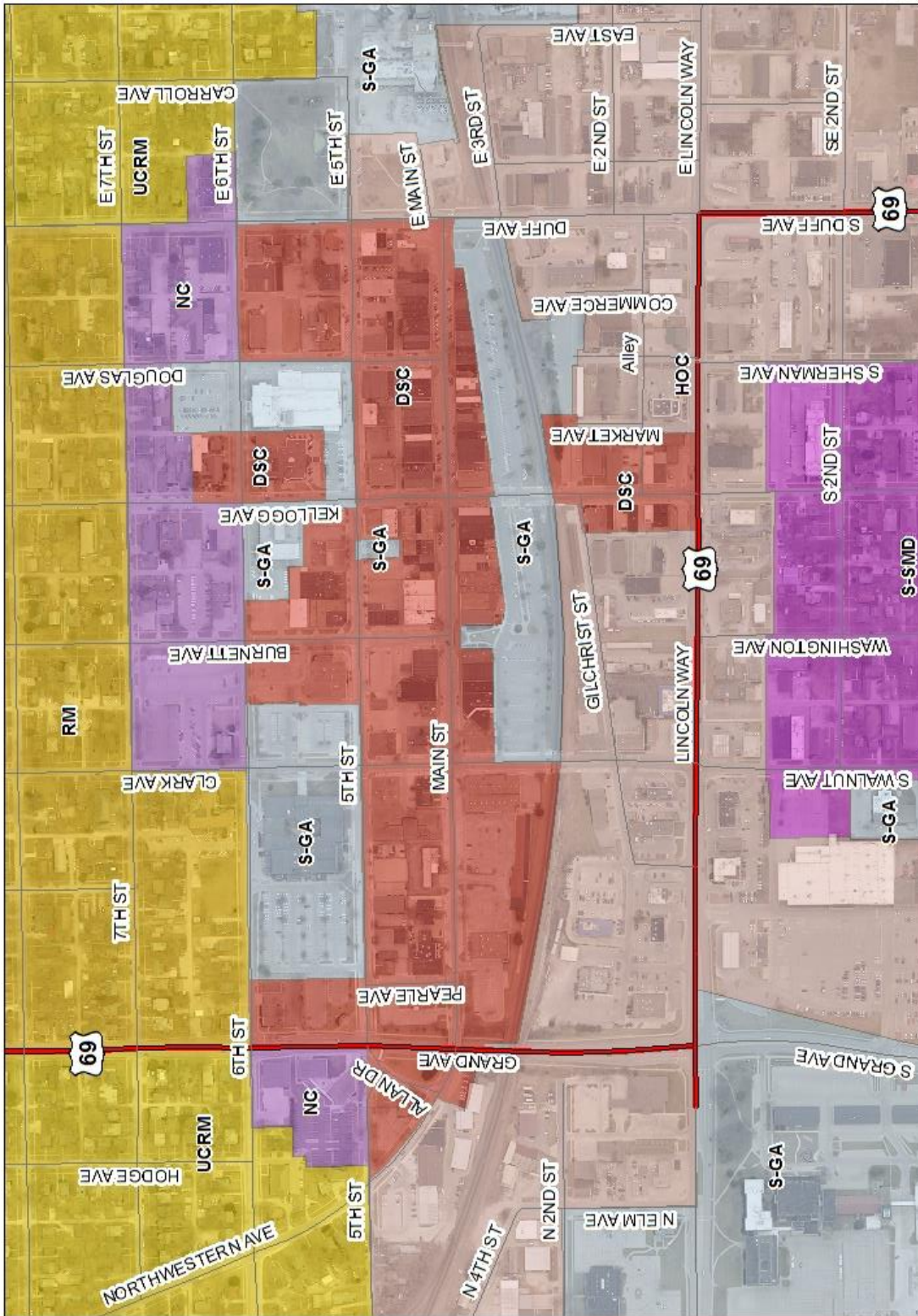


**Attachment 1: LUPP Downtown Land Use Designation**





**Attachment 2: Downtown Zoning**



**Attachment 3: Highlights Added**

## **GOALS FOR A NEW VISION** [LUPP excerpts p. 25]

**Goal No. 8.** It is the goal of Ames to enhance the role of Downtown as a community focal point.

Objectives. In expanding and strengthening the role of Downtown as a community focal point, Ames seeks the following objectives.

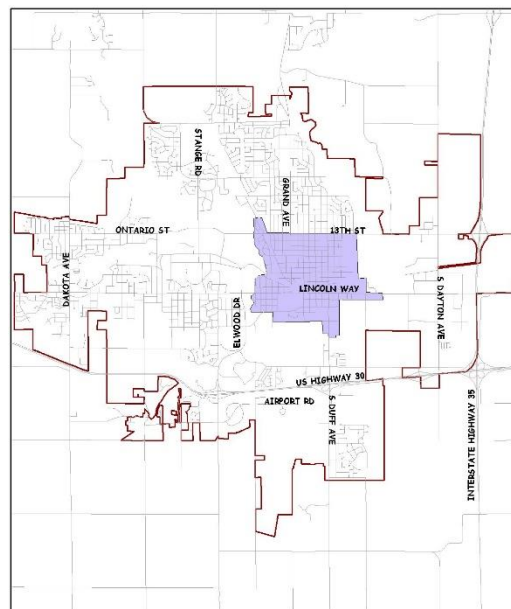
- 8.A. Ames seeks to maintain and enhance a strong central activity center through the intensification, expansion and diversification of uses including visitor attraction, entertainment, high density residential, offices and business support services.
- 8.B. Ames seeks to improve and integrate the appearance of Downtown through thematic design, preservation of historically and architecturally significant structures and reuse of structures involving economically marginal activities.
- 8.C. Ames seeks to expand parking in Downtown and to integrate automobile access with additional modes of transportation.

## Attachment 2: Highlights Added

# URBAN CORE POLICY OPTIONS [LUPP Excerpts pp. 41-45]

**Delineation.** Urban Core consists of the existing Downtown and the mostly single-family residential areas adjacent to Downtown. These areas approximate the boundaries of Ames, exclusive of the ISU-campus, as of 1930. These boundaries are loosely defined as 14th Street on the north, Municipal Cemetery on the east, 4th Street on the south and Squaw Creek on the west.

