

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL
AMES, IOWA **JUNE 19, 2018**

The Special Meeting of the Ames City Council was called to order by Mayor John Haila at 6:00 p.m. on the 19th day of June, 2018, in the City Council Chambers in City Hall, 515 Clark Avenue. Council Members Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, David Martin, and Chris Nelson were present. *Ex officio* Member Allie Hoskins was also in attendance.

SECOND PASSAGE OF ORDINANCE TO CHANGE STREET NAMES IN THE EAST ANNEXATION AREA (THIRD PASSAGE AND ADOPTION REQUESTED): Moved by Corrieri, seconded by Nelson, to pass on second reading an Ordinance to change street names in the East Annexation Area.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Martin, seconded by Corrieri, to suspend the rules necessary for the adoption of an ordinance.

Roll Call Vote: 6-0. Motion declared carried unanimously.

Moved by Beatty-Hansen, seconded by Corrieri, to pass on third reading and adopt ORDINANCE NO. 4360 changing street names in the East Annexation Area.

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

DISCUSSION OF DOWNTOWN VISION: Mayor Haila told the Council that Planning and Housing Director Kelly Diekmann will give an overview of the staff report and then a presentation will be given by Main Street Cultural District (MSCD) followed by an opportunity for public comments. Mr. Diekmann gave an overview of the previous direction by City Council leading up to this workshop and said the Land Use Policy Plan (LUPP) states, “it is the goal of Ames to enhance the role of Downtown as a community focal point.” Mr. Diekmann also gave examples of the many initiatives the City has undertaken in the downtown area to support that vision, including the recent application and approval of Downtown as a National Register Historic District with the help from the MSCD.

Council Member Beatty-Hansen asked about a local historic district as mentioned in the staff report. Mr. Diekmann said being on the National Register does not mandate the creation of a local district. He said City Council would need to initiate an historic district or landmark designation for review by the Historic Preservation Commission if it so desired. Council Member Gartin asked if there are ways in which a designation of historic registry would deter redevelopment in the downtown area. Mr. Diekmann said if something is deemed historic then generally those properties would be preserved, but there are steps that can be taken for redevelopment. Mr. Gartin asked about the steps to redevelop in such an area. Mr. Diekmann said if a local district was created, expectations would be identified. He said the only local district Ames has currently is Old Town, and he said the identified contributing resources have historic value. He said Old Town property owners could petition for demolition if there is an economic hardship with meeting the requirements.

Council Member Betcher said the Historic Preservation Commission expressed no desire to create a local district in the downtown area because of the stricter guidelines that would be imposed. She told the Council the designation as a National Register listing is simply honorary and it opens doors to tax incentives at the state and federal levels.

MSCD Executive Director Cindy Hicks introduced MSCD Board Members Kristin Roach and Susan Bradbury. Ms. Hicks complimented the downtown area and said she appreciates the steps Council is taking to focus on Downtown. She said last year Main Street Iowa helped the District perform a market analysis, which included 1,600 surveys of business owners, consumers, residents, and online participants. Ms. Hicks distributed copies of the Market Study and Strategies 2017.

Ms. Bradbury said she is a member of the Economic Vitality Committee and MSCD Board of Directors. She said she would like to update the Council on the work of the Economic Vitality Committee. Ms. Bradbury said the Committee focused on a housing study in 2015 that assessed potential for new housing in the downtown area since a healthy downtown provides many roles to a community. She said the study identified possible barriers to housing development in the downtown area and focused on young professionals and the need for housing for that population group. Ms. Bradbury said Iowa State University (ISU) produces young professionals but they don't tend to stay in Ames. She said research shows Ames doesn't have the kind of housing young professionals desire, so they tend to live in Ankeny or Des Moines.

Ms. Bradbury told the Council a survey was done in 2016 with building owners about creation of new housing above commercial areas, and the Ames Market Study and Strategies was created in 2017 in partnership with Main Street Iowa. She said it was estimated that 175 residential units could be added downtown based on current zoning and that the limitations identified were project financing and overall development costs. Mr. Gartin asked about units. Ms. Bradbury clarified the 175 units would be one or two bedrooms each. She said a survey with building owners identified only about 20 possible residential units that could be added to existing buildings. Other barriers identified to making improvements include the city permitting process, parking requirements, Fire Code, and lack of financial support.

