

**AGENDA  
SPECIAL MEETING OF THE AMES CITY COUNCIL  
COUNCIL CHAMBERS - CITY HALL\*  
JULY 21, 2020**

**\*DUE TO THE COVID-19 PANDEMIC, THIS WILL BE AN ELECTRONIC MEETING.  
IF YOU WISH TO PROVIDE INPUT ON ANY ITEM, YOU MAY DO SO AS A VIDEO  
PARTICIPANT BY GOING TO:**

<https://zoom.us/j/826593023>

**OR BY TELEPHONE BY DIALING:** US:1-312-626-6799 or toll-free: 1-888-475-4499  
Zoom Meeting ID: 826 593 023

**YOU MAY VIEW THE MEETING ONLINE AT THE FOLLOWING SITES:**

<https://www.youtube.com/ameschannel12>

<https://www.cityofames.org/channel12>

**or watch the meeting live on Mediacom Channel 12**

**NOTICE TO THE PUBLIC:** The Mayor and City Council welcome comments from the public during discussion. If you wish to speak, please see the instructions listed above.

**CALL TO ORDER:** 6:00 p.m.

1. Workshop regarding multi-family component of 321 State Street development (No final decision will be made at this meeting.)
2. Resolution approving/motion denying mandating masks to be worn in City buildings

**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*.**

## WORKSHOP

**BAKER SUBDIVISION-321 STATE STREET  
MULTI-FAMILY RENTAL HOUSING COMPONENT**

July 21, 2020

**BACKGROUND:**

At the City Council meeting on December 17th, the City Council directed staff to proceed with creating a development concept plan for affordable single-family homes along with affordable multi-family housing at the city-owned property at 321 State Avenue. That direction included providing information on the Low-Income Housing Tax Credit (LIHTC) program and process.

At the January 14<sup>th</sup> City Council meeting, staff presented information and the following timeline and timeframe for applying for LIHTC for the 321 State Avenue site.

1. Prepare an RFP to solicit an affordable housing developer interest and project proposal for the site. (Issue RFP by June 2020)
2. Proposals' due July 2020
3. Review proposals and interview-qualified candidates as needed. (August 2020)
4. City Council selection of a preferred developer. (September 2020)
5. Refine project concept and complete development agreement (December 2020)
6. Submit IFA application March 2021 (anticipated)
7. Notice of an award by IFA, August 2021.
8. Proceed with construction late 2021 or spring 2022.

With the above information in consideration, City Council directed staff to prepare a Request for Proposals (RFP) for a partner developer to prepare an LIHTC application for the 2021 Application round to the Iowa Finance Authority by March 2021. Additionally, staff was asked to reach out to the neighborhood to further explain LIHTC concept for the site.

Staff meet with the neighborhood in January to gain their feedback regarding which parcel the single family versus the multi-family should be located. Also, in January the City hired Civil Design Engineering (CDA) firm to prepare concepts, platting, designs and specifications for the site. On February 17<sup>th</sup>, staff meet with the neighborhood to get their input on six-design concepts for the site for both single and multi-family layouts. On February 25<sup>th</sup> staff shared the six concept designs with Council. At that meeting Council selected concept "F" which proposed that the single-family homes would be located on the North side of the subdivision, leaving the south side available for the multi-family rental housing units. However, Council directed staff to proceed preparing the platting for the single-family component on the north side of the subdivision, but postponed proceeding with the multi-family component until July allowing for further discussion with the neighborhood before proceeding a Request for Proposals.