These areas are fully developed although some uses are transitional. Floor area/land ratios and densities are moderate, which has attracted limited intensification activities. Downtown and the residential areas adjacent are included in the Urban Core because of their historical relationship and the impact that their transition has on each other.



Urban Core Area

**Downtown.** The goal is to create a strong central place in Downtown. Downtown is characterized currently as two sub-districts separated by a major thoroughfare and railroad. Access and parking are limited. Uses are small to moderate in size. The economic base of Downtown is relatively strong although the absence of certain uses and public activity areas constrains its potential as a 24-hour location.

**Boundaries.** In defining the street boundaries of Downtown for planning purposes the following area is recommended: 6th Street on the north; Duff Avenue on the east; South 3rd Street on the south; and Grand Avenue on the west. The use of these boundaries creates a more cohesive district and provides greater access and circulation.

**Access.** Regional access is critical to the role of Downtown as a strong central place. South Duff Avenue is recommended as the regional access corridor to Downtown through its connection with Hwy. 30 and ultimately I-35.

Regional access should continue across Lincoln Way in providing direct access between Duff Avenue and the traditional Downtown. Additional direct access to Downtown should be established at the intersection of Duff Avenue and South 3rd Street.

The designation of South 3rd Street requires improvement in turning controls and connections with major streets.



Downtown Sub-Districts

Circulation. Inclusion of South 3rd Street with Downtown provides an opportunity to improve circulation involving the district. Its inclusion also improves north-south cross-town connections.

A realignment of South 3rd Street to connect with Grand Avenue is recommended. The realignment would involve cutting through the Lincoln Center (Target parking lot) adjacent to the Department of Transportation site. In connecting South 3rd Street with Grand Avenue, a more direct north-south route is created to the western boundary of Downtown. The route enables a free flow of traffic involving all sides of the district. The route also eliminates restrictions created by the presence of the railroad, which periodically interrupts traffic on Duff Avenue.

South 3<sup>rd</sup> Street  
Realignment with



Parking. Parking is essential to improving the accessibility of Downtown and strengthening the district's viability. Parking improvements should consider the following locational and design criteria:

- Provide locations that are convenient to major activities;
- Cluster parking locations - leaving more income-generating building space; and,
- Discourage the negative impact that the void spaces created by surface parking have on pedestrian movement, shopping patterns and appearance.

Uses. Downtown's primary role has shifted from the traditional retail center to a major services center. Contributing to the current role are the large services employers including the Iowa Department of Transportation, City of Ames, financial institutions and others. Many of the remaining commercial uses have become smaller and more specialized. The largest concentrations of commercial uses involve historic Main Street, the emerging Depot area and the highway-oriented strip along Lincoln Way.

In becoming a 24-hour center, Downtown is envisioned as the most mixed use area of Ames. An additional mixture of uses as well as strengthening of some existing ones is recommended. Future uses should also be selectively grouped so as to share attraction and support. Future uses should emphasize the following:

- Small/Medium Business Center involving private lease/multiple professional/trade services, financial services, business support services, (e.g. copying, office supplies, computer services) and small conferencing;
- Dining and Entertainment Center involving sit-down eating and drinking services (but not additional fast-food services because of their competition with sit-down facilities and their orientation toward vehicular traffic rather than pedestrian), performance halls and amusements;
- Cultural Center involving arts, crafts, museum, learning center, library and activity center (e.g. senior citizen);
- Residences involving multi-family and second-floor/over commercial establishments;
- Public spaces involving parks, outdoor event/festival and farmers/crafts market; and,
- Specialty Retail Center, involving personal items, specialty foods, bookstore etc.

Intensity. Downtown is also envisioned as the most intensely developed area of Ames. The following intensities are recommended:

- Commercial – 1.0 or greater floor area ratio (ratio of total building floor area to total lot area) and 100 percent lot coverage in the sub-district/traditional Downtown located north of the railroad; 0.5 or greater floor area ratio and 50 percent lot coverage in the remainder of Downtown; and,
- Multi-Family Residential – High-density residential with the maximum allowable number of dwelling units and 50 percent lot coverage in the district.



**COUNCIL ACTION FORM**

**SUBJECT: MCKINLEY DRIVE PARKING ORDINANCE**

**BACKGROUND:**

The reconstruction of the new Fellows Elementary School is now complete and the traffic patterns utilizing the new site layout have developed. The Ames Community School District has requested that staff review the existing parking ordinance along McKinley Drive. There are currently two parking prohibitions for McKinley Drive contained in Municipal Code Section 18.33(3).

- 1) The first prohibits parking on both sides of McKinley Drive from Hayes Avenue to Van Buren Avenue only on days of regular classes at Ames High School between 7:30 and 9:30 AM.
- 2) The second regulation prohibits parking during the lunch kindergarten pick up time adjacent to a former driveway onto McKinley Drive that no longer exists.

Staff reviewed the existing conditions of McKinley Drive to determine the appropriate parking restrictions needed in this corridor. **According to current roadway and emergency standards, the existing 31' width of McKinley Drive only provides adequate width for parking on one side of the street.** Due to curves along the roadway and the location of existing fire hydrants, staff is proposing to prohibit parking at all times on the north side of McKinley Drive from Hayes Ave to McKinley Circle/Court and prohibit parking at all times on the south side of McKinley Drive from McKinley Circle/Court to Northwestern Avenue. (see attached maps)

**A letter was sent to adjacent properties along McKinley Drive to receive feedback on this proposed ordinance. Some comments were received from residents who would prefer to maintain parking on both sides of McKinley Drive from McKinley Circle/Court to Northwestern Avenue; however, this does not provide for adequate emergency operations and response to the school and the adjacent properties.**

