ITEM # <u>28b</u> DATE: 11-12-13

COUNCIL ACTION FORM

SUBJECT: URBAN REVITALIZATION TAX EXEMPTION REQUEST FOR PROPERTY LOCATED AT 2520 CHAMBERLAIN STREET

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 lowa*. Randall Corporation, the property owner of 2520 Chamberlain Street, is requesting *prior approval* of meeting the qualifications for a 3-year tax exemption on increased value that will be created by improvements at that location. (See Attachment A, Applicant Letter) The property is within the already-established Campustown Urban Revitalization Area. (See Attachment B, Location Map)

The subject site formerly had a two-story, 1,200 square foot wood framed house built in 1910. The property had an assessed valuation of \$89,000. The building was demolished on October 22, 2013. Randall Corporation has a pending Minor Site Plan application to build a new five-story mixed use building that provides commercial space on the first floor with residential units above.

To be eligible for Tax Abatement, this project must comply with the criteria established within the Council's approved Campustown Urban Revitalization Criteria Matrix. (See Attachment C) The Criteria Matrix describes three categories that must be met for a project to qualify. Based upon the request of the applicant, the issue before the Council is to determine if the property meets the classification of "slum and blight." The Criteria Matrix describes slum and blight as "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."

Immediately prior to the demolition of the pre-existing building, Inspections Division staff examined the building and identified six areas of concern that could relate to this determination. Those observations about the structure's previous condition may help Council determine if the property meets the standards for the Urban Revitalization Program definition of slum and blight. (See Attachment D, Building Official Letter)

The second category for tax abatement eligibility is meeting the use or design category requirements. Staff has determined that the applicant's proposed project does meet the design requirements by providing for commercial access to the street, planned signage, and use of brick on all facades. (See Attachment E)

When a project includes a residential use there is a third set of criteria related to public safety. A project must achieve all of the public safety design standards specified in the matrix, unless an alternative equivalent design is approved by the City Council. City staff has reviewed the building and site plans submitted by the applicant

(See Attachment E) and has identified how the proposal either meets or does not meet the criteria as summarized below:

- 1. Listed criterion: Limit commercial space in the same building to the ground floor. Only the first floor of the proposed building will have a commercial use.
- 2. Listed criterion: Provide separate entrances for commercial and residential uses. The entrance to the commercial space will be completely separate from the entrances to the residential units. The residential use will be accessed from an open stairway leading from Chamberlain Street to the actual entrance door located midway down the west facade of the building. Also, a separate accessible access for the residential use is located by way of a ramp along the south facade of the building wrapping to the west and sharing an entrance with the front staircase.

The proposal also includes a second access stairwell on the east side of the building which has been identified by the applicant as a fire exit. This stairwell is a shared exit between the commercial and residential spaces, but is not identified as an entrance for either use.

- 3. Listed criterion: Locate all residential entrances to be visible from the street and provide secure access control at each.
 - The proposed location of the residential entrances does not meet the intent of this criterion. The actual location of the entrance is along the side of the building located at the midpoint of the west facade. The staircase is located to the north and accessed off Chamberlain Street, but still poses a concern for safety without visibility to the actual entrance area. Also, the accessible ramp is located at the rear of the building and wraps to the west side of the building, not allowing for visibility from the street or the front of the building. Staff does not find that this design meets the intent of the criterion which is to have a visible entrance from the street for security purposes.
- 4. Listed criterion: Prevent access from the exterior to the interior through doors that serve only as fire exits.
 - Hardware for the proposed fire exit located along the east facade will need to be installed to allow exiting but prevent access from the exterior, 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. If approved by Council through a remote parking agreement, all parking will be located off site to the north across Chamberlain Street.

- 6. Listed criterion: Provide transparent glass windows into all stairwells. The entrance stairwell is provided with glass windows in the corridor. However, the entrance is located on the west side of the building and is not visible from the street, which causes a safety concern. An exit stairwell is provided on the east side of the building abutting Chamberlain Place, but does not provide for glass into the stairwell corridor. This stairwell is a second exit point from both the commercial and
 - which causes a safety concern. An exit stairwell is provided on the east side of the building abutting Chamberlain Place, but does not provide for glass into the stairwell corridor. This stairwell is a second exit point from both the commercial and residential areas, excluding the first floor residential units which are only accessible by the main entrance ramp/stair on the west side of the building. Staff does not find that this design meets the intent of the criterion which is to have visibility into all stairwells for security purposes.
- 7. Listed criterion: Provide camera monitoring of all pedestrian and vehicle entrances and areas.
 - Camera monitoring will be required to be provided at all entrances.
- 8. Listed criterion: Minimum widths of all exit routes: 48" for halls, 42" for doors, 60" between rails for stairs.
 - This criterion will be required to be met for the building prior to a building permit being issued.
- 9. Listed criterion: *No balconies are permitted.* No balconies are proposed for this project.
- 10. Listed criterion: Provide for natural daylight requirements of applicable codes with exterior windows.
 - Natural daylight is provided as required.
- 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.