## **BACKGROUND ON LOW INCOME HOUSING TAX CREDIT PROGRAM (LIHTC):**

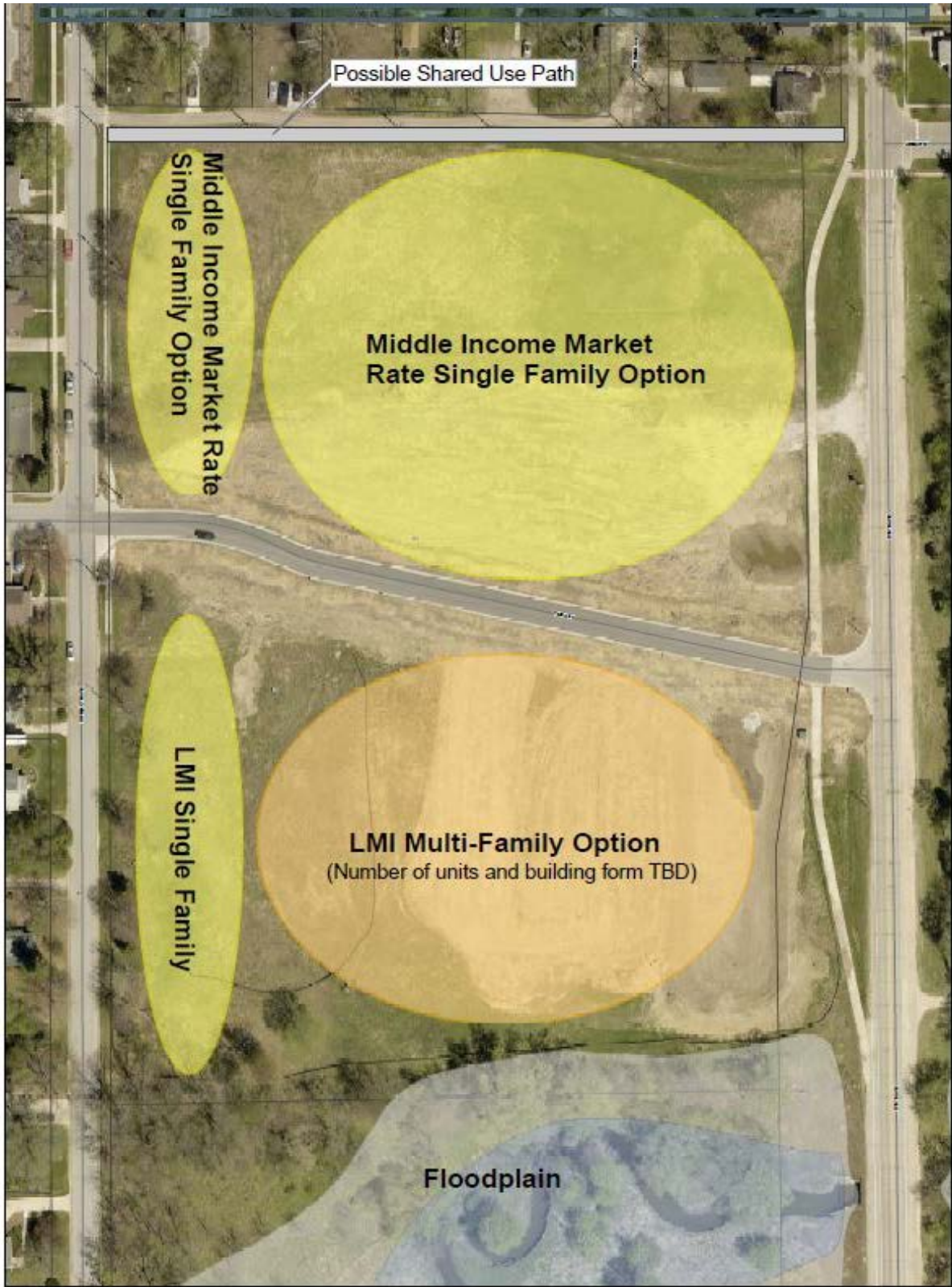
Attached is an overview of the LIHTC program. (Attached as a separate PDF.)

## **PURPOSE OF THE WORKSHOP:**

Before preparing an RFP to be distributed to potential developers, the City Council has scheduled this workshop to solicit input, suggestions, or concerns regarding the multi-family component of this site.

**It should be emphasized that staff is not seeking any final Council decisions at this workshop. However, Council will be asked on July 28<sup>th</sup> to give staff final direction regarding the contents of the RFP and to authorize staff to proceed with its solicitation.**

# Attachment A- Site Overview



## Option B

- LMI Multi-Family units south of Tripp Street and LMI Single Family along S Wilmoth Avenue
- Single Family north of Tripp Street and along S Wilmoth Avenue



## Low- Income Housing Tax Credit (LIHTC) Program

The Tax Reform Act of 1986 created the tax credit as an incentive for Housing Tax Credit project owners to invest in the development of rental housing for individuals and families with fixed or limited incomes. The Housing Tax Credit, rather than a direct federal subsidy, provides a dollar for dollar reduction (or credit) to offset an owner's federal tax liability on ordinary income for a 10-year period.