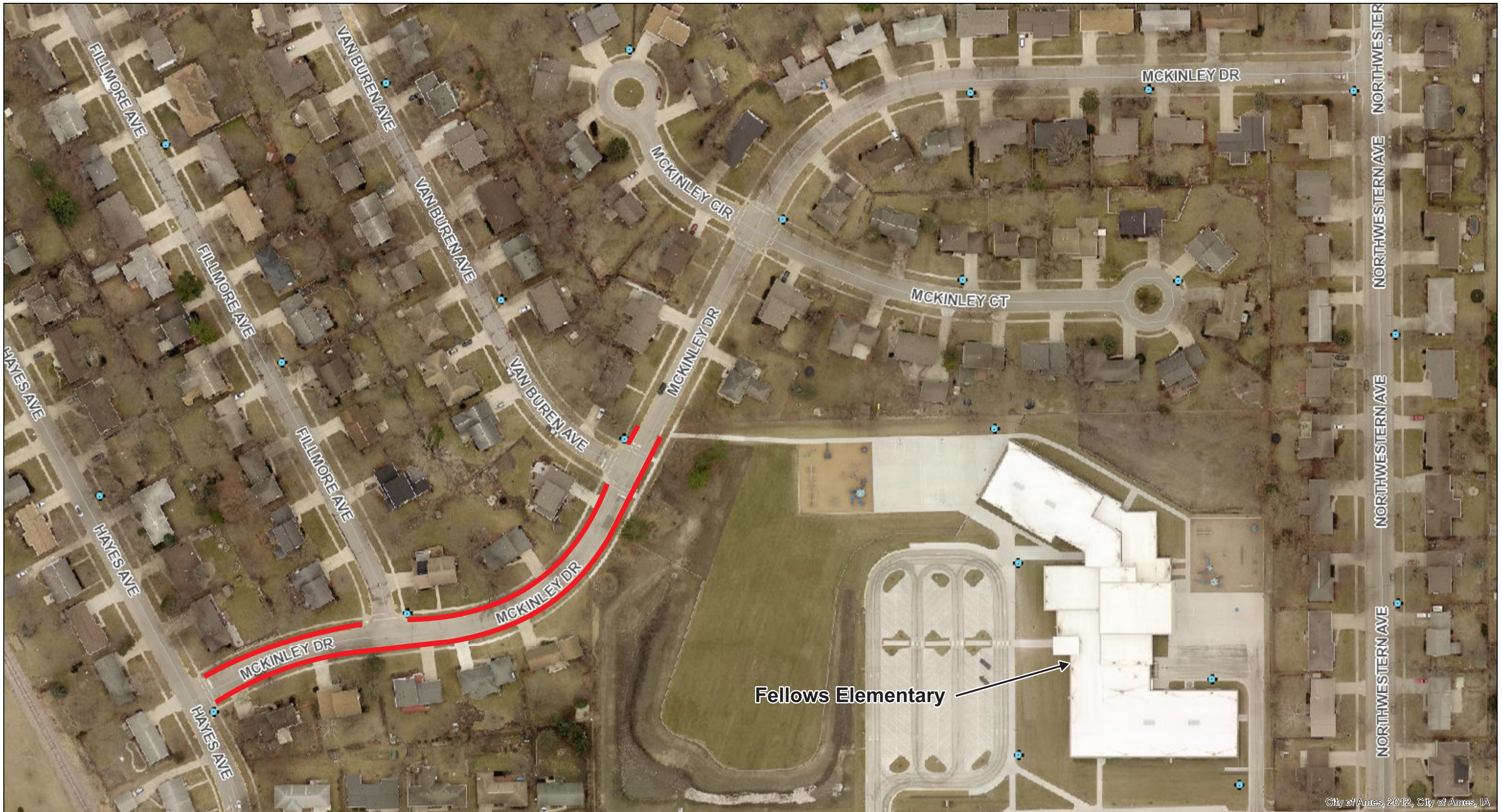
**ALTERNATIVES:**

1. Direct the City Attorney to draft an ordinance that prohibits parking at all times on the north side of McKinley Drive from Hayes Ave to McKinley Circle/Court and prohibits parking at all times on the south side of McKinley Drive from McKinley Circle / Court to Northwestern Avenue.
2. Do not make any ordinance changes at this time.

**MANAGER'S RECOMMENDED ACTION:**

By directing legal staff to make an ordinance update, it will be possible to improve the safety of our traffic system in this area by meeting current emergency operations and response standards. **Therefore, it is the recommendation of the City Manger that the City Council adopt Alternative No. 1, as noted above.**





City of Ames, 2012, City of Ames, IA



# McKinley Drive Parking Regulations

——— Existing Parking Regulations 18.33(3): Parking prohibitions during school hours (7:30 - 9:30 AM)



**NORTH**

1 inch = 167 feet

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City of Ames, 2012, City of Ames, IA



## McKinley Drive Parking Regulations

----- Proposed standard residential parking regulations: No Parking at all times on one side of the street



NORTH

1 inch = 167 feet

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Staff Report

**I-35 ENTRYWAY SIGNAGE PROJECT**

July 31, 2018

**BACKGROUND:**

During the preparation of the FY 2018/19 City Budget, the City received a request from The Ames Foundation to support the construction of entryway signage along the northbound I-35 corridor into Ames. The City Council allocated the \$20,000 requested to support the \$40,000 total sign project.

Since budgeting the requested funds, staff has met with the requestor to discuss project details and prepare an agreement authorizing the funds to be spent. Several steps need to take place now that a funding agreement has been prepared. City staff also requires direction from the City Council whether several of the proposed elements of the project are acceptable. Issues to be considered by the Council are outlined below:

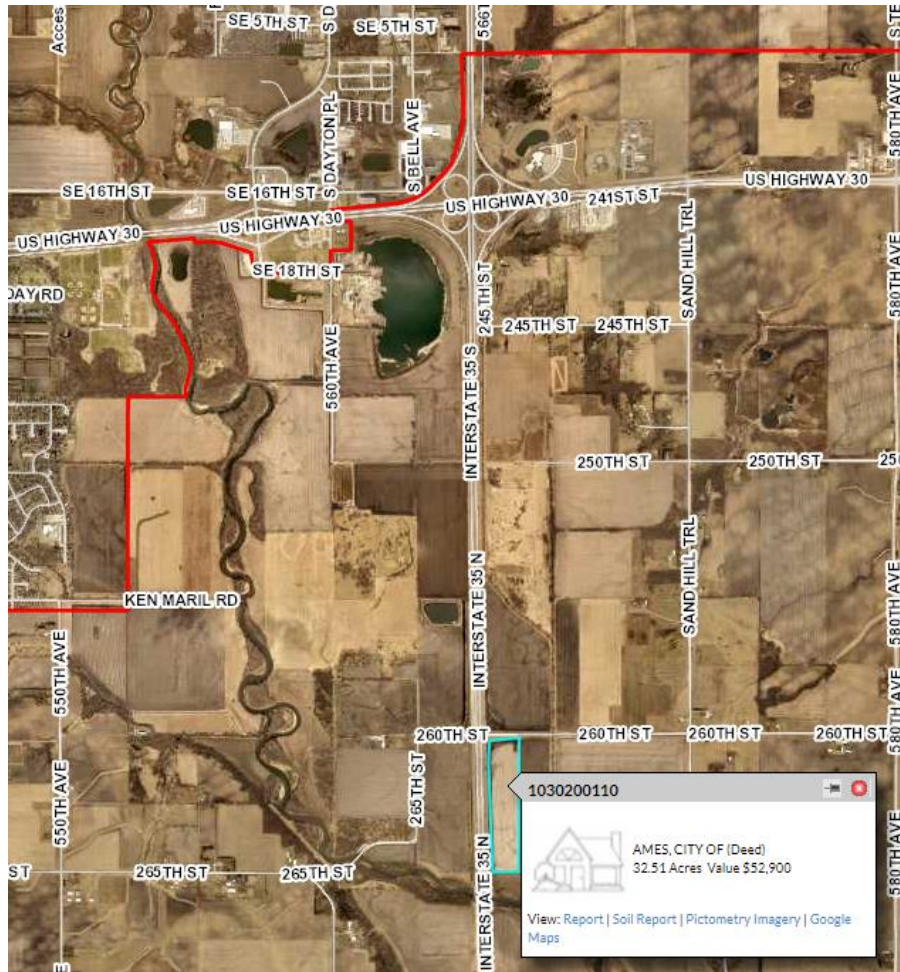
**ISSUE 1 #: AGREEMENT WITH AMES FOUNDATION:**

An agreement outlining the use of the \$20,000 budgeted by the City Council has been prepared and signed by The Ames Foundation. This agreement requires that The Ames Foundation will obtain approval from the City regarding the final design of the sign. The scope outlined in the agreement indicates the funds may be used to purchase materials, supplies and services to design and construct the sign and its adjacent landscaping. The City Council may choose from the following options:

1. Approve the proposed funding agreement with the Ames Foundation in the amount of \$20,000.
2. Direct staff to modify the proposed agreement.
3. Do not approve the proposed agreement.

**ISSUE #2: PROPOSED LOCATION:**

The requestor has identified that the project would ideally be located on the east side of I-35 just south of 260<sup>th</sup> Street. This is approximately two miles south of the U.S. 30/I-35 interchange. The sign would be visible on the right as motorists travel north towards Ames. This property is owned by the City of Ames, and serves as farmland where biosolids from the City's Water Pollution Control Facility are spread through a contract with a local farmer.



The area where the sign would be located would require fill and grading, which would remove some WPC farm land from agricultural production. Staff from the Water and Pollution Control Department indicates that the area to be taken out of production would need to be identified prior to the farmer purchasing seed for the next growing season. Additionally, the City's 161 kV electric transmission line runs through this area. A joint access easement for the City of Ames and the Iowa DOT extends from the interstate to approximately 25 feet east of the 161 kV electrical line. The sign would need to be situated so as to not conflict with the easement.



*View of I-35 from 260<sup>th</sup> Street, looking south*

**Staff would like City Council’s direction as to whether the proposed location is acceptable to the City Council.**

**ISSUE #3: WHO MAINTAINS THE SIGNS?**

It should be noted that there is no desire on the part of the Ames Foundation to have an ongoing responsibility for the structure or associated elements. Therefore, the Council must consider whether the City should be responsible for the maintenance, repair, or reconstruction of the sign into the future.

It should be noted the “AMES” signs installed last year along the U.S. 30 corridor as part of a Leadership Ames project were located on private property. Other than providing a portion of the construction funds, the City had no involvement in the construction or maintenance of those signs.

**ISSUE #4: DESIGN CONCEPT:**

When originally proposed to the City Council, the concept for this sign off I-35 was to be a larger version of the “AMES” signs located recently constructed along U.S. 30 at the entrances to the community (pictured below).



After funds were budgeted for this project, the requestor discovered an existing design concept (See below) for a gateway sign that they would prefer to be used instead of constructing a larger version of the U.S. 30 signs. This design incorporates a reference to Iowa State University and includes elements similar in style to ISU entryway signs along University Boulevard. The Ames Foundation has reported to staff that this design concept has received approval from Iowa State University.





This design concept incorporates brick and other architectural features that differ from the original plan. These elements add cost and complexity to the project, although the City is not currently being asked for additional funding to support the project. **Staff requests that the City Council provide guidance regarding whether this new design concept is acceptable. Additionally, several specific questions regarding landscaping and lighting are below:**

### **Landscaping**

The Ames Foundation has not presented staff with a specific proposal regarding the landscaping. **Because the sign would be located on City property outside the community (and therefore would be more difficult to access), the City Council should consider whether it is the expectation that the City would be responsible for landscaping maintenance.**

**If City staff would be responsible for landscaping maintenance, it is staff's recommendation that any landscaping require minimal maintenance.** If plants are desired, perennials should be used, and varieties planted should only require maintenance once per year or less. Ornamental grasses and rock, which require little to no maintenance, are preferable to turf that requires mowing.

### **Lighting**

The Ames Foundation has reported to staff that there is a desire to light the sign so it is visible at night. The sign location is outside the Ames Electric Services territory and is served by Consumer's Energy, a rural electric cooperative. Staff has evaluated options for providing electricity to the sign. One option is to connect lighting to the electrical grid. **In this option, the Council must consider whether the City is willing to take on the ongoing cost for electricity, which could potentially be \$10-\$25 per month. Additional costs would exist for lamp and equipment maintenance and replacement.**

There is electrical infrastructure near the proposed sign location which staff believes could connect to a lighting system for the sign. Staff estimates the cost for this is approximately \$5,000, although it is not known whether the electricity provider would pay for some of the infrastructure costs.

