

COUNCIL ACTION FORM

SUBJECT: 2013 URBAN REVITALIZATION TAX EXEMPTION REQUEST FOR PROPERTY LOCATED AT 127 STANTON (THE RESORT)

BACKGROUND:

In accordance with Chapter 404 of the *Code of Iowa*, the City Council has established Urban Revitalization Areas (URAs) with Plans specifying standards for types and elements of physical improvements that provide public benefits. Every year, property owners who have improved property within the City's URAs in the previous year may apply for tax exemption on the incremental added value of their properties. The City must determine if the completed improvements meet the standards in the Urban Revitalization Plan for the URA in which the property is located. If the City Council finds the standard is met, this approval is forwarded to the City Assessor who must review the request and determine the value of the abatement.

The property at 127 Stanton (The Resort, south of Legacy Tower in Campustown) is within the already-established Campustown Urban Revitalization Area. (See Attachment A Location Map). On May 22, 2012, the City Council approved Resolution No. 12-272 approving eligibility for tax abatement for proposed improvements at that location. Campus Investors IS, LLC, the property owner, has stated that the improvements are complete and is requesting that the City Council forward its approval of tax exemption to the City Assessor.

To be eligible for Tax Abatement the project must comply with the criteria established by the approved Campustown Urban Revitalization Plan (See Attachment B). Some of the detailed criteria of the Campustown Urban Revitalization Plan were developed with much larger residential uses in mind and are not applicable to this project. Other measures needed for the safety of the proposed project are not included in the listed criteria for Tax Abatement. The Campustown Urban Revitalization Plan includes a provision for City Council approval of criteria *equivalent* to the specific criteria listed. The applicant proposed and the City Council approved equivalent criteria for this project (see Attachment C).

Staff has examined the project as of January 31, 2013, and finds that the completed improvements meet the criteria of the Campustown Urban Revitalization Plan, except for equivalent criteria 11/12c: "Screens will be installed on all of the balconies on the south façade of Legacy Tower designed to prevent throwing any object more than four inches in diameter down to the pool area." In the attached letter dated February 7, 2013 (Attachment D), the attorney representing Campus Investors states that Campus Investors has ordered the materials and arranged for the installations of the screens and that installation should be complete by March 31, 2013.

Because many of the features included in the equivalent criteria for safety and security require consistent maintenance and operational control to be effective, another condition of approval was that an agreement be approved that commits this and any future property owners of both this facility and Legacy Tower to control and maintain these security systems. The City Attorney prepared that agreement, and Campus Investors has signed it and it is presented here for City Council approval.

In the attached letter, the attorney representing Campus Investors, Victoria Feilmeyer, states that it is not necessary for the balcony screens to be completed before the tax exemption is approved, and therefore requests that City Council forward the tax exemption for 127 Stanton Avenue to the assessor. Ms. Feilmeyer states that the Department of Planning and Housing has improperly maintained that the screens must be completed by January 31, 2013, but that no such deadline has been established by the City Council, either in Resolution 12-272 or in the attached Agreement. The City Council is also asked to take action to extend this deadline. Further, Ms. Feilmeyer states that City Council has already approved the tax exemption in Resolution 12-272 and that no further approval is required by City Council. Therefore, Ms. Feilmeyer maintains that the City Council is obligated to forward the tax exemption for 127 Stanton to the City Assessor by March 1, 2013 regardless of the status of the balcony screens.

Section 404.4 of the *Code of Iowa* states:

The first application for an exemption shall be filed by the owner of the property with the governing body of the city or county in which the property is located by February 1 of the assessment year for which the exemption is first claimed, but not later than the year in which all improvements included in the project are first assessed for taxation, or the following two assessment years, in which case the exemption is allowed for the total number of years in the exemption schedule. However, upon the request of the owner at any time, the governing body of the city or county provides by resolution that the owner may file an application by February 1 of any other assessment year selected by the governing body in which case the exemption is allowed for the number of years remaining in the exemption schedule selected.

ALTERNATIVES:

1. The City Council can
 - a. deny the request for approval of tax exemption for 127 Stanton Avenue and not forward it to the City Assessor, and
 - b. approve the Agreement for Maintenance and Management.

2. The City Council can
 - a. deny the request for approval of tax exemption for 127 Stanton Avenue and not forward it to the City Assessor, and
 - b. not take action on the Agreement for Maintenance and Management.

3. The City Council can

- a. approve the request for approval of tax exemption for 127 Stanton Avenue and forward it to the City Assessor, and
 - b. approve the Agreement for Maintenance and Management.
4. The City Council can defer action on these requests until its meeting of February 26, 2013.

MANAGER'S RECOMMENDED ACTION:

City Council gave prior approval to tax exemption for 127 Stanton in order that features would be included such that the facility meets the challenges of its location and does not increase the demand for City services. These features were approved as being equivalent to the mandatory criteria that the Campustown Urban Revitalization Plan establishes for eligibility tax exemption. Installing screens on the balconies at 119 Stanton that overlook the swimming pool and outdoor patio at 127 Stanton were part of those features necessary to conform to the Plan, not conditions of approval as the attorney for Campus Investors asserts.

Under state law, to qualify for tax exemption, any project must conform to an Urban Revitalization Plan. At this time, the project at 127 Stanton does not conform to the Plan because the balcony screens have not been installed. Section 404.4 also requires that application for tax exemption be made to the City before February 1. That is not a deadline established by the City itself. Application was made before February 1, but the project does not qualify for tax exemption. After the balcony screens are installed, the City Council can approve tax exemption for 127 Stanton and the City Assessor can apply the tax exemption.

Campus Investors have signed and returned the Agreement for Maintenance and Management, as required by the City Council. When signed by the Mayor and recorded, the Agreement will help ensure ongoing effectiveness of the safety and security features that have been included in the project.

Therefore it is the recommendation of the City Manager that the City Council accept Alternative #1. This action will


- a. deny the request for approval of tax exemption for 127 Stanton Avenue and not forward it to the City Assessor, and**
- b. approve the Agreement for Maintenance and Management.**

When Campus Investors completes the balcony screens, the property will then be eligible for tax exemption for the full period of the selected exemption schedule, although the start of the tax exemption may be delayed for one year.