Ms. Bradbury shared the reasons people visit downtown are errands (a few times a week or a few times a month), eating (a few times a month), and shopping (a few times a month). Ms. Bradbury reviewed the strengths that were identified about Downtown including local business owners and the history and character of the area, and the weaknesses identified as variety in dining and shopping. Improvements suggested for Downtown included parking, more dining options, expanded store hours, expanded variety of businesses, enhanced outdoor experience, and improved building facades. Ms. Bradbury said the MSCD is recommending Council initiate a comprehensive parking study, revisit city parking and the Fire and Building Codes impacting Downtown, and consider redevelopment incentives. She said employment has increased in the downtown area and many businesses are wanting to locate or expand there. She encouraged the Council to consider these recommendations so the growth does not go elsewhere.

Mr. Gartin asked about grease traps for food and beverage businesses. It was agreed that Ms. Roach would speak to this question when she addressed Council. Mayor Haila asked what types of businesses would want to locate or expand Downtown. Ms. Bradbury said from the results of the survey, 21% of the businesses are looking at expansion in the next year or two and about 50% are looking to add employees or product lines. She said she is not sure what type of businesses they are. Mayor Haila said it's helpful to have this data and to know what type of businesses want to locate Downtown. Ms. Bradbury said some are technology companies, and it was noted that the high-speed internet in the downtown area has really helped. Mr. Gartin asked for clarification on the additional capacity for internet. Ms. Hicks said the fiber internet covers Main Street and the 5th Street side and south side of Main Street. Mr. Martin asked if the paper report is available on the website. Ms. Bradbury said it is online at www.amesdowntown.org.

Ms. Roach said she lives in Ward 4 and owns Little Woods Herbs and Teas at 136 Main Street, Ames. Ms. Roach told the Council her tea business required the installation of a grease interceptor. Ms. Roach said when opening the business it was the single greatest expense they faced. She said it seems the requirements are a little much, but she also understands that restaurants and businesses expand menus. Mr. Gartin asked if she believes the requirements should be different with the Fats, Oils, and Grease (FOG) ordinance in the downtown area. Ms. Roach said it would be helpful to have less stringent regulations city-wide, as she has heard from other business owners that it is the most stringent regulation in the state of Iowa, including Des Moines. She said the regulations create a great financial barrier for business owners.

Ms. Roach thanked the Council for its dedication to Downtown. She said her business is looking to add employees and potentially some manufacturing, but there is not appropriate space in the downtown area. She told the Council she attended a Main Street America conference and it was discussed that small manufacturing businesses are loved in downtown areas because people can see what they are buying being manufactured right there. Ms. Roach also said parking desires of business owners are at odds, and she would like to ask on behalf of the MSCD Board of Directors and downtown that a parking study be done. She said the last study that was conducted only included a small subset of the District when only 1,000 people worked Downtown compared to 2,200 today. Ms. Roach said she would really like to ask Mayor and Council to prioritize a parking study for current and future needs of the downtown area. She said she and other board members are willing to help with the process.

Ms. Hicks said MSCD would like to see the current Downtown Facade Grant expanded to include rear facades, Fire Code requirements, and safety and accessibility issues. She said the original intent of the program could still be accomplished if the program was expanded since rear facades are also entrances, and Fire Code and accessibility issues are hindrances to second-floor residences. Ms. Hicks asked the Council on behalf of the MSCD that the City review and adjust the amounts of assistance from \$15,000 for construction and \$1,000 for professional design services to \$25,000 for construction and \$2,000 for professional design services. She also requested the City increase the yearly program allocation from \$50,000 to \$90,000 so at least three projects per year can be completed.

Mayor Haila told the Council that Friedrich Realty is a company interested in expansion downtown. Kurt Friedrich, 100 6th Street, Ames, thanked the Council for hosting the workshop. Mr. Friedrich said for its 90-year heritage, Friedrich Realty has been located Downtown. He said there are real obstacles to expansion and recruiting new businesses downtown, and said it seems the standards were created for Main Street and may not have taken into account the larger area of downtown. Mr. Friedrich said Friedrich Realty now has offices downtown, on East Lincoln Way, and in Somerset. He said it would increase efficiency if a larger campus could be created so their offices could be combined, and if modifications were made to the Downtown Service Area requirements, it would enable them and other businesses to locate and expand in the downtown area.