Alternatively, lighting could be provided from a small standalone solar system. This would not require a lengthy service drop or monthly energy costs. Electrical Services staff estimates a system with enough energy to power lights for the sign could cost approximately \$1,000 to \$2,000. Such a system may require long-term maintenance and replacement. The City Council should consider if the intent is that the City will bear that cost. **Should the Council agree to light the sign, staff would prefer that the sign be lit by solar.**

**Staff desires direction from the City Council regarding whether the Council is willing to assume the cost for ongoing lighting and maintenance costs, or if an indication should be provided that lighting should not be provided.**

**NEXT STEPS:**

Once Council direction is provided regarding the issues indicated above (approval of the funding agreement, authorization to use City property, approval of the design concept, and expectations for ongoing maintenance, landscaping, and lighting), staff will work with the requestor to ensure the proposed project meets the Council's expectations. Follow-up reports will be provided as additional details regarding the proposal are developed.

**SPECIAL EVENT PARKING**

July 31, 2018

**BACKGROUND:**

At the City Council meeting on November 28, 2017 the City Council requested that City staff provide additional information about the possibility of an ordinance addressing the unique parking problems associated with special events. Iowa State University football games are the focal point of this concern. On football weekends we often write several hundred parking violations in neighborhoods surrounding the stadium. Violations include parking on both sides of the street, blocking hydrants, or blocking driveways.

Current illegal parking violators receive an illegal parking citation for \$20 which is reduced to \$15 if paid within seven days. This fine amount is pretty typical in Iowa communities. In the 2017 review of penalties, only Cedar Rapids and Sioux City had fines over \$20.

The charge for public parking in ISU grass lots has been \$20 on game days. This is already more expensive than an illegal parking ticket in Ames. Staff researched special event parking in other communities in an effort to find model remedies for this problem. The results of this search identified a Special Event Parking Ordinance for the City of Berkeley, California. A Berkeley Transportation Commission Memo from July 25, 2017 recommended increased penalties under their strategy to address University of California football game day parking issues. During 2017, their game day fine in residential areas adjacent to the football stadium was \$72, which is double the normal parking fine. While their report suggests this was still insufficient to deter illegal parking at Berkeley, that insufficiency is likely due to the high cost of alternative parking options in the area. The report from their transportation committee recommended a \$300 game day penalty in order to establish an adequate disincentive.

The costs associated with parking in California are much higher than in Ames. **Nonetheless, this concept of doubling the current fine structure during special events seems like a good starting point.** If we were to seek a penalty that exceeded the cost of legal parking, doubling our penalty to \$40, \$35 if paid in seven days, would accomplish this.

If Council were to direct staff to develop this concept, a key question would be determining the areas affected by this change. The attached map includes one possibility, based on violation histories and proximity to Jack Trice stadium. It seems likely that Council will want to make adjustments to the area covered once we have determined whether this change reduces violations or simply shifts those problems to other areas.

A second consideration in this process would be public education. Visitors, event managers, and neighborhood residents would all be affected by this change. A strong

outreach and education effort may mitigate some of the concern, but the increased penalty is still likely to generate varying degrees of discontent by those affected. It may be prudent to consider using the coming football season to educate patrons about the game day penalty by using message boards, a notice on the any citations written in this area, and game day publicity.

**STAFF COMMENTS:**

The city staff is requesting direction for the following five policy issues:

Issue 1: Does the Council want to initiate a special parking penalty for football game days?

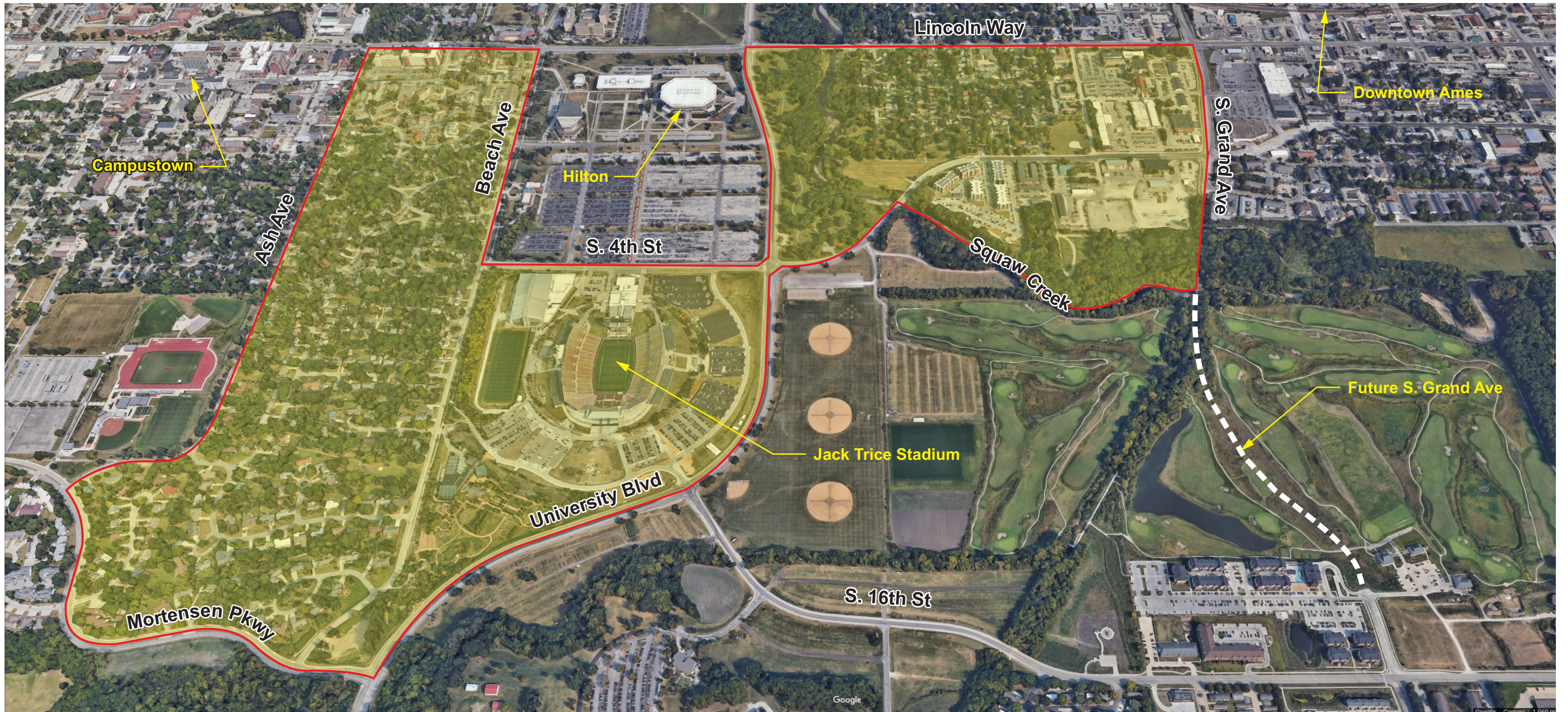
Issue 2: How much should the penalty be?