LOCATION MAP



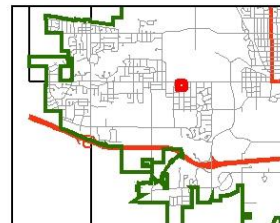
Location Map
127 Stanton Ave.

 Subject Property



80 40 0 80
Feet

Prepared by Planning & Housing Department
Map Prepared: 5/17/12



Effective Date: October 1, 2011

CAMPUSTOWN URBAN REVITALIZATION PLAN

Criteria for Renovation or New Construction	
PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS	PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS
<p>Slum and Blighted Properties where a majority of the assessed valuation of the properties has been substantially unsafe or to have an unsafe use by the City Council.</p> <p>Parking A minimum of 70% of the total required parking is provided in a structure. If utilizing a parking deck, the restrictions in Chapter 29.406 12 of the Municipal Code must be adhered to.</p> <p>AND</p> <p>Mixed Use The first floor must be used for permitted commercial and retail uses as shown in Table 29.803(2) of the Municipal Code. The second floor must be used for either commercial or retail uses as shown in the Table 29.803(2) or for household living. All floors above the second floor must be used for household living.</p>	<p>Adaptive Reuse The building on the site was originally built before 1941.</p> <p>AND</p> <p>70% of the area of existing exterior walls of the structure will remain</p> <p>AND</p> <p>Historic materials and designs are preserved and/or restored.</p>
<p>Underrepresented Properties that are to include a business use where that actual sales of the business use is below the expected sales for the business use as determined by the City Council to be of benefit to the City (should be supported by a retail leakage study).</p>	<p>Design Standards Retail and office uses on the first floor adjacent to a public sidewalk must have direct access to the public sidewalk.</p> <p>AND</p> <p>Signage The signage design, scale, materials, and colors shall be in proportion to and consistent with the architecture of the building and support the business identity.</p> <p>AND</p> <div style="border: 1px solid black; padding: 5px; text-align: center; width: fit-content; margin: 0 auto;"> OR </div> <p>Brick Material 100% of the front and 80% of the three remaining sides of the structure shall be faced with clay brick for the first four stories. On stories five through seven any other building materials except vinyl will be allowed.</p> <p>Alternative Siding Material If historically significant - use and repair of historically appropriate siding material is permitted and must be maintained for the term of the selected tax abatement schedule.</p>
<p>ALL RESIDENTIAL USES SHALL ALSO MEET THE FOLLOWING CRITERIA OR EQUIVALENT AS APPROVED BY THE CITY COUNCIL</p>	
<ol style="list-style-type: none"> 1. Limit commercial space in the same building to the ground floor 2. Provide separate entrances for commercial and residential uses 3. Locate all residential entrances to be visible from the street and provide secure access control at each 4. Prevent access from the exterior to the interior through doors that serve only as fire exits 5. Prohibit public access to structured parking, using overhead door and secure access control 6. Provide transparent glass windows into all stairwells 7. Provide camera monitoring of all pedestrian and vehicle entrances and areas <ol style="list-style-type: none"> 8. Minimum widths of all exit routes: 48" for halls, 42" for doors, 60" between rails for stairs 9. No balconies are permitted 10. Provide for natural daylight requirements of applicable codes with exterior windows 11. On facades facing any street use only fixed windows 12. Design of all other windows to prevent passing of sphere larger than 4" diameter 13. Prevent by physical means access to all roofs 14. Where access is not required, provide security fencing controlling access to all areas between new or existing buildings 15. Provide a minimum of four 100 w. metal halide light fixtures on each building façade: two at elevation between first and second floors and two at elevation between third and fourth floor 	

EQUIVALENT CRITERIA APPROVED BY CITY COUNCIL MAY 22, 2012

1. Listed criterion: *Limit commercial space in the same building to the ground floor.*
Although two floors contain commercial uses, due to site topography both are ground floors. Also, it is not necessary to go through the residential area to access the commercial uses, which is an improvement to the arrangement of uses in the Legacy Tower that has led to difficulties in controlling access to the residential areas.
2. Listed criterion: *Provide separate entrances for commercial and residential uses.*
The access to the amenity facilities will be completely separate from access to the residential units by design.
3. Listed criterion: *Locate all residential entrances to be visible from the street and provide secure access control at each.*
These entrances will be visible from Stanton and an electronic locking system will be installed.
4. Listed criterion: *Prevent access from the exterior to the interior through doors that serve only as fire exits.*
The hardware for all fire exits allow exiting but prevent access, with a monitoring system to indicate when doors are left open.
5. Listed criterion: *Prohibit public access to structured parking, using overhead door and secure access control.* (No additional structured parking will be built.)
6. Listed criterion: *Provide transparent glass windows into all stairwells.*
All stairwells include transparent glass windows and/or a camera monitoring system.
7. Listed criterion: *Provide camera monitoring of all pedestrian and vehicle entrances and areas.*
Cameral monitoring is provided to all entrances. The only access to the amenity facilities is through the amenity building and a staffed monitoring station. In addition, an infrared monitoring system will be installed to monitor the exterior area when it is closed.
8. Listed criterion: *Minimum widths of all exit routes: 48" for halls, 42" for doors, 60" between rails for stairs.*
Equivalent criterion: Due to the small number of residential units, providing wide exit routes from the residential floor is not a high priority. The interior and exterior amenity areas will be provided with exits to meet the occupant loads.
9. Listed criterion: *No balconies are permitted.* No balconies will be included.
10. Listed criterion: *Provide for natural daylight requirements of applicable codes with exterior windows.* Natural daylight is provided.
11. & 12. Listed criteria: *On facades facing any street use only fixed windows. & Design of all other windows to prevent passing of sphere larger than 4" diameter.*
Equivalent criteria: Due to the small number of residential units, preventing objects from being thrown from the street facade windows is not as important as controlling access to the outdoor pool area and preventing objects from being thrown from the balconies on the south façade of Legacy Tower. Therefore, the following equivalent elements will be included in the project

- a. Access from the west is prevented by an 8-foot tall green fence, a sturdy metal mesh structure with vines planted on it.
- b. Access from the bar to the south is prevented by a 12-foot tall, roofed, green building, which has been specifically designed to deter patrons who are using the raised deck of the bar next door from throwing things into the pool area of the subject site.
- c. Screens will be installed on all of the balconies on the south façade of Legacy Tower designed to prevent throwing any object more than four inches in diameter down to the pool area.