Tax credit interest may be syndicated or sold to generate equity for the developments, thus reducing the necessary mortgage financing and providing more affordable terms. The Housing Tax Credit frequently provides the last critical element to ensure the financial feasibility of the project.

The Iowa Finance Authority (IFA) has been the Housing Tax Credit allocating agency for the state of Iowa since 1986. Since then, IFA has helped create nearly 21,000 Housing Tax Credit units in more than 580 projects located in 83 counties throughout Iowa.

IFA also monitors all Housing Tax Credit developments for compliance throughout the designated compliance period. More information about housing tax credit compliance is available here:

### 👉 Scoring and Reservation Procedures

An administrative review is conducted on each Application. If an Application submits the Market Analysis and Application Fee and meets the Threshold Criteria, the Applicant will be competitively scored using Scoring Criteria. If the Application scores highly enough to be competitive, a reservation of tax credits will be recommended to the IFA Board of Directors. For specific information, refer to the Qualified Allocation Plan. The IFA Board of Directors then approves reservations for successful Applicants. A non-refundable reservation fee is assessed at 1% of the total 10-year tax credit amount.

### 👉 Determination of Credit Amount

The amount of credit is limited to no more than the amount necessary for the financial feasibility of the project. The credit is determined by taking a percentage of the "qualified" cost of development. The maximum percentage for new construction and rehabilitation is 9%. The maximum percentage for acquisition and federally subsidized projects is approximately 4%.

### 👉 Project Eligibility

- Must be a residential rental property.
- **May be apartments, single-family houses, duplexes, town homes or condominiums.**
- May be new construction, substantial rehabilitation or acquisition and rehabilitation projects.
- Project must meet one of the following requirements:
  - 20% or more of the units in the project are occupied by individuals or families whose income is 50% or less than the area median gross income and the unit is rent restricted.
  - 40% percent or more of the units in the project are occupied by individuals or families whose income is 60% or less than the area median gross income and the unit is rent restricted.

### 👉 Applicant Eligibility

- Individuals
- Nonprofit and for-profit organizations
- Partnerships

## Some Housing and LIHTC Q n A's

### How does housing tax credit work?

- The LIHTC program **works** as follows. The Internal Revenue Service (IRS) allocates federal **tax** credits to state **housing credit** agencies (HCA) based on each state's population. ... The equity investment reduces the debt burden on the **tax credit property**, making it financially feasible to offer lower, more affordable rents.

### How are LIHTC calculated?

- **LIHTC** rents are **calculated** to include a utility allowance for tenant-paid utilities. **LIHTC** rents are set at 30% of the income of the AMI tied to the unit. This is **calculated** with an assumed family size of 1.5 persons per bedroom.

### How is Area Median Income (AMI\*) rent calculated?

- 1-bedroom **rents** are based upon the **AMI** of a 1.5-person household (i.e. the average **AMI** of 1- and 2-person households) 2-bedroom **rents** are based upon the **AMI** of a 3-person household.

...

#### **LIHTC GROSS RENT**

1. The unit's tax credit set aside.
2. The unit's number of bedrooms.
3. The correct Area Median Income (AMI) schedule.

### Can you sell low income housing tax credits?

- The **low-income housing tax credit** (LIHTC) program is **one** of the federal government's primary policy tools for encouraging the development and rehabilitation of **affordable** rental **housing**. ... Developers typically **sell** their **tax credits** to outside investors in exchange for equity in the project.

### Where is LMI housing already in Ames?

There are approximately 441 units of Low-income housing in Ames, of which:

- 245 are for elderly and disabled persons
- 196 are for singles and families
- 2 complexes are in North Ames
- 1 complex in East Ames
- 1 complex in central downtown area
- 1 complex in West Ames
- 1 complex in South Ames

### Where is middle income housing in Ames?

- Middle income housing is scattered over the community

### What are all the ways one can use LIHTC in building homes in Ames?

- See answer above

### **Can it be in the area of affordable housing like Town Houses attached (if necessary) for home owners?**

- See answer above

\*The area median income (**AMI**) is a statistic generated by the U.S. Department of Housing and Urban Development (HUD) for purposes of determining the eligibility of applicants for certain federal housing programs

### **What is the Section 8 Housing Choice Voucher Program?**

- The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.
- The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.
- Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.
- A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.
- A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.