Issue 3: What area would be covered by this special penalty?

Issue 4: When should the ordinance and penalty take effect?

From staff perspective, this enhanced penalty may offer some relief to parking concerns around the stadium on game days. It is also likely to generate additional appeals and complaints. It would be beneficial to all parties if there is a period of public education prior to the implementation of higher penalties. **For that reason, staff is suggesting that the effective date of any ordinance of this kind be the fall of 2019 in order to provide adequate time to inform the residents of the change as well as parking violators during this upcoming football season.**



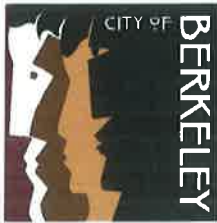


### Special Event Parking Fine Map

 Proposed enforcement area







Transportation Commission

CONSENT CALENDAR  
July 25, 2017

To: Honorable Mayor and Members of the City Council  
 From: Transportation Commission  
 Submitted by: Sofia Zander, Chairperson, Transportation Commission  
 Subject: Referral Response: Reassess UC Berkeley Game Day Parking Fines in RPP Areas A, B, D, F, and G Surrounding Campus

RECOMMENDATION

Adopt a Resolution:

- 1) Increasing parking fines in Residential Preferential Parking zones A, B, and D to \$300 per violation on posted University of California football game days;
- 2) Modifying RPP zones A, B, and D on posted University of California football game days to prohibit parking without a valid Residential Preferential Parking permit;
- 3) Replacing existing RPP signs in zones A, B, and D with new signs clearly indicating the University of California football game day parking prohibition and listing the dates on the sign of University of California football game days; and
- 4) Assessing the modified University of California Football Game Day Parking Fine program within three years of implementation and recommend to Council whether to continue or modify the program.

FISCAL IMPACTS OF RECOMMENDATION

There are approximately 600 existing Residential Preferential Parking (RPP) signs in zones A, B, and D, which would need to be replaced with signs indicating the new parking regulation and applicable dates to be updated each year. This includes a small number of spare signs to be used for maintenance or for new streets that may opt into the program in these zones. The one-time cost for signs will be \$100 each or a total of \$60,000. The portion of the sign identifying the dates of University of California (UC) football game days will be a decal to be replaced annually showing the new dates. Based on historical rates of damage or defacement, 900 decals per year will be required at a material cost of \$9,000 per year. Initial installation will require 200 person hours for a one time labor cost of \$20,000. Annual sign maintenance and decal replacement will require 100 hours for an annual labor cost of \$10,000. Thus the total first year cost to install new signs will be \$89,000. The annual cost of updating the signs will be \$19,000.

It is unknown how many citations may be issued and what resultant revenue would accrue to the General Fund (010-7303-351.40-10) to offset the cost of implementation. The cost to fabricate and install signs will come from the General Fund (010-5505-431.13-01 and 010-5505-431.55-20). Enforcement will be done using existing parking enforcement staff supported by Parking Meter Fund (840-7303-420.11-01). The costs to install and maintain the new signs and decals are listed in the table below.

		First-Year Cost	Ongoing Annual Cost
Signs	Materials	\$60,000	-
	Labor	\$20,000	-
Decals	Materials	\$9,000	\$9,000
	Labor	Included in sign installation	\$10,000
<b>Total</b>		<b>\$89,000</b>	<b>\$19,000</b>

CURRENT SITUATION AND ITS EFFECTS

On June 16, 2016, the Transportation Commission took the following action:

It was moved and seconded (Parolek/Ghosh) to recommend Council increase game day parking fines to \$300 and remove the two-hour parking option on UC football game days in (RPP) Zones A, B, and D in the South campus area. This action would create permit-only parking south of campus on game days, and the increased fine for parking citations would provide a strong deterrent to intentional game-day parking violations in these three zones.

Ayes: Bruzzone, Gerhardstein, Ghosh, Humbert, Parolek, Thomas, Zander Noes: None  
Abstain: None Absent: Howe, Lathbury (7-0-0-2) Motion carried.

It was the Commission’s view that even with double parking fines for game day parking violations set at \$72, many game day visitors tend to view this cost favorably when compared to event parking rates charged by other entities.

BACKGROUND

This report responds to an April 5, 2016 Council referral sponsored by Councilmembers Droste, Wengraf and Capitelli.

ENVIRONMENTAL SUSTAINABILITY

If these steps prove effective based upon before-and-after evaluation, they would reduce the amount of local game day vehicle traffic congestion and exhaust emissions and encourage use of alternative forms of transportation to UC Berkeley football games.

RATIONALE FOR RECOMMENDATION

A reduction in RPP parking violations would benefit the quality of life for residents in impacted neighborhoods.

The Commission discussed options for fine levels that could be expected to reduce the congestion caused by on-street game day parking. Consensus was that the most effective fine should exceed the price of available off-street game day parking by a significant margin. After discussion, the Commission concluded that the most effective deterrent would be a \$300 fine.

Commissioners felt these two actions should be taken for a trial period in existing double-fine areas, Zones A, B, and D only. The Commission further emphasized the need for clarity in the new signage indicating that RPP Zones A, B, and D would become permit-only parking on football game days.

These steps would be expected to streamline parking enforcement on game days during the trial period.