13. Listed criterion: *Prevent by physical means access to all roofs.*

Access to roofs is prevented by separation from any surrounding means of access.

14. Listed criterion: *Where access is not required, provide security fencing controlling access to all areas between new or existing buildings*

The measures described above under 11 & 12 meet these criteria for access control.

15. Listed criterion: *Provide a minimum of four 100-watt metal halide light fixtures on each building façade: two at elevation between first and second floors and two at elevation between third and fourth floor.*

Security lighting and a camera monitoring system will be installed.

NYEMASTER

VICTORIA A. FEILMEYER

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February 7, 2013

Hon. Mayor & Council
City of Ames, Iowa
515 Clark Ave.
Ames, IA 50010

Re: 127 and 119 Stanton Ave.

Dear: Mayor Campbell and Members of the City Council:

We represent Campus Investors, IS LLC. Our client and Campus Acquisitions, as the then-owner that improved the property at 127 Stanton Avenue, are seeking a tax abatement for the property at 127 Stanton Avenue. The Planning and Housing Department has informed our client that one of the conditions for abatement, namely the installation of certain screens on the neighboring property at 119 Stanton Avenue was required to be completed by January 31, 2013. We hereby request that the City Council take action to extend the deadline imposed by the Planning and Housing Department and, further, take action to forward the tax abatement for 127 Stanton Avenue to the assessor.

Our client has spent considerable amounts of money designing the appropriate screening for the 119 Stanton Avenue—even though that property is not the subject of the tax abatement request. Our client has ordered the materials and arranged for the installation of the screens. Our client can demonstrate its good faith compliance with the condition. Our client simply could take receipt of the materials and have the installation completed by January 31. Our client advises, however, that subject to weather and other unforeseen circumstances beyond their control, the installation of the screens should be fully complete by March 31, 2013. The materials for the screens have been fabricated and are being scheduled for installation.

We ask that the City Council recognize that our client has acted in good faith and in reliance upon the City Council's action under Resolution 12-272. We also ask that the City Council recognize that our client has ordered the materials and installation and intends to complete the installation of the screens at 119 Stanton Avenue. We further ask that the City Council recognize that there has never been an expressed written deadline for the installation of the screens in any of the documentation presented to our client and that the imposition of this January 31 deadline will be grossly unfair and detrimental.

February 7, 2013

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The City Council approved Resolution 12-272 on May 22, 2012, titled "Resolution approving eligibility for tax abatement in Campustown Urban Revitalization Area for 127 Stanton Avenue, subject to execution of restrictive covenants for the City of Ames, Iowa." Resolution 12-272 states:

the City Council can give prior approval to tax abatement for the improvements at 127 Stanton Avenue, subject to the following conditions: 1) the project is constructed in compliance with the approved Minor Site Development Plan; and, 2) an agreement regarding the operational and maintenance issues listed in Attachment E (as attached) is executed and presented to the City Council prior to applying for tax abatement.

Our client has fulfilled the requirements of Resolution 12-272. Our client has completed the construction of the project in accordance with the minor site development plan. Our client has delivered to the City an executed agreement for the issues in "Attachment E." These were in the form and in the manner directed by the City. There is nothing in the Council Action form, its attachments, Resolution 12-272, or the City's covenant providing for a January 31, 2013 installation deadline.

We ask the City to recognize its obligation under section 404.4 of the Iowa Code to forward the approved applications to the assessor by March 1 regardless of the status of the screens on 119 Stanton Avenue.

Sincerely,


Victoria A. Feilmeyer

Copy to:
Bob Kindred – Acting Director, Planning and Housing Department
Judy Parks – Office of the City Attorney

Excerpt from May 22, 2012:

“MIXED-USE BUILDING AT 127 STANTON AVENUE: City Planner Jeff Benson advised that the property owner of 127 Stanton was proposing to replace the existing wood frame residence with a three-story “amenity building” that would provide recreational and leisure facilities for the residents of all the properties that Campus Acquisitions owns in Campustown. The building would include facilities for an outdoor pool area, yoga, weight, circuit, and cardio training as well as tanning and sauna. The third story of the building would contain four residential units with a total of nine bedrooms. Parking would be provided in the existing parking structure in the Legacy Tower if the City Council approves the Remote Parking Agreement.

According to Mr. Benson, the property owner has requested prior approval of a ten-year tax exemption on increased value by the proposed improvements for this project. The area in question is located within the Campustown Urban Revitalization Area. Mr. Benson explained the requirements needed to be met to be eligible for tax abatement. He noted that some of the detailed criteria of the Campustown Urban Revitalization Plan were developed with much larger residential uses in mind and would not be applicable to this project. Other measures needed for the safety of the proposed project were not included in the listed criteria; however, the Campustown Urban Revitalization Plan includes a provision for City Council approval of equivalent criteria. The criteria were reviewed by Planner Benson. He also described the maintenance and operational requirements that would be included in agreements to be signed by the owners.

It was noted that there is currently a bar to the south of the proposed project. There is a 12-foot-tall roofed green building, which would deter patrons who are using the raised deck of the bar from throwing things into the pool area of the subject site.

Police Chief Chuck Cychosz said that he had met with the developers of this project, and with the perimeter controls, the screening of the balconies, and commitment to ongoing maintenance, it should have a good positive effect on the facility.

It was pointed out by Council Member Davis that there would be screens on the south side balconies only.

Moved by Szopinski, seconded by Larson, to adopt RESOLUTION NO. 12-271 approving the Remote Parking Agreement.

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

Moved by Goodman, seconded by Larson, to adopt RESOLUTION NO. 12-272 approving eligibility for tax abatement in Campustown Urban Revitalization Area, subject to execution of Restrictive Covenants.