### **Who is eligible for the Section 8 Housing Choice Voucher Program Assistance?**

- Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. By law, a PHA must provide 75 percent of its voucher to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published by HUD and vary by location. The PHA serving your community can provide you with the income limits for your area and family size.
- During the application process, the PHA will collect information on family income, assets, and family composition. The PHA will verify this information with other local agencies, your employer and bank, and will use the information to determine program eligibility and the amount of the housing assistance payment.
- If the PHA determines that your family is eligible, the PHA will put your name on a waiting list, unless it is able to assist you immediately. Once your name is reached on the waiting list, the PHA will contact you and issue to you a housing voucher.

### **Who administers the Section 8 Housing Choice Voucher Program for the City of Ames?**

The Central Iowa Regional Housing Authority (CIRHA) administers the program for Ames and Story County. There are currently 275 Voucher holders in Story County of which 219 are in Ames.



**2020**  
**Program Income Limits**  
(subject to change)

<b>80% of Ames, Iowa MSA (Low Income)</b>	
Family Size	Gross Income Cannot Exceed
1	\$53,000
2	\$60,600
<b>3</b>	<b>\$68,150</b>
4	\$75,700
5	\$81,800
6	\$87,850
7	\$93,900
8	\$99,950

<b>60% of Ames, Iowa MSA</b>	
Family Size	Gross Income Cannot Exceed
1	\$39,780
2	\$45,420
<b>3</b>	<b>\$51,120</b>
4	\$56,760
5	\$61,320
6	\$65,880
7	\$70,440
8	\$74,940

<b>50% of Ames, Iowa MSA (Very Low Income)</b>	
Family Size	Gross Income Cannot Exceed
1	\$33,150
2	\$37,850
<b>3</b>	<b>\$42,600</b>
4	\$47,300
5	\$51,100
6	\$54,900
7	\$58,700
8	\$62,450

<b>30% of Ames, Iowa MSA (Extremely Low Income)</b>	
Family Size	Gross Income Cannot Exceed
1	\$19,900
2	\$22,750
<b>3</b>	<b>\$25,600</b>
4	\$28,400
5	\$30,700
6	\$32,950
7	\$35,250
8	\$37,500



ITEM#: 2  
DATE: 07-21-20

## **COUNCIL ACTION FORM**

**SUBJECT: FACE COVERING REQUIREMENT IN CITY BUILDINGS, CYRIDE BUSES, AND PARKS AND RECREATION ACTIVITIES**

### **BACKGROUND:**

The City Council discussed mandating face coverings in City buildings during its July 14 meeting. During the closure of City offices and buildings, steps were taken in late April to adopt and implement a face covering/mask policy for all City employees. The policy included providing employees with face coverings/masks and requiring them to be worn in the following situations unless safety protocols indicate otherwise:

- Walking in hallways of City buildings.
- When in work settings where social distancing is not feasible (e.g. close or shared workspaces, shared vehicles, etc.).
- Working in public spaces

If an employee is able to maintain social distancing in an office or other workspace, wearing a face covering/mask is not necessary; however, when the employee leaves that isolated workspace, they need to wear a face covering/mask. Employees may certainly wear a face covering/mask more frequently than the requirements indicate.

Upon re-opening City offices and buildings on July 1, the Governor's public health proclamation was still in effect. In an effort to promote the message of healthy behaviors and set the expectations of conducting business in City buildings, signage was created for all City buildings and prominently displayed including the message that face coverings/masks are "encouraged". This message has evolved into face coverings/masks are "expected" in order to more clearly convey the healthy behavior expectations (Attachment A). Face coverings/masks are made available for customers needing one.

### **CITY BUILDINGS:**

Although City buildings are re-opened for business, there are several plans in place to help keep staff and customers healthy. Those plans include withholding facility tours through the end of the calendar year, limiting conference room use to City meetings only and using social distancing standards within each conference room, and installing

protective equipment such as sneeze guards, hand sanitizer, floor decals, and signage throughout buildings.

