



**BUSINESS OF THE CITY COUNCIL
BONDURANT, IOWA
AGENDA STATEMENT**

Item No. 16a
For Meeting of 06/15/2020

ITEM TITLE: Discussion regarding Seasonal Rentals

CONTACT PERSON: Marketa Oliver, City Administrator

SUMMARY EXPLANATION: There has been a great deal of discussion recently about seasonal, privately-owned businesses located on public property for a prescribed amount of time. Previously, the City had land open on which it rented two spots; one of which was to a shaved ice operation and one to an ice cream stand. Neither of the operations could remain on the original property due to planned construction and both were removed. The following summer, the shaved ice operation located in the corner of a city-owned parking lot near the adjacent trail. Last summer, the shaved ice operation located in the parking lot of a City park (The Depot).

This year, the City received correspondence from the shaved ice owner inquiring whether or not they would be allowed to return to the spot near the bike depot and if not, indicating they would need a spot with access to power as it is a requirement for the food handlers' permit. City staff responded that it would be necessary for the business to resolve the unpaid rent bill from 2019 before consideration could be given to any location. Upon receiving payment, the City Administrator shared the challenge with the bike depot location, as there were complaints last year that the operation took up parking which is already limited for trailhead and downtown use. There were also complaints related to trash. The City Administrator suggested the 2018 location, which the business owner said would not work due to electrical access, and then followed up with additional locations. The owner of the shaved ice operation requested again to be at the Depot location.

The situation brings up broader questions of seasonal rentals of park or public land. The first question is whether or not the Council wishes to continue to offer park or other public land for rent to a private business

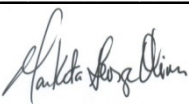
for a temporary, yet extended period of time (a season). Second, the question arises as to how rent should be determined. Finally, the question of what additional policies need to be considered should be discussed.

In establishing rental rates, following are some cost accounting considerations:

1. Last year the City paid \$47.86 in electricity per month at this location (based on the months when only the shaved ice operation was using the electricity);
2. Public Works staff visit, inspect, and care for the property a few times per week, including cleaning nearby restrooms and collecting trash;
3. The City charges citizens \$25 for two hour blocks for Park shelter rental, a rate that was developed based on market analysis and staff time to construct, care for, and clean the facilities;
4. The City collects an average of \$0.91 per square foot in taxes from similar conventional properties.

Other policy considerations:

1. Requiring insurance, with a liability amount equal to what is required for a special event and with the City named as an additional insured entity by the policy;
2. Verifying state licensure;
3. Requiring a one month rental deposit;
4. Observing the same hours as parks;
5. Restricting location within 100 feet of any public entrance into the waiting or service area of any street level restaurant then open for business (language currently included in the City's mobile food truck ordinance);
6. Requiring state health board certificate;
7. Setting forth expectations such as cleaning the grounds; and
8. How to determine which private entities qualify to rent the park or public land.

<input checked="" type="checkbox"/> Resolution _____ Ordinance ___ Contract ___ Other (Specify) _____
Funding Source _____
APPROVED FOR SUBMITTAL _____  City Administrator

RECOMMENDATION: This is a discussion item.