Council Member Davis noted that the facility will be used by only the residents and asked if it met the criteria for commercial space. Steve Osguthorpe, Director of the Planning and

Housing Department, said that it did meet the definition in the *Municipal Code*.

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

ITEM # 28b
DATE 05-22-12

COUNCIL ACTION FORM

SUBJECT: URBAN REVITALIZATION TAX EXEMPTION FOR PROPERTY LOCATED AT 127 STANTON (THE RESORT)

BACKGROUND:

Each year, property owners who have developed, redeveloped, rehabilitated, or remodeled property within the Urban Revitalization Areas of the city claim tax exemption for work that has been done, as provided for in Chapter 404 of the *Code of Iowa*. Campus Acquisitions, the property owner of 127 Stanton (The Resort, south of Legacy Tower in Campustown) is requesting prior approval for a 10-year tax exemption on increased value by the proposed improvements. The property is within the already-established Campustown Urban Revitalization Area. (See Attachment A Location Map and Attachment B Request for Prior Approval)

The proposed improvements replace the existing wood frame residence with a three-story "amenity building" that provides recreational and leisure facilities for the residents of all of the properties that Campus Acquisitions owns in Campustown. The building will include facilities for yoga, weight, circuit, and cardio training, as well as tanning and sauna. The third story of the building contains four residential units with a total of nine bedrooms. Parking will be provided in the existing parking structure in Legacy Tower, if City Council approves the Remote Parking Agreement, a separate item on this City Council agenda. In the back of the building there are exterior decks and patios that contain a swimming pool, hot tub, and seating areas.

To be eligible for Tax Abatement the project must comply with the criteria established by the approved Campustown Urban Revitalization Plan. (See Attachment C) Before the pre-existing building was demolished, the Building Inspections Division staff examined the building and determined that the building was a blight upon the neighborhood and a public nuisance, and therefore complies with the City of Ames Urban Revitalization Program definition of slum and blight. (See Attachment D Building Official Determination) City staff have reviewed the building and site plans and determined that the design meets the Urban Revitalization "Design Standards" criteria. In particular, 100% of the visible area of facades will be faced with clay brick. Note that this exceeds the zoning requirements for the Campustown Service Center Zoning District. The project also meets the zoning requirement that more than 50% of the ground floor portion of the façade that faces the street be transparent glass.

To be eligible for Tax Abatement, a third set of criteria must be met for any residential uses. Due to the specific facilities provided and the relationship of this site between the Legacy Tower to the north and the bar to the south, the property owner has been working for several months with the Police Department to make the proposed facility safe and secure. Some of the detailed criteria of the Campustown Urban Revitalization Plan were developed with much larger residential uses in mind and are not applicable to this project. Other measures needed for the safety of the proposed project are not

included in the listed criteria for Tax Abatement. **The Campustown Urban Revitalization Plan includes a provision for City Council approval of criteria equivalent to the specific criteria listed.** The applicant seeks approval of the equivalent criteria as described below.

1. Listed criterion: *Limit commercial space in the same building to the ground floor.*
Although two floors contain commercial uses, due to site topography both are ground floors. Also, it is not necessary to go through the residential area to access the commercial uses, which is an improvement to the arrangement of uses in the Legacy Tower that has led to difficulties in controlling access to the residential areas.
2. Listed criterion: *Provide separate entrances for commercial and residential uses.*
The access to the amenity facilities will be completely separate from access to the residential units by design.
3. Listed criterion: *Locate all residential entrances to be visible from the street and provide secure access control at each.*
These entrances will be visible from Stanton and an electronic locking system will be installed.
4. Listed criterion: *Prevent access from the exterior to the interior through doors that serve only as fire exits.*
The hardware for all fire exits allow exiting but prevent access, with a monitoring system to indicate when doors are left open.
5. Listed criterion: *Prohibit public access to structured parking, using overhead door and secure access control.* (No additional structured parking will be built.)
6. Listed criterion: *Provide transparent glass windows into all stairwells.*
All stairwells include transparent glass windows and/or a camera monitoring system.
7. Listed criterion: *Provide camera monitoring of all pedestrian and vehicle entrances and areas.*
Cameral monitoring is provided to all entrances. The only access to the amenity facilities is through the amenity building and a staffed monitoring station. In addition, an infrared monitoring system will be installed to monitor the exterior area when it is closed.
8. Listed criterion: *Minimum widths of all exit routes: 48" for halls, 42" for doors, 60" between rails for stairs.*
Equivalent criterion: Due to the small number of residential units, providing wide exit routes from the residential floor is not a high priority. The interior and exterior amenity areas will be provided with exits to meet the occupant loads.
9. Listed criterion: *No balconies are permitted.* No balconies will be included.
10. Listed criterion: *Provide for natural daylight requirements of applicable codes with exterior windows.* Natural daylight is provided.

11. & 12. Listed criteria: *On facades facing any street use only fixed windows. & Design of all other windows to prevent passing of sphere larger than 4" diameter.*

Equivalent criteria: Due to the small number of residential units, preventing objects from being thrown from the street facade windows is not as important as controlling access to the outdoor pool area and preventing objects from being thrown from the balconies on the south façade of Legacy Tower. Therefore, the following equivalent elements will be included in the project

- a. Access from the west is prevented by an 8-foot tall green fence, a sturdy metal mesh structure with vines planted on it.
- b. Access from the bar to the south is prevented by a 12-foot tall, roofed, green building, which has been specifically designed to deter patrons who are using the raised deck of the bar next door from throwing things into the pool area of the subject site.
- c. Screens will be installed on all of the balconies on the south façade of Legacy Tower designed to prevent throwing any object more than four inches in diameter down to the pool area.

13. Listed criterion: *Prevent by physical means access to all roofs.*

Access to roofs is prevented by separation from any surrounding means of access.

14. Listed criterion: *Where access is not required, provide security fencing controlling access to all areas between new or existing buildings*

The measures described above under 11 & 12 meet these criteria for access control.

15. Listed criterion: *Provide a minimum of four 100-watt metal halide light fixtures on each building façade: two at elevation between first and second floors and two at elevation between third and fourth floor.*

Security lighting and a camera monitoring system will be installed.