Mr. Friedrich said the floor area ratio should not exist. He said currently it is 1:1 and since Friedrich Realty has a 23,000 sq ft lot they would need to build a 23,000 square foot office building. He said office users usually want main floor usage and customers demand main floor usage. Mr. Friedrich also stated that the two-story requirement for Downtown is not practical for every building. He said a two-story atrium is included in their plan, but it wouldn't be a full second story. Mr. Friedrich said more jobs in the downtown area would create more business, so more office space should be added as an acceptable qualifying use to the criteria of Urban Revitalization Area so tax abatements could be realized. He said if these requirements could be waived, their project could go forward and he believes other projects would be realized. Ms. Beatty-Hansen asked if he believes those changes should include Main Street, or just the peripheral areas. Mr. Friedrich said he would like to see it happen in the whole downtown area, but he also recognizes the uniqueness of Main Street. Council Member Gartin asked him about parking. Mr. Friedrich said office space must have parking, and parking needs further investigated. He said overflow parking on the north side of Main Street would be nice. Ms. Betcher asked about residential parking. Mr. Friedrich said he believes it's ill-advised to build more residential Downtown.

Justin Dodge, 105 S. 16th Street, Ames, told the group that more parking is needed for the downtown area. He said he is in favor of a parking study. Mayor Haila asked Mr. Dodge to further explain the parking problem. Mr. Dodge said he used to have an office Downtown and would feed the meter every couple hours, and his wife has four-hour interval parking. Mayor Haila asked if it's the time limits or the amount of parking that is the problem. Mr. Dodge said the time constraints are a problem, but the quantity of spaces is also a problem.

Amy Dreyer, 210 Main Street, Ames, commented on the strong feelings the Downtown employees and businesses have regarding parking. She said many people are angry. She said there's a feeling that businesses and employees are being targeted. Ms. Dreyer said she is in support of a parking study being done and she said some of the suggestions she has heard include removing the meters, extending the meter times, extending parking time to 4:00 a.m., and changing the 2-4 hour parking to 4-6 hour parking. She also said the reserved spots for business owners during the day don't get used at night. Mayor Haila said there's no intent on Council's part to target Downtown businesses or employees. Council Member Gartin asked if enforcement has increased. She said there may have been a change in procedure in the last couple of months because enforcement seemed to increase. Ms. Betcher asked what the suggestions were about the reserved spots. Ms. Dreyer said maybe there

could be a day tag and a night tag. Council Member Betcher said those that work in Ames, but do not live here, may not have been made aware of new fees, and asked Ms. Dreyer for ideas on notifying businesses of changes. Ms. Dreyer suggested a kiosk or place where brochures and updates are available, and said the MSCD could spread the word. Mayor Haila asked if customers realized why the rates were going up. Ms. Dreyer said she did provide the article about rates to those who hadn't seen it.

Sharon Wirth, 921-9th Street, Ames, said a comprehensive parking study is on target. Ms. Wirth said the historic buildings are the character of Downtown Ames and she would like to see established channels to preserve and conserve those buildings, such as incentives for structural repairs, and ways to encourage people to learn and respect the architecture. Ms. Wirth also said redevelopment doesn't always mean new construction, and although historic preservation is hard to do, it is the right thing to do.

Larry Goodale, 124 Main Street, Ames, said the better MSCD does its job, the harder parking gets. He told the Council that 65 parking spots are given away every Saturday morning for the Farmers' Market and Saturday morning ticketing is not as heavy. Mr. Goodale said he doesn't believe it's right to give away the revenue for those parking spots every week and then charge downtown businesses for a parking space if they need a dumpster for renovations. Mr. Goodale said some of his regular customers don't come anymore because of the parking. He said he doesn't believe a parking ramp would help downtown in its entirety, but only the block where it's located. Mr. Goodale suggested moving the Farmers' Market to Sunday when most businesses are closed or changing the location. He said the Farmers' Market is getting catered to more than local business owners (property tax payers). He said he's worried about his business since he had no increase in business after receiving "Best Pancake in Iowa" this year.