In recent weeks, the number of COVID-19 positive cases significantly increased in Story County prompting the need for increased awareness, education, and additional mitigation measures. Consistent messaging is something needed throughout the community and one of the ways to respond to this is by collaborating with Iowa State University on its Cyclones Care Campaign and the 4 pillars of healthy behaviors (Attachment B):

- Wear a face covering
- Distance 6 feet (2M) apart
- Wash your hands often
- Stay home if you are ill

Iowa State University has announced its requirement for wearing face coverings on campus (indoors and outdoors) and area businesses are implementing similar policies. A face covering requirement policy adopted for City buildings would align us with the local medical community and many of our other partners. Thus, sending an important and consistent message to the community.

### **CYRIDE BUSES:**

Many citizens including ISU students are dependent upon public transportation, and CyRide, the City's transit agency, helps meet that need. CyRide follows current City policy with regards to when and where employees are to wear face coverings including the bus drivers wearing them while on duty. **The buses are City property so a face covering requirement for those who ride on CyRide could be included in the same mandate as City buildings.**

However, it's important to note that the management of CyRide is a collaborative effort with ISU and ISU Student Government. Both entities provide funding and have representatives on the Transit Board. The Council has delegated rulemaking authority to the Transit Board on matters such as the use and management of the buses, and the health and welfare (e.g. face coverings) of staff. The Council could mandate face coverings on CyRide buses, but this would essentially be taking back or "un-delegating" from the Transit Board's rulemaking authority regarding this one subject. A more advisable approach, should the City Council want to mandate face coverings on CyRide buses, would be request that the Ames Transit Agency Board of Directors adopt such a mandate.

### **PARKS AND RECREATION ACTIVITIES:**

If the Council decides to require face coverings/masks in all City buildings, the question arises regarding activities conducted in each of these buildings, specifically Parks and Recreation (P & R) activities. With the reopening of P & R buildings (Ames/ISU Ice Arena, Municipal Pool, Homewood Clubhouse, Community Center), customers were

encouraged and now expected to wear face coverings when in the buildings. However, if the customer was engaged in a physical activity (skating, swimming, golfing, fitness class, etc.), masks have been optional. The wearing of face coverings has varied depending on the building and activity and the differences are shown below:

<b>Building</b>	<b>Activity</b>	<b>% of People Wearing Face Coverings When Entering/Exiting the Bldg</b>	<b>% of People Wearing Face Coverings During the Activity</b>
Ice Arena	Figure Skating Club*	100%	100%
Ice Arena	Ames Minor Hockey	50%	0-5%
Ice Arena	Adult Hockey	80%	10%
Community Center	Fitness Classes	90%	0-5%
Community Center	Walk-in	80%	NA
Community Center	Other Classes	50%	0-5%
Homewood	Clubhouse	10%	0-5%
Municipal Pool	Lap Swimming	90%	0%
Municipal Pool	Swim Lessons	70%	0%

\*The Figure Skating Club requires masks be worn.

When re-opening programs, staff anticipated most people would opt not to wear face coverings when participating in programs. This assumption is based on information provided by the CDC which states that wearing cloth face coverings may not be possible in every situation or for some people. Provided below is CDC's guidance as it relates to the City's Parks and Recreation activities.

- People should not wear cloth face coverings while engaged in activities that may cause the cloth face covering to become wet, like when swimming at the beach or pool. A wet cloth face covering may make it difficult to breathe. For activities like swimming, it is particularly important to maintain physical distance from others when in the water.
- People who are engaged in high intensity activities, like running, cycling, may not be able to wear a cloth face covering if it causes difficulty breathing. If unable to wear a cloth face covering, consider conducting the activity in a location with greater ventilation and air exchange (for instance, outdoors versus indoors) and where it is possible to maintain physical distance from others.

Although the CDC in bullet Number 2 above states participants in high intensity activities may not be able to wear a mask, it needs noting that the intensity of the workouts is participant specific. What may look low intensity to the casual observer, may in fact be high intensity based on a participants age, physical condition, and/or underlying medical issues. That said, there are some Parks and Recreation programs that participants may be able to wear face coverings including Yoga, Silver Sneakers, and Sylvan classes (Robotics, Coding, etc.). Please note that since Parks and Recreation activities are held

in non-city buildings, participants may be bound by requirements implemented by other entities (e.g. Ames Community School District).