ALTERNATIVE ACTIONS CONSIDERED

Consideration was given to creating more Tow Away zones, but after considering capacity of resources and effectiveness, this was rejected. The Commission concluded that a more effective approach would be to simply eliminate the two-hour parking allowance in RPP Zones A, B, and D on football game days. Zones F and G do not require permit parking enforcement on Saturdays.

Enacting a new resolution to increase game day fines; design and install the necessary signs; and take the other necessary steps to implement the Commission recommendation would take more than 90 days (the threshold for short term referrals), and could be sent back to Council for the annual referral prioritization process. However, the Commission did not initially anticipate the magnitude or duration of this task and took action shortly after the Council referral. Based on that action by the Commission, staff has prepared the cost analysis necessary to provide Council an opportunity for implementation prior to the 2017 football season.

Evaluation of the effects and costs of this pilot program would determine whether it should be replicated in Zones F, G, and possibly K.

CITY MANAGER

See companion report.

Referral Response: Reassess UC Berkeley Game Day Parking  
Fines in RPP Areas A, B, D, F, and G Surrounding Campus

CONSENT CALENDAR  
July 25, 2017

**CONTACT PERSON**

Farid Javandel, Transportation Commission Secretary (510) 981-7058

**Attachments:**

1: Resolution

    Exhibit A: Football Game Day Fines

2: RPP Zone Boundary Map

3: Original Referral Report from Councilmembers Droste, Wengraf, and Capitelli  
April 5, 2016

RESOLUTION NO. ##,###-N.S.

INCREASE FINES FOR PARKING VIOLATIONS AND LATE PAYMENT PENALTIES AND PROHIBIT PARKING WITHOUT A PERMIT FOR SELECTED AREAS ON THE DAYS DURING SATURDAYS WHEN THE UNIVERSITY OF CALIFORNIA AT BERKELEY CONDUCTS FOOTBALL GAMES AT THE BERKELEY CAMPUS AND AMEND EXHIBIT A OF RESOLUTION NO. 63,800-N.S. AND DIRECT THE CITY MANAGER TO PROVIDE ANNUAL NOTICE TO THE PUBLIC OF THE DATES DURING WHICH FINES WOULD BE INCREASED

WHEREAS, the State of California Vehicle Code Section 40203.5 states that cities may establish the amount of parking fines and late payment penalties; and

WHEREAS, on June 24, 2003, the City Council adopted Resolution Number 62,127-N.S. which established a schedule of parking fines and late payment penalties; and

WHEREAS, the University of California football games have substantial attendance that has impacted the parking situation in surrounding neighborhoods with residential parking, namely areas designated A, B, and D which are enforced on specified Saturdays during football home game days; and

WHEREAS, there is a lack of off-street parking around the South campus area and it is the City's intent to reduce private automobile use by promoting mass transit options such as BART and AC Transit; and the current parking fine of \$72 is not sufficient to deter extended game day parking, particularly in comparison to the \$60-100 charged by various institutions for parking near the campus and stadium; and

WHEREAS, increasing fines will help City revenues, a portion of which is to be used to promote mass transit and mitigate the impact of the games on neighborhoods, including police costs and post-game clean-ups; and

WHEREAS, on September 16, 2008, the City Council adopted Resolution No. 63,800-N.S. establishing a permanent program double parking fines in residential parking areas A, B and D during Saturday home games and it was proven insufficient to address parking concerns for the neighborhoods; and

WHEREAS, on April 5, 2016, the City Council referred to the Transportation Commission to review current parking fines (\$72) for UC Berkeley Football game day parking in RPP zones A, B, D, F and G and recommend higher fees to deter visitors from parking in those RPP zones; and

WHEREAS, on June 16, 2016, the Transportation Commission reviewed current parking fines (\$72) for UC Berkeley Football game day parking in RPP zones A, B, and D and recommended increasing the citation amount to \$300 and prohibiting parking without a permit to deter visitors from parking in those RPP zones; and

WHEREAS, it is therefore reasonable to establish increased parking violations of \$300 and late payment penalties of \$330 and \$380, respectively, for payments made 27 days and 46 days after the original due date, for vehicles parked in violation of BMC Section 14.40.090 for the following violations: no preferential parking permit displayed, preferential parking permit expired and/or improper preferential permit displayed; and

WHEREAS, since the dates when the University of California at Berkeley conducts home football games changes annually, the City Manager will provide reasonable annual notification to the public of the dates during which the fines are doubled; and

WHEREAS, as shown in Exhibit A, all football day parking violation fines are in effect from 9 AM to 11 PM.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that a parking violation fine of \$300, and late payment penalties of \$330 and \$380, respectively, for payments made 27 days and 46 days after the original due date, be established for violation of BMC Section 14.40.090 in Residential Parking Permit areas designated as A, B, and D in the South campus area during Saturdays when the University of California at Berkeley conducts football games at the Berkeley campus as specified in the Parking Fine Schedule attached hereto as Exhibit A.

BE IT FURTHER RESOLVED by the Council of the City of Berkeley that the City Manager is directed to annually determine the dates during which parking fines shall be increased to \$300 and provide reasonable notice to the public of these dates by posting of such dates on signs within the specified RPP areas.

BE IT FURTHER RESOLVED by the Council of the City of Berkeley that the City Manager is directed to assess the modified University of California Football Game Day Parking Fine program within three years of implementation and recommend to Council whether to continue or modify the program.