Luke Jensen, 2519 Chamberlain, Ames, thanked the Council for the workshop. He said infill is a beneficial way to grow the community, is environmentally friendly, and economically beneficial to surrounding stakeholders. He said urban cores are critical to communities, but have challenges. He said green fields and suburban areas are easier to develop because of fewer restraints to modern development. He said Downtown is vibrant, which creates higher expenses for acquiring property in addition to the challenge of development constraints. He said segments of people have big dreams for specific projects, but not a big vision. Mr. Jensen challenged the group and community to create a big vision for the area that would provide certainty and a framework for success. He said a parking structure would be adapted to in Ames, just as they are in other communities. He said underused public land and parcels downtown could be re-purposed or repositioned to allow for additional development. He also said rigid standards, including floor area ratio and stormwater expectations should be looked at.

Sarah Spohnheimer, 210 Main Street, Ames, said she moved back to this area for business reasons because Ames is approachable, feels like a small town, and has many opportunities because of Iowa State University. She said she located her business in Cambridge and is restoring the building. She said she read the Lincoln Way Corridor Plan and is concerned with the philosophies of intense urban

redevelopment mentioned in the Plan. Ms. Spohnheimer said she has been working at The Frame Shop since 2015 and has seen an increase in what she would call urban problems such as dumping, graffiti, and a broken window. She said these problems are increasing. Ms. Spohnheimer asked about the lot sizes on Lincoln Way. Mr. Diekmann said the Corridor Plan emphasizes consolidation of properties and increasing the scale of buildings. Ms. Spohnheimer said their business is light industrial with a machine shop, and a building like Torrent Brewing Company would be desirable for their business. Mayor Haila confirmed that law enforcement has been contacted about the issues she mentioned. He asked what her vision is for Downtown. Ms. Spohnheimer said she prefers a less intense experience, and not living and working in such close quarters. She said to continue letting “Ames be Ames.”

Council Member Martin asked if there are any available reserved parking spaces. Mr. Diekmann said the spaces left are less desirable. Mr. Schainker said the City has always worked with downtown and Campustown to establish policies based on what is desired for the area. He said there’s a policy in place that allows no more than 20% of parking to be rented so that ample parking is available for customers. Mr. Schainker said reserved parking could be increased, but it would take away from customer parking.

Council Member Corrieri asked if certain parking space times were extended to 3:00 a.m. Discussion ensued. Council members requested that staff report back about the recent extension. Council Member Gartin said it made sense to show flexibility for employees of bars and restaurants. Mayor Haila said if it hasn’t been extended to 4:00 a.m. it makes sense to look into it again.

Ms. Beatty-Hansen asked about the most recent parking study. City Manager Steve Schainker told the Council a comprehensive parking study was done that discussed all available spaces (public and private sector), capacity and utilization, what parts of downtown utilizes parking, and projected needs. Ms. Beatty-Hansen asked what would happen if Council is interested in pursuing a parking study. Mr. Schainker said it would need referred, and then staff would look into the cost and workload of such a study. He said the study proved there was enough parking between the public and private sectors. Mr. Schainker said placement of a parking structure will be very important, as the Ames Intermodal Facility has available parking spaces, but there are still complaints from Campustown that there isn’t enough parking.

Mr. Schainker said revenue from tickets is recognized in the Parking Fund, but the operating and capital costs projected do not rely on an increased number of tickets. He said tickets should be a deterrent and revenue from tickets should decrease, so the City is raising the other prices to cover the fixed costs. Mr. Schainker told the Council most of the time constraints are based on recommendations from businesses or residents and can be changed, but if there is no enforcement, there will be no turnover, which also causes problems.