The attached Minor Site Development Plan includes all of these features. However, for many of these features to be effective requires consistent maintenance and operational control. Attachment E describes these maintenance and operational requirements. Agreements are being prepared that commit this and any future property owners of both this facility and Legacy Tower to control and maintain these systems. It should be noted, however, that once the project is completed and the tax abatement has been approved and established, the tax abatement cannot be rescinded if the property owners fail to perform as agreed.

The Police Department has carefully considered the security and safety issues of this project and finds that with an operations and maintenance agreement in place, the proposed features described above are equivalent to the criteria listed for residential uses in Campustown Urban Revitalization Plan.

ALTERNATIVES:

1. The City Council can give prior approval to tax abatement for the improvements at 127 Stanton under the following conditions:

- a. The project is constructed in compliance with the approved Minor Site Development Plan (Case #SDP-12-07)

- b. An agreement regarding the operational and maintenance issues listed in Attachment E is executed and presented to City Council before Tax Abatement is applied for.

2. The City Council can deny the request for prior approval of the proposed project.

MANAGER'S RECOMMENDED ACTION:

As new apartment projects have been developed in Ames, the inclusion of amenities for residents has increased, which is a plus for renters. Providing safe leisure activities to more than 1200 residents in 15 buildings in Campustown is a plus for the community, as well. However, it is important that the facility meets the challenges of its location and that it does not increase the demand for City services. Outdoor swimming pools anywhere in the community require some Police services, but there is substantial potential for increased Police calls due to an outdoor pool in Campustown. Campus Acquisitions and its architect, GE Wattier, have made a sincere and concerted effort to work cooperatively with City staff to incorporate workable responses to these challenges of this project. All of these features are beyond what the zoning ordinance requires, but staff believes they do meet the criteria for Tax Abatement in the Campustown Urban Revitalization Area.

Therefore, it is the recommendation of the City Manager that the City Council adopt **Alternative #1**, giving prior approval to tax abatement for the improvements at 127 Stanton under the following conditions:


- a. The project is constructed in compliance with the approved Minor Site Development Plan (Case #SDP-12-07) and other Plan documents.
- b. An agreement regarding the operational and maintenance issues listed in Attachment E is executed and presented to City Council before Tax Abatement is applied for.

Attachment A

LOCATION MAP



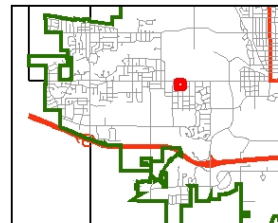
Location Map
127 Stanton Ave.

 Subject Property



80 40 0 80
Feet

Prepared by Planning & Housing Department
Map Prepared: 5/17/12



LETTER REQUESTING PRIOR APPROVAL OF TAX ABATEMENT



Campus Acquisitions
161 N. Clark, Suite 4900
Chicago, Illinois 60601
(312) 994-1880 Phone
Campusacquisitions.com

May 18, 2012

TO: City of Ames Planning Department
Attn: Jeffrey D. Benson
515 Clark Avenue
Ames, IA 50010

FROM: Michael Yeagle
Campus Acquisitions
161 N. Clark Street, Suite 4900
Chicago, IL 60601

Dear Jeff,

The purpose of my correspondence is to request prior approval of tax abatement eligibility for the proposed improvements to 127 Stanton Avenue located in the Campustown Urban Revitalization Area. The improvements will include a new 3 story structure containing a fitness a recreational facility to serve the residents of the apartment building owned and operated by Campus Investors IS, LLC, Campus Investors 217 Welch, LLC, 309 Lynn, LLC, and Ames Housing, LLC. Additional the building will contain 4 apartments consisting of 9 bedrooms. The outdoor recreational facility will include a swimming pool, hot tub, BBQ grills, and a sundeck.

We anticipate the total costs for the project to be \$1,000,000 and the estimated completion date is October 1, 2012. We are requesting the 10 year exemption plan following the schedule below.

For the first year,	80%
second	70%
third	60%
fourth	50%
fifth	40%
sixth	40%
seventh	30%
eighth	30%
ninth	20%
tenth	20%

The following page includes an image of the proposed development. If you have any further questions please do not hesitate to contact me.

Best regards,

Michael T. Yeagle
Campus Acquisitions



CAMPUSTOWN URBAN REVITALIZATION PLAN

Criteria for Renovation or New Construction	
PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS	PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS
<p>Slum and Blighted Properties where a majority of the assessed valuation of the properties has been determined to be substantially unsafe or to have an unsafe use by the City Council.</p> <p>Parking A minimum of 70% of the total required parking is provided in a structure. If utilizing a parking deck, the restrictions in Chapter 29.406 of the Municipal Code must be adhered to.</p> <p>AND</p> <p>Mixed Use The first floor must be used for permitted commercial and retail uses as shown in Table 29.803(2) of the Municipal Code. The second floor must be used for either commercial or retail uses as shown in the Table 29.803(2) or for household living. All floors above the second floor must be used for household living.</p>	<p>Adaptive Reuse The building on the site was originally built before 1941.</p> <p>AND</p> <p>70% of the area of existing exterior walls of the structure will remain</p> <p>AND</p> <p>Historic materials and designs are preserved and/or restored.</p>
<p>Underrepresented Properties that are to include a business use where that actual sales of the business use is below the expected sales for the business use as determined by the City Council to be of benefit to the City (should be supported by a retail leakage study).</p>	<p>Design Standards Retail and office uses on the first floor adjacent to a public sidewalk must have direct access to the public sidewalk.</p> <p>AND</p> <p>Signage The signage design, scale, materials, and colors shall be in proportion to and consistent with the architecture of the building and support the business identity.</p> <p>AND</p> <div style="text-align: center; border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> OR </div> <p>Brick Material 100% of the front and 80% of the three remaining sides of the structure shall be faced with clay brick for the first four stories. On stories five through seven any other building materials except vinyl will be allowed.</p> <p>Alternative Siding Material If historically significant - use and repair of historically appropriate siding material is permitted and must be maintained for the term of the selected tax abatement schedule.</p>
<p>ALL RESIDENTIAL USES SHALL ALSO MEET THE FOLLOWING CRITERIA OR EQUIVALENT AS APPROVED BY THE CITY COUNCIL</p>	
<ol style="list-style-type: none"> 1. Limit commercial space in the same building to the ground floor 2. Provide separate entrances for commercial and residential uses 3. Locate all residential entrances to be visible from the street and provide secure access control at each 4. Prevent access from the exterior to the interior through doors that serve only as fire exits 5. Prohibit public access to structured parking, using overhead door and secure access control 6. Provide transparent glass windows into all stairwells 7. Provide camera monitoring of all pedestrian and vehicle entrances and areas 	
<ol style="list-style-type: none"> 8. Minimum widths of all exit routes: 48" for halls, 42" for doors, 60" between rails for stairs 9. No balconies are permitted 10. Provide for natural daylight requirements of applicable codes with exterior windows 11. On facades facing any street use only fixed windows 12. Design of all other windows to prevent passing of sphere larger than 4" diameter 13. Prevent by physical means access to all roofs 14. Where access is not required, provide security fencing controlling access to all areas between new or existing buildings 15. Provide a minimum of four 100 w. metal halide light fixtures on each building façade: two at elevation between first and second floors and two at elevation between third and fourth floor 	