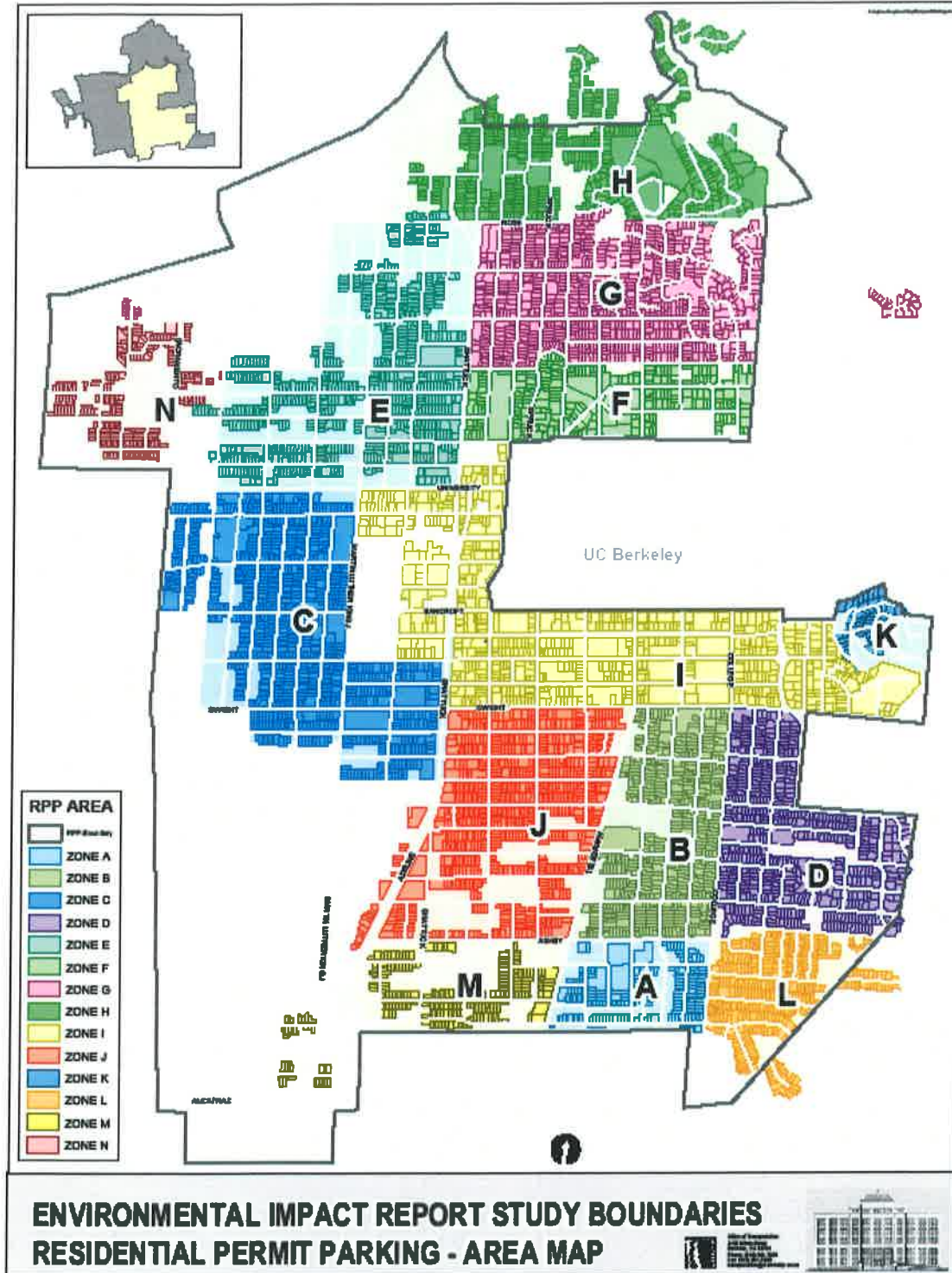
EXHIBIT A

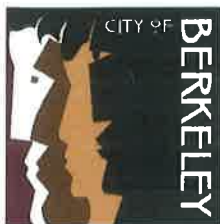
**FOOTBALL GAME DAY FINES**  
 Residential Parking Permit (RPP) Areas A, B, and D  
 Enforcement Between 9:00 AM and 11:00 PM on Saturdays During  
 University of California, Berkeley Home Games

Violation Code Section	Description	Fine Amount	Add'l \$30 After 27 <sup>th</sup> Day	Add'l \$50 on 46 <sup>th</sup> Day
14.40.090(A1) BMC	Pref Parking Area-No Pref Pmt Displayed (football game days; A, B, & D RPP Zones)	300	330	380
14.40.090 BMC BMC	Pref Pkg Pmt Impropr Disp (football game days; A, B, & D RPP Zones)	300	330	380
14.40.090 (A) BMC	Expired Pref Parking Permit (football game days; A, B, & D RPP Zones)	300	330	380
<p><i>Past due notices are issued 7 days after citation. On the 27<sup>th</sup> day after the issuance of the citation, the citation increases by \$30. If payment is not received within 45 days of the issuance of the citation, on the 46<sup>th</sup> day the citation increases by an additional \$50.</i></p>				



ATTACHMENT 2





Lori Droste  
Councilmember District 8

CONSENT CALENDAR  
April 5, 2016

TO: Honorable Mayor and Members of the City Council  
FROM: Councilmembers Lori Droste, Susan Wengraf, and Laurie Capitelli  
SUBJECT: Refer to Transportation Commission to Reassess UC Berkeley Game Day Parking Fines in RPP areas A, B, D, F and G Surrounding Campus

RECOMMENDATION:

Refer to the Transportation Commission to review current parking fines (\$72) for UC Berkeley Football game day parking in RPP zones A, B, D, F and G and recommend higher fees to deter visitors from parking in those RPP zones.

CURRENT SITUATION AND ITS EFFECTS:

Due to the lack of garage parking around the South of campus and the low parking fines, many of vehicles park in the neighborhood RPP zones during UC Berkeley football games. This results in a great inconvenience to residents in these neighborhoods.

In 2008, Councilmember Wozniak created a [pilot program](#), which is still in place, to double parking fines associated with illegal parking in RPP areas A, B, and D on UC Berkeley football game days. The current fine for a game day parking ticket is \$72.

Because fraternities, sororities, and other entities charge \$60-\$100 for game day parking, the current \$72 fine, although more than it previously was, does little to deter visitors from parking illegally in neighborhoods. An increased fee may be an effective deterrent from illegally parking in RPP zones on game days.

ENVIRONMENTAL SUSTAINABILITY:

Increased fees may encourage use of alternative forms of transportation to UC Berkeley football games.

FISCAL IMPACT:

Staff time and increased revenue from parking tickets on game days.

CONTACT:

Councilmember Lori Droste (510) 981-7180  
Councilmember Susan Wengraf (510) 981-7160  
Councilmember Laurie Capitelli (510) 981-7150