

**MINUTES  
CITY OF AMES  
PLANNING AND ZONING COMMISSION**

Date: June 20, 2018	Matt Converse, Chairperson	2020
	*Carlton Basmajian, Vice Chairperson	2020
Call to Order: 7:00 PM	*Anuprit Minhas	2019
	*Doug Ragaller	2019
Place: Ames City Hall Council Chambers	Mindy Bryngelson	2021
	Jon Emery	2021
Adjournment: 8:39 PM	Carol Spencer	2021
	[*Absent]	

**MAJOR TOPICS DISCUSSED:**

1. Review of Proposed Ames Campustown Self-Supporting Municipal Improvement District
2. Staff Report for Short Term Rentals (Airbnb) Zoning Ordinance Standards

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**CALL TO ORDER:** Matt Converse, Chairperson, called the meeting to order at 7:00 PM.

**APPROVAL OF AGENDA:**

**MOTION:** (Bryngelson/Spencer) to approve the Agenda for the meeting of June 20, 2018.

**MOTION PASSED:** (4 - 0)

**APPROVAL OF THE MINUTES OF THE MEETING OF MAY 16, 2018:**

**MOTION:** (Emery/Spencer) to approve the Minutes of the meeting of May 16, 2018.

**MOTION PASSED:** (4 - 0)

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**PUBLIC FORUM:** There were no public comments.

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**REVIEW OF PROPOSED AMES CAMPUSTOWN SELF-SUPPORTING MUNICIPAL DISTRICT**

Julie Gould, Planner, stated that this request is for a recommendation regarding the proposed Ames Campustown Self-Supporting Municipal Improvement District (SSMID). Ms. Gould stated that this request came from the Campustown Action Association (CAA). She reviewed the process for applying for a SSMID area. Ms. Gould outlined the boundaries of the proposed district on a map. She also reviewed the zoning of the properties located in this area. Ms. Gould explained the requirements that the applicant needs to meet in order to apply with 25 percent of the properties. She identified the 33 properties within this area that signed the petition. Ms. Gould stated that these 33 properties exceed the 25 percent requirement. She stated that those 33 properties also represent 39.8 percent of the assessed property valuation within the proposed SSMID area which also exceeds the 25 percent requirements. Ms. Gould stated that, if approved, the levy does not apply to residential use only properties. She reviewed the levy rates proposed by the applicant that would be applied to the various types of properties. Ms.

Gould stated that it is the responsibility of the Planning and Zoning Commission to determine the merit and feasibility of the proposal based on the information provided by CAA. She stated that if the Commission determines that it is fair and equitable they can recommend the proposal to the City Council. Ms. Gould reviewed the process once a SSMID request is recommended to be placed on the City Council agenda.

Jon Emery asked why several properties in this area have been excluded. Ms. Gould stated that this was a decision made by CAA not to include the Kingland/CVS property and the 2700 block of Lincoln Way property. He also asked for information on CAA. Kelly Diekmann stated that CAA is an affiliate organization of the Ames Chamber of Commerce. He stated that CAA is a partnership between the business community in the area, Iowa State University, and the City of Ames for their funding. Mr. Emery asked who makes up the Campustown Action Association. Mr. Diekmann explained the various entities that make up CAA. Mr. Emery stated that less than half of the property owners in this area signed the petition. Ms. Gould stated that the Code of Iowa only requires 25 percent of the property owners in a designated area to sign the petition for it to move forward. Ms. Gould explained the efforts that CAA has made to reach out to the property owners in this area. Mr. Diekmann explained the notification requirements for a SSMID request.

Ann Taylor, owner of Dogtown University and A & R Marketing located at 217 Welch Avenue and volunteer Chair of the Board for Campustown Action Association, and Karen Chitty, Executive Director of Campustown Action Association, stated that they are available to answer questions. Ms. Chitty stated that CAA is an affiliate of the Ames Chamber of Commerce that is focused on Campustown. She stated that they are a member based association that receives funding from the City of Ames and Iowa State University through the Department of Student Affairs. Ms. Chitty stated that CAA works to establish relationships between the three entities to provide leadership for the District to try to do some of the things that they feel are necessary to enhance Campustown.

Mr. Emery asked who belongs to the Campustown Action Association. Ms. Taylor stated that the association is made up of approximately 35-40 members. She stated that the membership is made up of businesses, churches, and offices on campus. Ms. Taylor stated that they have also had in the past businesses outside of the Campustown area that are interested in the growth and re-development opportunities that are available.