BUILDING OFFICIAL'S DETERMINATION



Fire Department - Inspections Division

515 Clark Avenue
P.O. Box 811
Ames, IA 50010
Phone: 515-239-5153
Fax: 515-239-5261

February 14, 2012

Jeff Benson
City of Ames Planning and Housing Department
515 Clark Avenue
Ames, IA, 50010

Re: Vacant multi family dwelling at 127 Stanton, Ames, Iowa

Mr. Benson:

An inspection of this property was recently made by this office at the request of the owner, to determine whether the multifamily dwelling located thereon may be considered a slum and blighted structure.

The inspection was conducted on Friday February 3, 2012. Natalie Herrington and I made the inspection, accompanied by two of your employees.

The vacant structure is in a general state of disrepair, and appears to have been so vacant for several months. Much of the interior has been vandalized and damaged by either prior tenants or subsequent trespassers. Mechanical, electrical, plumbing systems and fixtures are in a hazardous state of disrepair. Several windows have been broken and subsequently boarded up. There is visible deterioration of the roof covering and all exterior siding, soffits, gutters, downspouts, stairways, doors. The general appearance and interior condition presents a blight upon the neighborhood and constitutes a public nuisance to the extent that it meets the City of Ames Urban Revitalization Program definition of slum and blight:

Properties with a principal building that has been determined by the Building Official as meeting the definition of "Public Nuisance" in the Ames Municipal Code, Chapter 5, "Building, Electrical, Mechanical and Plumbing Code" (Currently Section 5.401(7)).

Respectfully,

David Brown
Building Official

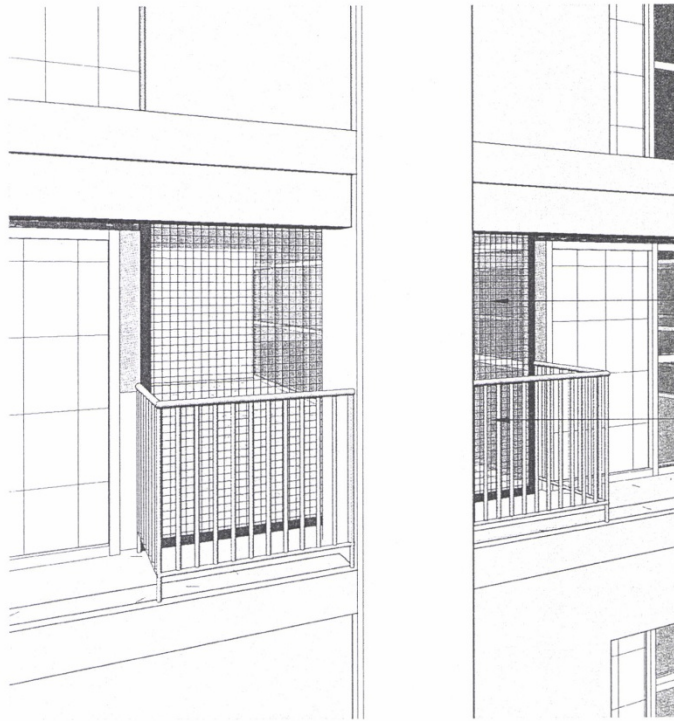
Cc: **Michael T. Yeagle**, michael@campusacquisitions.com
Campus Acquisitions | Regional Vice President
161 N. Clark Suite 4900
Chicago, Illinois 60601

Operations and Maintenance for Safety and Security Systems

The Resort, 127 Stanton, Ames, Iowa

May 10, 2012

1. Supervise, operate and maintain key fob access control system allowing for specific access rights to individual interior and exterior doors of the facility and the elevator. Among the purposes of this activity is to allow access to the amenity areas only to renters in properties owned by Campus Investors and to limit access to the entire facility after open hours only by renters in 127 Stanton.
2. Maintain in proper working order and provide monitoring and supervision of an infrared detection system for the exterior amenity area that detects intruders to any part of the secure exterior area after hours. Take appropriate action in reference to the intruders.
3. Maintain security lighting and maintain and monitor a camera system to detect activities that endanger residents, damage property and violate lease conditions and take appropriate action in response.
4. Maintain structures intended to prevent entry from neighboring properties and to prevent objects being thrown into the property from neighboring areas.
5. Maintain screens to be installed on all balconies on the south-facing façade of the adjacent building to the north sufficient to prevent people jumping or falling from the balconies and to prevent objects larger than 4 inches in diameter from being thrown from balconies. Materials and connections will comply with specifications to be approved by City staff. (This will need to be agreed to by the owner of the property to the north and will need to be binding on future owners of that property.)