 The building is being proposed with fixed windows for all residential units.
- 13. Listed criterion: *Prevent by physical means access to all roofs.*Access to the roof will need to be prevented by lockable hardware on the doors from the stairwell to prohibit resident access to the roof.
- 14. Listed criterion: Where access is not required, provide security fencing controlling access to all areas between new or existing buildings.
 - The building will be constructed on the property lines to the north and east. The west property line will be controlled with the wall along the west side of the ramp and entry stairs. The south side of the building is secured with the existing building to the south, the ramp and dumpster enclosure to the west and the proposed building to the north. Access is only allowed along the south property line to the proposed dumpster enclosure or the entrance ramp for the building.
- 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 along the south and west facades will be required to be installed to meet the intent of the code for security illumination. Staff also feels that the remote parking location for the project, if approved by City Council under a separate report, should be provided with additional lighting for security purposes.

The Police Department has carefully considered the security and safety issues of this project and finds that the design for the site does not meet all of the Urban Revitalization Plan requirements for safety and security. Items of concern include the following:

- a) The need for revision to the entrances/exits of the building to meet criteria #2 and #3.
- b) The installation of transparent glass in all stairwells,
- c) The need for installation of the required security camera monitoring, and
- d) The installation of the required security lighting for the building and parking areas.

ALTERNATIVES:

- 1. If the City Council determines that the project meets the classification of slum and blight under the Urban Revitalization Criteria, the Council can give approval of eligibility for tax abatement for the improvements at 2520 Chamberlain Street with the following conditions:
 - a) Revision to the entrances/exits of the building to meet criteria #2 and #3, which is to provide separate entrances between residential and commercial uses and also to locate all residential entrances to be visible from the street and provide secure access control at each,
 - b) Installation of transparent glass in all stairwells as required by criterion #6,
 - c) Installation of required camera monitoring as required by criterion #7, and
 - d) Installation of required security lighting for the building and parking areas per criterion #15.
- 2. If the City Council determines that the proposed project does not meet the classification of slum and blight under the Urban Revitalization Criteria, the Council can deny the request for approval of eligibility for tax abatement.

MANAGER'S RECOMMENDED ACTION:

The determination as to whether or not the project qualifies under the slum and blight criterion is at the sole discretion of the City Council. Even though the building has already been demolished, the Building Official visited the site and made observations of its condition prior to its demolition. Those observations are included in Attachment D.

If the City Council determines that the previously existing home on the property at 2520 Chamberlain Street met the definition of slum and blight, then it is the recommendation of the City Manager to adopt Alternative #1, which will require modifications to the Minor Site Plan to meet the public safety criteria specified above.

Attachment A Applicant Request Letter



November 5, 2013

City of Ames 515 Clark Avenue Ames, Iowa 50010

Re: 2520 Chamberlain - Remote Parking and Urban Revitalization

Honorable Mayor and City Council Members,

We would ask that you consider our request for approval of the attached remote parking agreement and urban revitalization request for a new multi-use infill project at 2520 Chamberlain in Campustown.

This project will provide additional high quality commercial/retail space near the recently completed intermodal project as well as a warehouse – loft style housing option. Our specific requests are two-fold:

- Remote Parking Agreement: We would ask that you approve a remote parking agreement to allow eight (8) required parking spaces be located directly across Chamberlain avenue at 2515 Chamberlain/133 Welch Avenue. The parking spaces are currently in place, and are not dedicated for any other use, nor are required for any other residential use. The parking is within the 300' limit as designated in the Campustown remote parking requirement.
- 2. **Urban Revitalization Request:** We would ask that you approve our request to abate property taxes over a three (3) year schedule as designated in the application packet. We believe that this project is of value to the Campustown area and meets the requirements and concerns addressed in the standards for Urban Revitalization requests. We would ask that the property be considered under the Slum and Blight determination.

We are excited to bring a new project to Campustown and look forward to continued growth in the coming years.

Thank you for considering our requests.

Matthe Tarlall

Matthew D. Randall
VP Randall Corporation

Attachment B Location Map



Location Map Subject Site : 2520 Chamberlain Street

Remote Parking: 2515 Chamberlain Street/133 Welch Ave.