Mr. Emery stated that what they are asking for is taxing authority. Ms. Taylor stated that it is a self-imposed tax. Mr. Emery stated that the businesses that did not sign the petition would pay the tax if the request is approved. Ms. Chitty and Ms. Taylor stated that that is correct. Ms. Gould explained the process outlined in the Code of Iowa for property owners who might want to protest the SSMID request.

Ms. Taylor explained that they have been working on this request for approximately three years. She stated that they researched SSMID areas that have been setup in Des Moines, Cedar Falls, and Iowa City when they began working on putting together this request.

Carol Spencer asked if this request is approved would the membership fees be discontinued. Ms. Chitty responded, yes, that everyone within the boundaries would be a member and receive the benefits.

Mindy Bryngelson stated that the report states that the funds will be used for maintenance and improvements. She asked what areas on the improvement side are prioritized. Ms. Chitty reviewed several basic ideas that they have in mind. Ms. Taylor stated that the biggest concern

that has been expressed, in the feedback that they have received, is that the Campustown area is not clean. She stated that the focus up front is the Make Campustown Shine program. Ms. Taylor stated that what they hope to do, on a regular basis as the seasons allow, is some power washing and major cleaning above what the City provides. She stated that they also hope to help with sidewalk snow removal. Ms. Taylor stated that half of the property owners abide by the City sidewalk snow removal ordinance, half do not.

Mr. Emery asked if these items could be funded by voluntary donations. Ms. Chitty stated that they would not be able to be paid for with voluntary donations. Ms. Taylor stated that on the low end the estimate that they received for just pedestrian sidewalk snow removal was \$22,000 to \$35,000 a year. She stated that the estimate for the additional cleaning is \$22,000. Ms. Taylor reviewed the breakdown of their funding. She stated that they have a paid staff person that comes from their administrative costs. Ms. Taylor stated that they are limited as to the amount they can charge for dues.

Discussion was held on the responsibility and timing of sidewalk snow removal in the City. Ms. Taylor stated that the proposed sidewalk snow removal would be contracted out.

Ms. Gould stated that the petition outlines general items that the funds will be used for and none of them are for staff wages.

Mr. Emery stated that he feels that this request is unfair taxation and should be disregarded as less than half of the businesses have signed the petition.

MOTION: (Spencer/Bryngelson) to accept Alternative #1, which states: that the Planning and Zoning Commission recommends to the City Council that the proposed SSMID is financially feasible to fund the specified programs and that it has merit in that the proposed programs are beneficial to the district in general and the costs are equitably distributed through the proposed levy rates of \$2.00/\$1,000 of commercial assessment value and \$5.00/\$1,000 for commercial assessments within mixed use building.

MOTION PASSED: (2 - 1 - 1) nay: (Emery); abstain (Converse)

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## **STAFF REPORT FOR SHORT TERM RENTALS (AIRBNB) ZONING ORDINANCE STANDARDS**

Kelly Diekmann stated that this item is a staff report that does not require action at this time. He stated that staff wants the Commission's input prior to the drafting of a Zoning Text Amendment.

Eloise Sahlstrom, Planner, stated that the City Council has held several workshops on rental issues, one topic being short term rentals. She stated that changes will need to be made to address this in the Zoning Ordinance. Ms. Sahlstrom stated that the intent is to develop some standards for both hosted short term rentals and whole house rentals. She reviewed the differences between the three types of residential uses currently allowed in the Zoning Ordinance. Ms. Sahlstrom stated that currently the Zoning Ordinance does not permit short term rentals as a household living use unless it is established through approval of a bed and breakfast permit granted by the Zoning Board of Adjustment. She stated that the Ames

Tribune reported that during 2017 Airbnb activity increased by 100 percent over the previous year in Ames. Ms. Sahlstrom reviewed the results of an analysis that she prepared during November 2017 showing how the numbers of these types of properties has increased. She reviewed a chart showing the details of the differences and requirements of three different types of short term rentals along with bed and breakfasts. Ms. Sahlstrom stated that staff recommends that the definition for short term rental be 30 days or less to align with the statutory charge of hotel/motel and excise taxes.

Carol Spencer asked for clarification of the time limit for a short term rental property. Ms. Sahlstrom stated short term rental maximum is 30 days. She stated that anything in excess of 30 days falls under transitory rentals. Mr. Diekmann explained the differences between the home share and vacation rental types of short term rentals.

Jon Emery asked if staff is looking for guidance at this point. Mr. Diekmann explained the process and the input that staff is looking for from the Commission.

Jon Emery stated that he feels that any property that is rented should have smoke and CO gas detectors. Mr. Diekmann suggested that it could be worded that short term rental properties be required to comply with the current building code for the monitoring of smoke and hazardous gases.