Discussion ensued. Ms. Corrieri said the information from staff regarding parking fees was extensive and reasons for costs were very specific for every area. Mr. Schainker said they were consistent with other cities similar to Ames. Mayor Haila asked the Council members if further

discussion is desired on parking. Ms. Betcher said there were many people concerned about parking who are not members of the MSCD. She said she would not be averse to having more discussion before implementing the revised fees. Ms. Corrieri said the number of reserved spaces available and time sharing certain parking spaces is worth discussion. Ms. Beatty-Hansen said time is needed after July 1 to see how the changes affect parking. Mr. Gartin said they could benefit from an outside perspective. Mr. Schainker said action may be needed before a study can be completed.

Mr. Schainker said a staff report may be needed to lay out the scope and projected cost of a parking study. Mayor Haila said previous studies would also be helpful. Ms. Betcher asked about the Downtown Gateway area and wondered if that should be included in a future parking study.

Moved by Beatty-Hansen, seconded by Gartin, to request a staff report including information related to the cost and duration of a comprehensive parking study and recommendations for short-term solutions to the concerns of: number of reserved permits available and assigned, the ability to share reserved spaces (day and evening), and the time duration of free parking in the Central Business District lots.

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

Mayor Haila asked how Council would like to see Downtown develop. Council Member Nelson said this was discussed in the past, and at that time there were some projects coming so a study would have been too late. Ms. Corrieri said most of the members felt that finding solutions that would address barriers to development and support incentives were more important than a sub-area plan. Ms. Betcher said one of the components was the survey that John Hall was going to complete about Building Codes and barriers to development. She said it was intended to use the Ames Economic Development Commission (AEDC) partnership to distance the survey from the Planning and Housing Department in hopes of getting the developers to share barriers to development. Mr. Gartin said there is tension between wholesale redevelopment and maintaining the charm of Downtown Ames. He said broader conversation is needed, and he is hesitant to change the Facade Grant Program or do anything else major without having a broader vision. Ms. Betcher said some projects were emerging quickly and maybe those aren't emerging anymore because of the shift in dynamic downtown. Ms. Corrieri said those projects may be waiting on Council to make decisions.

Ms. Beatty-Hansen asked about the current vision for Downtown. Mr. Diekmann said the LUPP defines the vision in a broad sense, and zoning more narrowly defines the vision. Ms. Beatty-Hansen asked how a grand vision would be different. Mr. Gartin asked Mayor Haila to speak to this from a design standpoint. Mayor Haila said Council can either wait for someone to come with a project for an area, such as the plaza, or the area could be used to support some type of development. He said most agree that Main Street has so much character that it needs preserved. He said there are some things that could be done Downtown to create some certainty, but they could be held somewhat loosely. Mayor Haila said the more certainty there is, the more comfort there is in moving forward with a project. Discussion ensued about the unique businesses in the downtown area. He said if a vision is cast, Council might find people coming to the forefront with ideas. Mr. Gartin asked if this is something that would be an internal process or if someone with experience in a comparable

community would need to facilitate. Mr. Diekmann said it depends if it is design or visioning. He said it sounds like priorities are being discussed, and that is more of a design plan for Downtown than visioning. Mr. Gartin asked if there would be value in some framework. Mr. Diekmann said a parking structure would create a point of gravity in the downtown area. He also said Council could desire a public improvement or there could be a preference for some type of private improvement that would cause a cascade effect down the block. Ms. Corrieri said that was discussed earlier with a narrow focus. Ms. Betcher said there was a downtown charette in the past, as well as other information that could be accessed and used. She said she's hesitant to use planning staff for a sub-area plan when nothing has come of that in the past.

Mr. Schainker said the Campustown discussion will take place next month. Council Member Nelson said there are Downtown work items on a list for staff already. Mayor Haila said a half-day discussion could be had after the Council has accessed some of the work that has already been done. Mr. Diekmann asked what format would be the most helpful for Council. He said what has been done can be assembled but he wants to make sure it's assembled in a way that can be used. Ms. Corrieri said she feels like they are taking steps backward. She said staff is asking for direction on items that the Council has already addressed. She said she's not sure what getting more information will accomplish. Mr. Diekmann asked Council if it needs to decide about the parking study before moving on. Council Member Gartin said if the desire is to grow downtown, something like a parking structure is needed. He said he's not sure how to move forward with something without planning to do something big. He said downtowns in Iowa are falling down, so these are good problems to have. He said City Council could create some framework, or let things develop haphazardly. Ms. Betcher said many communities are not building ramps anymore for various reasons. She asked if there is a parking problem or a parking management problem.

