

COUNCIL ACTION FORM

SUBJECT: AMENDMENT TO DOWNTOWN URBAN REVITALIZATION BOUNDARY

BACKGROUND:

On April 12, 2011, the City Council established Downtown Service Center zoning for most properties on Kellogg Avenue south of the Union Pacific Railroad and made this area eligible for the Downtown Façade Grant Program. At that time, the City Council also directed staff to change the boundary of the Downtown Urban Revitalization Area to maintain consistency with the Downtown Façade Grant Program and set this public hearing date. Notice has been made as required by *Iowa Code* Section 404.2

This is the final step in reinforcing Kellogg Avenue as one of the main entries into the Downtown. The area added to the Downtown Urban Revitalization Area (See Attachment A) is part of the Main Street Cultural District, which is recognized by the State of Iowa as a Certified Cultural District and Iowa Main Street community. By this action these properties will be eligible for partial property tax abatement for the value of any qualifying improvements at the rate of 100% of the improvement value for a period of three years. (See Attachment B: Downtown Criteria)

The Downtown Design Guidelines still apply as part of criteria for eligibility. The scoring system City Council has adopted to assist in awarding façade grants will not apply to tax abatement. Projects not awarded a grant may still be eligible for tax abatement.

ALTERNATIVES:

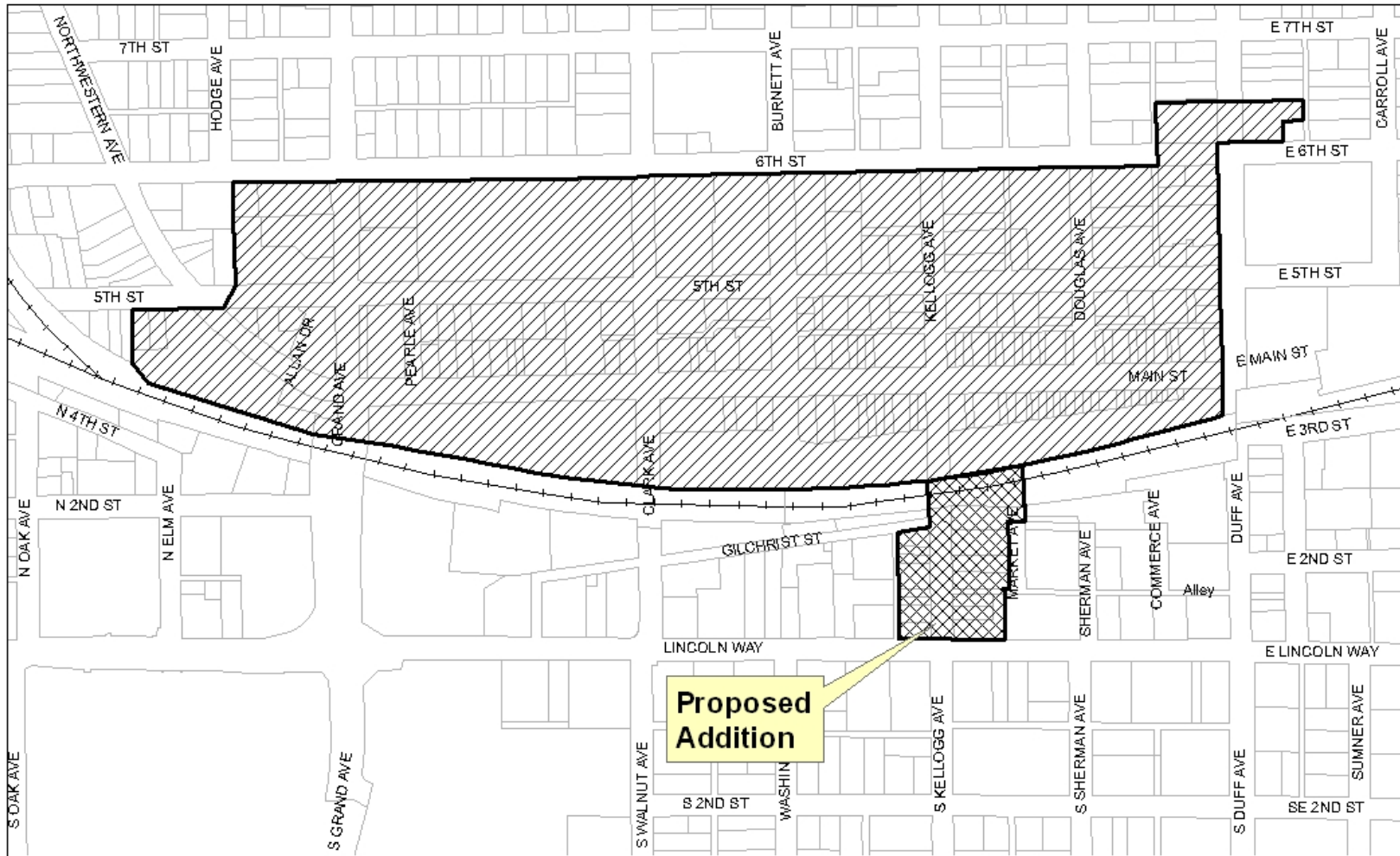
1. The City Council can approve the amended Downtown Urban Revitalization Area boundary as attached.
2. The City Council can deny the amended Downtown Urban Revitalization Area boundary.
3. The City Council can refer this item back to City staff for additional information or to modify the boundary and notify the property owners and tenants in the modified area.

MANAGER'S RECOMMENDED ACTION:



It makes sense to maintain consistency between the boundary for eligibility for the grant program recently approved and the tax abatement program. **Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the amended Downtown Urban Revitalization Area boundary as attached.**

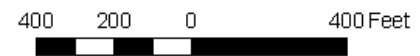
Attachment A

Downtown Urban Revitalization Area



Legend

-  Proposed Addition
-  Downtown URA



Prepared June 10, 2011 by Ames Department of Planning and Housing

Attachment B

**URBAN REVITALIZATION
DOWNTOWN CRITERIA**

- Properties must be located within the designated Downtown Urban Revitalization Area.

AND

- Improvements must be made to one or more of the facades of a building on the property that follow the current Downtown Design Guidelines for façade improvements as approved by City Council.

AND

- The scope of the work must follow the current Downtown Design Guidelines for façade improvements as approved by City Council.

AND

- If first floor is vacant before the façade improvements are made, then the front half of the first floor is required to have a retail use after the improvements are completed. If the first floor is not vacant before the façade improvements are made, and has a permitted use, then it is eligible. No residential structures are eligible.

AND

- The improvements must be maintained for the three years.