NEW TUBE STEEL & WIRE MESH FRAME SET BACK FRONT EDGE

EXISTING GUARDRAIL TO REMAIN (OPTIONAL)

ENLARGED BALCONY CONCEPT VIEW



SC



EXISTING TUBE STEEL RAILING



TY
SCAI

5/9/2012 4:48:14 PM C:\Revit\Kirsten3 Story Design_Kirsten.rvt

RESOLUTION NO. 12-272

**RESOLUTION APPROVING ELIGIBILITY FOR TAX ABATEMENT
IN CAMPUSTOWN URBAN REVITALIZATION AREA FOR 127 STANTON AVENUE,
SUBJECT TO EXECUTION OF RESTRICTIVE COVENANTS
FOR THE CITY OF AMES, IOWA**

WHEREAS, each year, property owners who have developed, redeveloped, rehabilitated, or remodeled property within the Urban Revitalization Areas of the city claim tax exemption for work that has been done, as provided for in the *Code of Iowa*; and,

WHEREAS, Campus Acquisitions, the property owner of 127 Stanton Avenue, is requesting prior approval for a 10-year tax exemption on increased value by the proposed improvements; and,

WHEREAS, the property is within the already-established Campustown Urban Revitalization Area; and,

WHEREAS, to be eligible for tax abatement, the project must comply with the criteria established by the approved Campustown Urban Revitalization Plan; and,

WHEREAS, before the pre-existing building was demolished, the Building Inspections Division staff examined the building and determined that the building was a blight upon the neighborhood and a public nuisance, and, therefore, complies with the City of Ames Urban Revitalization Program definition of slum and blight; and,

WHEREAS, City staff has reviewed the building and site plans and determined that the design meets the Urban Revitalization "design standards" criteria; and,

WHEREAS, to be eligible for tax abatement, a third set of criteria must be met for any residential uses, and due to the specific facilities provided and the relationship of this site between the Legacy Tower to the north and the bar to the south, the property owner has been working for several months with the Police Department to make the proposed facility safe and secure; and,

WHEREAS, the City Council can give prior approval to tax abatement for the improvements at 127 Stanton Avenue, subject to the following conditions: 1) the project is constructed in compliance with the approved Minor Site Development Plan; and, 2) an agreement regarding the operational and maintenance issues listed in Attachment E (as attached) is executed and presented to the City Council prior to applying for tax abatement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ames, Iowa, that the proposed eligibility for tax abatement for the improvements at 127 Stanton Avenue is hereby approved, subject to two aforementioned conditions.

ADOPTED THIS 22nd day of May, 2012.



Diane R. Voss, City Clerk



Ann H. Campbell, Mayor

Introduced by:	Goodman
Seconded by:	Larson
Voting aye:	Davis, Goodman, Larson, Orazem, Szopinski, Wacha
Voting nay:	None
Absent:	None

Resolution declared adopted and signed by the Mayor this 22nd day of May, 2012.

Operations and Maintenance for Safety and Security Systems

The Resort, 127 Stanton, Ames, Iowa

May 10, 2012

1. Supervise, operate and maintain key fob access control system allowing for specific access rights to individual interior and exterior doors of the facility and the elevator. Among the purposes of this activity is to allow access to the amenity areas only to renters in properties owned by Campus Investors and to limit access to the entire facility after open hours only by renters in 127 Stanton.
2. Maintain in proper working order and provide monitoring and supervision of an infrared detection system for the exterior amenity area that detects intruders to any part of the secure exterior area after hours. Take appropriate action in reference to the intruders.
3. Maintain security lighting and maintain and monitor a camera system to detect activities that endanger residents, damage property and violate lease conditions and take appropriate action in response.
4. Maintain structures intended to prevent entry from neighboring properties and to prevent objects being thrown into the property from neighboring areas.
5. Maintain screens to be installed on all balconies on the south-facing façade of the adjacent building to the north sufficient to prevent people jumping or falling from the balconies and to prevent objects larger than 4 inches in diameter from being thrown from balconies. Materials and connections will comply with specifications to be approved by City staff. (This will need to be agreed to by the owner of the property to the north and will need to be binding on future owners of that property.)

DO NOT WRITE IN THE SPACE ABOVE THIS LINE; RESERVED FOR RECORDER

Prepared by: Douglas R. Marck, City of Ames Legal Department, 515 Clark Ave., Ames, IA 50010; Phone: 515-239-5146
Return recorded document to: Ames City Clerk, 515 Clark Ave., Ames, IA 50010

**COVENANT FOR MAINTENANCE AND MANAGEMENT
OF SAFETY AND SECURITY IMPROVEMENTS AT
119 AND 127 STANTON AVENUE, AMES, IOWA**

THIS COVENANT AND AGREEMENT is made effective the ____ day of _____, 2012, by and between Campus Investors, IS LLC (hereinafter called "Owner"), their successors and assigns, and THE CITY OF AMES, IOWA (hereinafter called "City").

WITNESSETH THAT:

The parties hereto have agreed and do agree as follows:

1. This Agreement is made for the purpose of demonstrating that certain real property located at 127 Stanton Avenue, Ames, Iowa, satisfies the qualifying criteria of the Campustown Urban Revitalization Area.
2. The covenants, agreements, promises and representations herein by Owner are made in connection with an application to the City for approval of eligibility for Urban Revitalization Tax Exemption for improvements (hereinafter "facility") to be constructed at 127 Stanton Avenue, Ames, Iowa.
3. Owner covenants, agrees, promises and represents to do as follows:
 - a. Install, supervise, operate and maintain a key fob access control system that limits access to interior and exterior doors of the amenity areas of the facility and the elevator at the facility to renters in properties owned by Owner, and further to limit access to the entire facility, after regular operating hours, to residents of 127 Stanton.

- b. Maintain in proper working order and provide monitoring and supervision of an infrared detection system for the exterior amenity area of the facility at 127 Stanton Avenue, so that Owners detect and take action to remove unauthorized persons from the secure exterior area after hours.
- c. Install and maintain security lighting and install, maintain and monitor a camera system at the facility located at 127 Stanton to detect activities that endanger residents, damage property and violate lease conditions, and take appropriate action in response to any such activities detected.
- d. Install and maintain in good condition at the facility structures designed to prevent entry from neighboring properties and to prevent objects being thrown into the property from neighboring areas.
- e. Install and maintain in good condition screens on all balconies on the south-facing façade of the building at 119 Stanton Avenue, said screens being sufficient to prevent people jumping or falling from the balconies and to prevent objects larger than 4 inches in diameter from falling or being thrown, dropped, or ejected from balconies.