It was discussed that following this workshop, Council will review and give direction regarding the November 2017 staff report, which addresses possible locations for a public plaza, storm water management requirements, residential parking standards, and possible incentives to entice investment.

Moved by Corrieri, seconded by Beatty-Hansen, to request information from staff regarding the floor area ratio and two-story requirements including recommendations on how there could be flexibility downtown, not including Main Street.

Mr. Martin read the current standards and asked if they already allow for possible exemptions. Mr. Diekmann said that language is specific for situations that already require a Special Use Permit. Ms. Betcher clarified that the motion would include the downtown area, not including Main Street. Ms. Corrieri concurred.

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

Discussion ensued regarding the possibility of 20 residential units that could be created by renovation and the associated development barriers. Ms. Betcher said the barriers were to be

identified by a survey. It was discussed that the survey could still go forward. Mr. Schainker said the AEDC will be presenting its annual report at next week's meeting. Ms. Betcher said she will bring it up at that meeting.

Moved by Beatty-Hansen to request a memo from staff about a possible grant program for grease interceptors if the cost is a certain percentage of the redevelopment cost. Motion failed for lack of second.

Mr. Martin asked how much the smallest grease interceptor would cost. Ms. Roach said the price can range a lot based on the current plumbing situation of the building. Because they already had venting in the roof and pipes in the walls, they only had to purchase the grease interceptor and make minor plumbing changes, so it was around \$6,000. She said cafes that serve food in a structure that hasn't been prepared previously could spend up to \$30,000. Mr. Martin said he trusts there have been robust discussions on this in the past by other councils. Ms. Corrieri said there are many other expensive preparations for new businesses.

Council Member Betcher said at different times new information isn't getting to customers and businesses of downtown. She said they are relying on ways of information sharing that aren't working and she would like to see the Council address it. Public Relations Officer Susan Gwiasda told the Council that information sharing has to include many different methods. Ms. Betcher said the toolbox of ways needs to include something visible Downtown. Sandwich boards and bulletin boards in a downtown location were discussed. Ms. Gwiasda said she is open to trying all ways of disseminating information.

DISPOSITION OF COMMUNICATIONS TO COUNCIL: Discussion ensued regarding a letter from Pat Olsson requesting the City establish a "code of condition" for the living condition of houses in Ames.

Moved by Betcher, seconded by Beatty-Hansen, to revisit the communication from Pat Olsson at a future date.

Vote on Motion: 1-5. Voting Aye: Betcher. Voting Nay: Beatty-Hansen, Corrieri, Gartin, Martin, Nelson. Motion failed.

Moved by Beatty-Hansen, seconded by Corrieri, to respond to this letter by stating that a "code of condition" for the living condition of houses in Ames will not be considered at this time.

Vote on Motion: 5-1. Aye: Beatty-Hansen, Betcher, Corrieri, Martin, Nelson. Nay: Gartin. Motion declared carried.

Moved by Gartin, seconded by Beatty-Hansen, for staff to create a memo regarding the letter from Paul and Margot Eness about a boundary line adjustment.

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

COUNCIL COMMENTS: Council Member Gartin commented Saturday is the Iowa Able Foundation run at Ada Hayden.

Council Member Betcher said Thursday, June 21, there will be two meetings in the Council Chambers at 1:00 p.m. and 6:00 p.m. to discuss RAGBRAI. She said if anyone is interested in getting involved by hosting or volunteering, they should plan to attend.

Mayor Haila said he attended a reception on Monday where Iowa State University President Wintersteen formally established a Bachelor of Science in Nursing (BSN) program at Iowa State University. The program is anticipating 25 students in the fall.

Mayor Haila said he recently attended a meeting with Mr. Schainker, Mr. Diekmann, and about 20 business representatives regarding the Downtown Gateway area. He said the meeting was productive and minutes will be distributed to Council members soon.

Moved by Beatty-Hansen to adjourn the meeting at 9:01 p.m.

Diane R. Voss, City Clerk

John A. Haila, Mayor

Erin T. Thompson, Recording Secretary