**In order to promote a safe environment for our participants without wearing face coverings, staff is relying on social distancing.** This has been accomplished by limiting the number of people in a class, marking the floor where participants need to stand, and having more time in between classes to avoid participants needing to cross paths when entering and exiting. Additionally, some classes have been moved outdoors to provide more space for social distancing.

**ALTERNATIVES:**

1. City Council, based on CDC guidance, could do the following effective July 27, 2020:
  - a. Require the wearing of face coverings in all City buildings, and
  - b. Allow staff to determine which Parks and Recreation activities participants are required to wear face coverings, and
  - c. Direct staff to make face coverings available to customers in City buildings who don't have one, and
  - d. Request that the Transit Board to mandate that all riders wear face coverings on CyRide buses.
  
2. City Council could do the following effective July 27, 2020:
  - a. Require face coverings in all City buildings, and
  - b. Require face coverings for all Parks and Recreation indoor activity participants, except swimming related activities in the water, and
  - c. Direct staff to make face coverings available to customers in City buildings who don't have one, and
  - d. Request the Transit Board to mandate that all riders wear face coverings on CyRide buses.
  
3. Direct staff to continue the current approach of:
  - a. Expecting, but not requiring, customers to wear face coverings in City buildings, including CyRide buses, and

- b. Allowing Parks and Recreation participants the option of wearing a face covering during activities, and
  - c. Making face coverings available to customers who don't have one.
4. Delay in making a decision on requiring face coverings in City buildings and for Parks and Recreation activities participants until City Council adopts the criteria that will be utilized to determine whether or not to require face coverings community-wide should the Governor grant authority to the Council.

**CITY MANAGER'S RECOMMENDED ACTION:**

The public health concerns associated with COVID-19 are expected to continue indefinitely and CDC guidance points to the benefits of wearing face coverings to protect one's self and those in close proximity. A face covering requirement in City buildings helps promote a consistent message throughout the community about healthy behaviors.

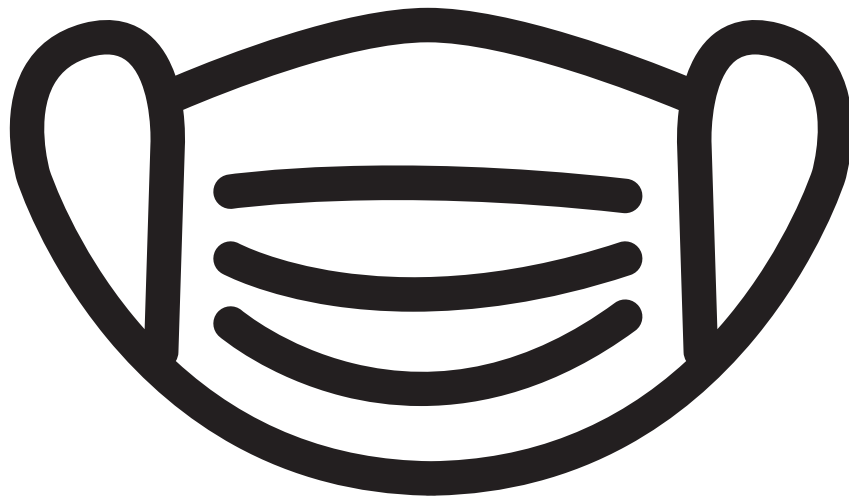
The wide variety of potential activities being offered through Parks and Recreation can make it difficult to implement and enforce a one size fits all policy regarding face coverings. Based on the above information, it may be reasonable to require gymnastics participants to wear cloth face coverings, but not participants in a cycling class. **It may be prudent to allow staff to determine which activity participants are to wear face coverings and which ones not using the CDC guidance on cloth face coverings.**

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



*Smart Choice*

**FACE  
MASKS  
EXPECTED**





**WEAR**  
A FACE COVERING



**DISTANCE**  
6 FEET (2M) APART



**WASH**  
YOUR HANDS OFTEN



**STAY HOME**  
IF YOU ARE ILL