Effective Date: March 25, 2013

CAMPUSTOWN URBAN REVITALIZATION CRITERIA MATRIX

Attachment C Campustown Urban Revitalization Plan

PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS	Retail and office uses on the first floor adjacent to a public sidewalk must have direct access to the public sidewalk. AND 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. AND Brick Material 100% of the front and 80% of the three remaining sides of the structure shall be faced the structure shall be faced with clay brick for the first four stories. On stories five through seven any other maintained for the term of building materials except vinyl will be allowed.	SHALL ALSO MEET THE FOLLOWING CRITERIA OR EQUIVALENT AS APPROVED BY THE CITY COUNCIL.	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 11. 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 third and fourth floor elevation between third and fourth floor
	Underrepresented R 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 borefit to the City (should be supported by a retail leakage study).	ING CRITERIA OR E	8. Minimum widths of all exit routes: 48" for ha 9. No balconies are permitted 10. Provide for natural daylight requirements of a 11. On facades facing any street use only fixed w 12. Design of all other windows to prevent passir 13. Prevent by physical means access to all roofs 14. Where access is not required, provide security new or existing buildings 15. Provide a minimum of four 100 w. metal hali elevation between first and second floors and
PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS	Adaptive Reuse The building on the site was originally built before 1941. AND 70% of the area of existing exterior walls of the structure will remain AND Historic materials and designs are preserved and/or restored.	EET THE FOLLOW	CET THE FOLLOW round floor rutial uses street and provide h doors that serve rrhead door and chead door and
	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. AND 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 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.		
PROJ OF	Slum and Bighted Broperties 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.	ALL RESIDENTIAL USES	Limit commercial space in the s Provide separate entrances for c Locate all residential entrances t secure access control at each Prevent access from the exterior only as fire exits Prohibit public access to structus secure access control Secure access control access control Secure access control access cont

Attachment D Building Official Letter



November 4, 2013

Matt Randall Randall Corporation 420 S 17th Street Ames, Iowa 50010

RE: 2520 Chamberlain Street

Dear Matt,

Thank you for your patience as we worked on a response to your request for a slum and blight determination at 2520 Chamberlain Street. On Tuesday, October 22, 2013, Scott Ripperger, Adam Ostert and myself met you at 2520 Chamberlain Street to inspect the structure at your request.

The following was observed at the inspection:

- Structure was vacant;
- No utilities present (water, sanitary sewer, electricity and natural gas);
- Structure was not secure (no front door and missing windows);
- Interior damage due to water infiltration;
- Roof structure is a future concern due to the water infiltration; and,
- The floor was compromised in several areas.

Your request allowed the City staff to review the slum and blight criterion in the Campustown Urban Revitalization Plan. Our review showed that the determination of compliance with the slum and blight criterion is at the discretion of the City Council and is not administered by the Inspection Division. I understand that this is a departure from my predecessor; however it is the correct way to make sure that your project receives the right direction. This letter has also been copied to the Planning and Housing Department for inclusion in your project file.

Please do not hesitate to contact me if you have any questions. I can be reached by phone at (515) 239-5255 or by e-mail at sperkins@cityofames.org.

Sincerely,

Seana E. Perkins, AICP

Building Official City of Ames

cc by email:

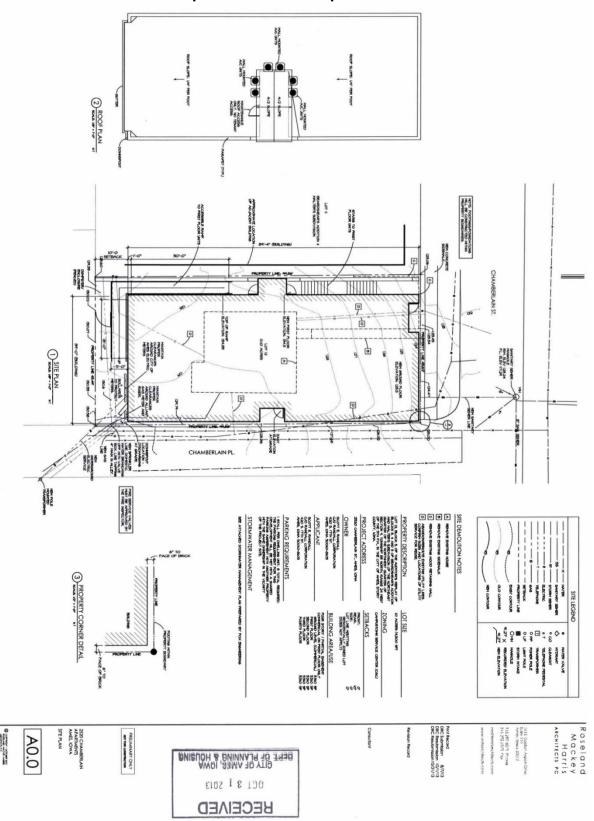
Shawn Bayouth, Fire Chief

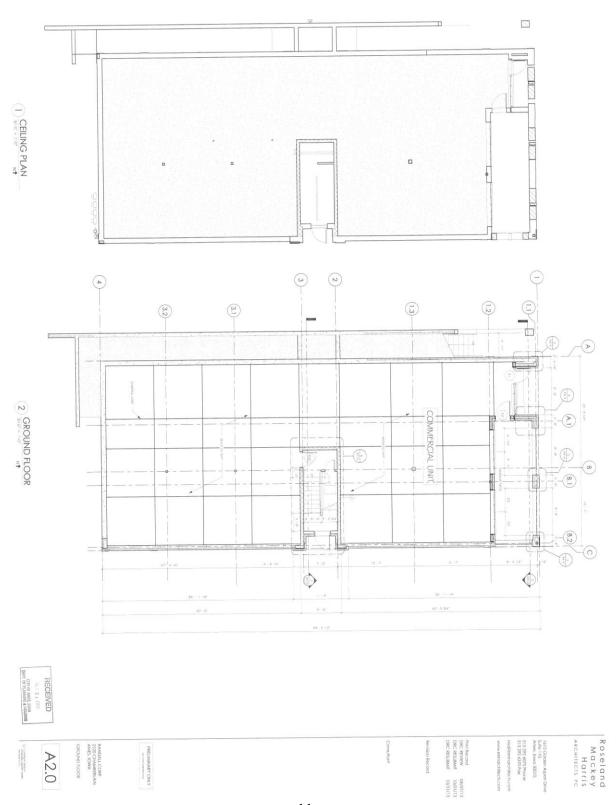
Scott Ripperger, Plans Examiner Adam Ostert, Building Inspector

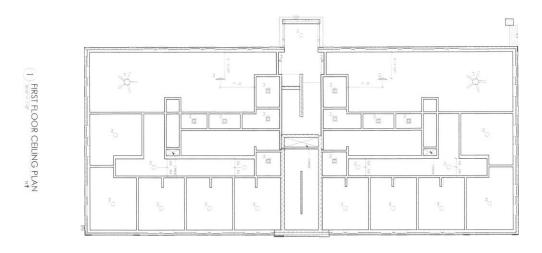
Kelly Diekmann, Planning & Housing Director

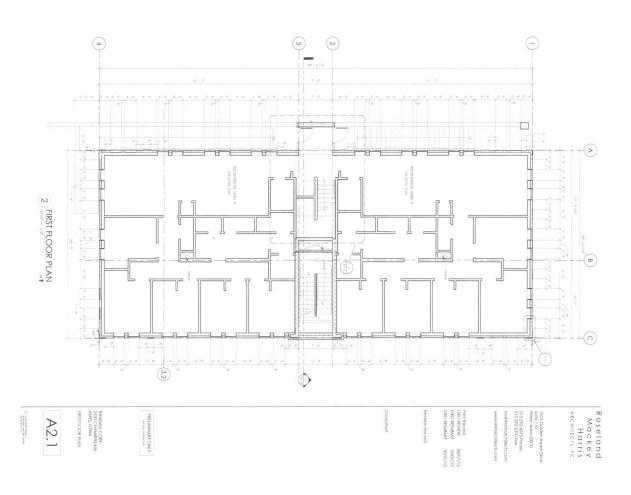
Karen Marren, Planner

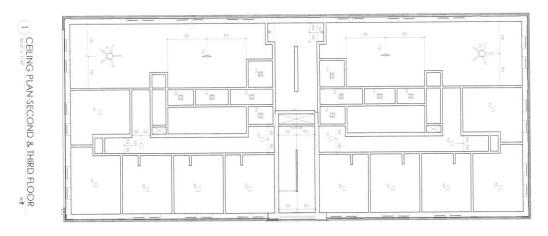
Attachment E
Proposed Site Development Plan

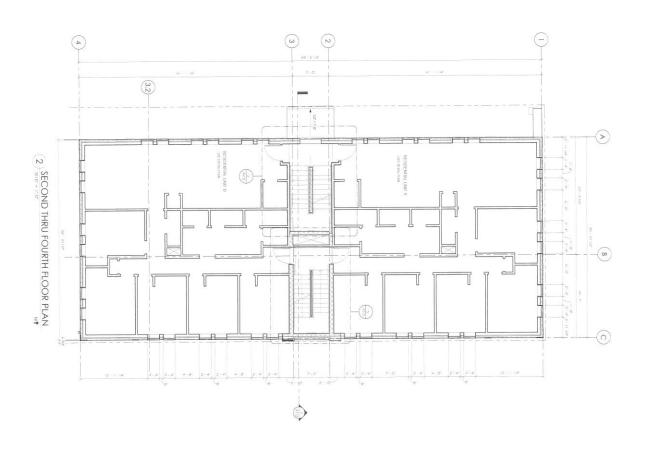












RANDALI CORP 2220 CHANBERIAN AMES JOWA SECOND THRU FOURTH FLOOR & CELING PLANS