4. The foregoing provisions encumber the real property located at 127 and 119 Stanton Avenue, described more particularly as follows and referred to collectively herein as "the Real Estate":

Parcel W of the south 60 feet of the north 407 feet of Lot 1, Parker's Addition to Ames, Iowa, as shown on the Plat of Survey filed on November 1, 2002, as Instrument No. 02-17298; and

Parcel X, the South 60 feet of the North 347 feet and the South 66 feet of the North 287 feet, all in Lot One (1), Parker's Addition; and the East 12 feet of the South 40 feet, of Lot Three (3), Block One (1), Beardshear's Addition; all in the City of Ames, Story County, Iowa; more particularly described as follows:

Commencing at the Northeast (NE) corner of Lot One (1), Parker's Addition, in the City of Ames, Story County, Iowa; thence S 00°02'59" W, 221.00 feet along the east line of said Lot 1 and the west line of Stanton Avenue, to the Point of Beginning; thence continuing S 00°02'59" W, 126.00 feet along said line; thence N 89°49'49" W, 189.88 feet along the south line of the North 347 feet of Lot 1; thence N 00°01'03" E, 45.85 feet along the west line of Lot 1, to the Southeast (SE) corner of Lot Three (3), Block One (1), Beardshear's Addition; thence N 89°27'27" W, 12.00 feet along the south line of said Lot 3; thence N 00°01'03" E, 40.00 feet along the west line of the East 12 feet of Lot 3; thence S 89°27'27" E, 12.00 feet along the north line of the South 40 feet of Lot 3; thence N 00°01'03" E, 41.40 feet along the west line of Lot 1; thence S 89°27'14" E, 189.96 feet along the north line of the South 66 feet of the North 287 feet of Lot 1, to the Point of Beginning.

5. This covenant and agreement shall be filed for record in the office of the Story County Recorder and all covenants, agreements, promises and representations hereby stated shall be deemed to be covenants running with the Real Estate and shall endure and be binding on the parties hereto, their mortgagees, lienholders, successors and assigns, for a period of twenty-one (21) years from the date of the recording of these documents, unless claims to continue any interest in the covenants are filed as provide by law. The City shall have the right to file a claim to continue its interest in these covenants.

6. Invalidation of any of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

Executed by the respective signatories effective the date first above written.

CAMPUS INVESTORS IS, LLC

By: [Signature]
VICE PRESIDENT

By: _____

CITY OF AMES, IOWA

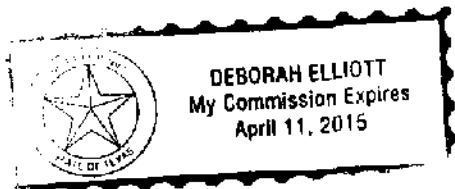
By: _____
Ann H. Campbell, Mayor

Attest by: _____
Diane R. Voss, City Clerk

STATE OF TEXAS, TRAVIS COUNTY ss:

This instrument was acknowledged before me on this 15th day of January, 2013, by Jonathan Graf, as vice president of said corporation.

[Signature]
Notary Public in and for State of TEXAS



STATE OF IOWA, COUNTY OF STORY ss:

On this _____ day of _____, 20____, before me, a Notary Public in and for the State of Iowa, personally appeared Ann H. Campbell and Diane R. Voss, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Ames, Iowa; that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation by authority of its City Council, as contained in Resolution No. _____ adopted by the City Council on the _____ day of _____, 20____, and that Ann H. Campbell and Diane R. Voss acknowledged the execution of the instrument to be their voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for State of Iowa

MORTGAGEE'S SUBORDINATION

KNOW ALL PERSONS BY THIS INSTRUMENT THAT:

WELLS FARGO BANK, N.A., AS TRUSTEE FOR THE REGISTERED HOLDERS OF CREDIT SUISSE FIRST BOSTON MORTGAGE SECURITIES CORP., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-C4 ("Mortgagee"), is the present owner of that certain Mortgage and Security Agreement given by **CAMPUS INVESTORS IS, LLC**, an Illinois limited liability company, to **COLUMN FINANCIAL, INC.**, a Delaware corporation, filed in the office of the Recorder of Story County, Iowa on the 29th day of August, 2006, and recorded as Instrument No. 06-10827.

NOW, THEREFORE, the Mortgagee, for good and valuable consideration, agrees that the aforesaid real estate mortgage shall be subordinate to the rights of the City of Ames, Iowa under this instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]

LENDER:

WELLS FARGO BANK, N.A., AS TRUSTEE FOR THE REGISTERED HOLDERS OF CREDIT SUISSE FIRST BOSTON MORTGAGE SECURITIES CORP., COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-C4

By: KeyCorp Real Estate Capital Markets, Inc., as Authorized Agent

By: Swatson
Name: SHERRI WATSON
Title: VICE PRESIDENT

STATE OF KANSAS)
)ss.
COUNTY OF JOHNSON)

In the State of Kansas, County of Johnson, on this 18th day of January, 2013, before me, the undersigned, a notary public in and for said County and State, personally appeared Sherri Watson (individual's name) to me known to be the person described in and who executed the foregoing instrument, and acknowledged that Sherri Watson (individual's name) executed the same as free act and deed as Vice President, (title) of KeyCorp Real Estate Capital Markets, Inc., an Ohio corporation, as the authorized agent for Wells Fargo Bank, N.A., as trustee for the registered holders of Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 2006-C4, on behalf of the corporation in its capacity as authorized agent.

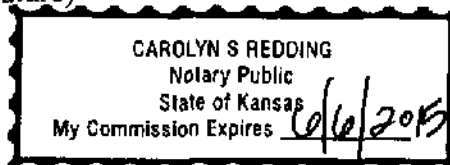
Witness my hand and Notarial Seal subscribed and affixed in said County and State the day and year in this certificate above written.

[Handwritten Signature]

Notary Public in and for said County and State

(Type, print or stamp the Notary's name below his or her signature)

My Commission Expires:



[SEAL]