Mr. Emery stated that owners of the Type 3, Vacation Rental, should be required to maintain continuous upkeep of the property. Mr. Diekmann stated that Type 3, Vacation Rental, falls under the jurisdiction of the Inspection Department for rental compliance. He explained the rental compliance procedure.

Mr. Diekmann reviewed various aspects of the changes to the rental standards and the rental concentration cap that was determined recently by the City Council. He stated that a Type 3, Vacation Rental, would not be allowed in areas of the City that has a rental concentration cap designation. Mr. Emery stated that he wants to make sure that short term rentals are not a way to get around the rental concentration cap. Mr. Diekmann stated that a Type 1, Hosted Home Share, and a Type 2, Home Share, short term rental would be allowed in a rental concentration cap area because they are owner occupied properties. Discussion was held on whether a tenant would be allowed to host a guest at a Type 1 or Type 2 short term rental property. Several of the Commission members present expressed that they would prefer that Type 1 and Type 2 short term rentals are only owner occupied properties.

Mr. Emery stated that he feels that all of the proposed types of short term rentals need to protect the neighborhoods. Mr. Diekmann stated that this concern falls under the permit process. He stated that a Type 3, Vacation Rental, requires an approved Special Use Permit from the Zoning Board of Adjustment. Mr. Diekmann stated that a Special Use Permit can be revoked.

Mr. Diekmann stated that once a permit to operate is granted by the City they are not going to be aware of the guests that have registered at a property unless there is a complaint and follow-up is necessary.

Ms. Spencer asked about the hotel/motel tax. Ms. Sahlstrom stated that in November of 2017 Airbnb entered into an agreement with the State of Iowa where they charge the hotel/motel excise tax and pass it on to the State to disburse. She stated that staff is not aware whether that other booking services handle this the same way. Ms. Sahlstrom stated

that she has learned that VRBO collects the hotel/motel excise tax and remits it back to the property owner to submit to the city. Discussion was held on who is responsible for the collection of the hotel/motel excise tax and the process used for collection.

Mike Guffy, 2915 Forest Hills Drive, stated that he wrote an email to the Commission about this agenda item and the Home Compliance Network. Mr. Guffy stated that he and his wife feel that ninety days for the Type 2, Home Share, is too long for a short term rental. He stated that they currently live next door to a Type 2, Home Share. Mr. Guffy stated that his neighbors rent their house quite frequently. He stated that so far they have not had any problems with this neighbor or the people that have rented that property. Mr. Guffy stated that if their neighbor was able to rent out their property for 90 days they feel that that would be a long time for them. He stated that if that would be the case they would rather be located next to a Bed & Breakfast as it would be supervised and the owner would be on-site. Mr. Guffy stated that the federal government does not require that federal taxes be charged on a short term rental unless the property is rented for more than fourteen days. He stated that there are usually only four or five people at their neighbor's home at one time but every couple weeks there is another group renting the home. Mr. Guffy stated that they have new neighbors all the time and the neighborhood feel diminishes with this amount of change. He stated that they would be more comfortable with 14 days or less.

Discussion was held on the owner occupied classification for these properties, the maximum stay allowed, and the number of contracts per year.

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COMMISSION COMMENTS: Mr. Emery stated that he needs clarification of the process for interaction between the Commission, staff, and the City Council. Mr. Diekmann explained that the role of the Commission is to make a recommendation to the City Council. He stated that staff is to represent the interests of the City and make professional recommendations to the Commission which the Commission may or may not accept. Mr. Emery stated that he feels that the Commission's intent/recommendation from the last meeting was not fairly presented to the City Council. Mr. Diekmann stated that staff's role is to present the Commission's recommendation as a summary in the Council Action Form to the City Council. He stated that the Council Action Form is the recommendation of the City Manager. Discussion was held as to how a Commission member might present their intent and recommendation directly to the City Council. Mr. Diekmann stated that this can be researched to find out how it has been handled previously and could become a discussion item at a later meeting.

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STAFF COMMENTS: Mr. Diekmann reviewed the discussions that were held at the City Council Workshop on June 19, 2018. He stated that the City Council will also hold a workshop on July 17, 2018 at which the Campustown Vision will be discussed. Mr. Diekmann stated that the July 4, 2018 Planning & Zoning Commission meeting will be cancelled due to the holiday and because of the lack of agenda items will not be held on the following day.

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MOTION TO ADJOURN:

MOTION: (Spencer/Bryngelson) to adjourn the meeting.

The meeting adjourned at 8:39 PM.

  
Matt Converse, Chairperson  
Planning & Zoning Commission

  
Lorrie Banks, Recording Secretary  
Department of Planning & Housing