

COUNCIL ACTION FORM

**SUBJECT: IOWA STATE UNIVERSITY RESEARCH PARK EXPANSION –
DESIGNATION OF URBAN RENEWAL AREA, ADOPTION OF URBAN
RENEWAL PLAN, AND APPROVAL OF TAX INCREMENT FINANCING
DISTRICT ORDINANCE**

BACKGROUND:

At the October 14, 2014 City Council meeting, the City Council directed staff to complete the necessary steps to adopt an urban renewal area (URA) for the expansion of the Iowa State University Research Park (ISURP). To accomplish this directive, the following steps have occurred on these dates:

October 21

The City invited the Ames Community School Board of Education and Story County Board of Supervisors to a consultation. One representative from the Supervisors attended. These affected taxing entities provided no follow-up written comments as they are allowed to do under state urban renewal law.

October 28

The City published notice in the newspaper of public hearings (i.e., Urban Renewal and TIF Ordinance) to occur on November 10th. Notice was also mailed to the other taxing entities.

October 28

The Story County Board of Supervisors adopted a resolution allowing for right-of-way within the County to be included within the urban renewal area boundaries.

November 5

The Planning and Zoning Commission reviewed the draft urban renewal plan and forwarded its written recommendation to the City Council. The recommendation found that the plan conforms to the Ames Land Use Policy Plan, and is included in Appendix A of the plan.

Upon closing the public hearing, the City Council may approve a resolution adopting the urban renewal plan and establishing an urban renewal area. In addition, the City Council may approve an ordinance creating the tax increment financing (TIF) district. **The City Manager requests that the City Council waive the required three readings and pass the TIF ordinance on November 10th.** This request is to expedite the hiring of a consultant for the design of the necessary infrastructure improvements.

A map of the proposed urban renewal area is included as Attachment 1; and a map of the proposed tax increment finance district is included as Attachment 2. The complete urban renewal plan and draft TIF ordinance are separate attachments.

URBAN RENEWAL PLAN:

The necessary components of an urban renewal plan are defined by Chapter 403 of the Code of Iowa. It describes the project and its objectives, and includes a summary of the process of its preparation and adoption. The bulk of the plan identifies those components of the Land Use Policy Plan that are supported by the proposed urban renewal plan. The plan includes the delineation of the geographic boundaries of the approximately 285 acre area that includes parts of the existing research park and its expansion area. All actions associated with the urban renewal project must occur within the broader boundaries of the plan area.

Because a portion of this urban renewal area lies outside the city limits of Ames, the Story County Board of Supervisors were asked to approve the inclusion of that land (the west half of the University Boulevard right-of-way) in the urban renewal area. That approval was granted on October 28 and is included in the plan.

URBAN RENEWAL PROJECT:

This urban renewal project is intended to promote economic development for the Iowa State University Research Park. This will primarily be done with extensions of necessary public infrastructure. This will include the streets, water mains, sanitary sewer, storm sewer, and other public improvements. The plan contemplates use of Tax Increment Financing (TIF) in multiple phases to fund the City infrastructure. The maximum dollar amount available for TIF is \$7,000,000. As noted in a previous report to the City Council, new zoning will need to be adopted and applied to the Research Park in the future to allow for incorporation of supportive commercial uses with permitted research and development (R&D) and industrial uses.

Economic development objectives of this urban renewal project were found by Planning and Zoning Commission to be consistent with the Land Use Policy Plan. Specifically, Goal 1 and Goal 2 speak to support of management of growth and to provide for a diversity of employment opportunities in support of the overall community.

TAX INCREMENT FINANCING:

It is estimated that the City will contribute approximately \$2.8 million for the provision of utilities and streets for the Phase III expansion of the ISURP. This was detailed in the report to the City Council on October 14. It was also noted that the City will rely on TIF to fund the infrastructure improvements. The increased incremental property tax revenue from industrial development will provide for repayment of bonds. The proposed TIF district comprises just a portion of the proposed urban renewal area, but funds generated from this smaller area may be spent anywhere within the broader boundaries of the urban renewal plan area.

ALTERNATIVES:

1. The City Council can approve a resolution adopting the ISU Research Park Urban Renewal Plan and establishing the urban renewal area, and approve an ordinance on three readings creating a tax increment financing district.
2. The City Council can choose not to approve these items.

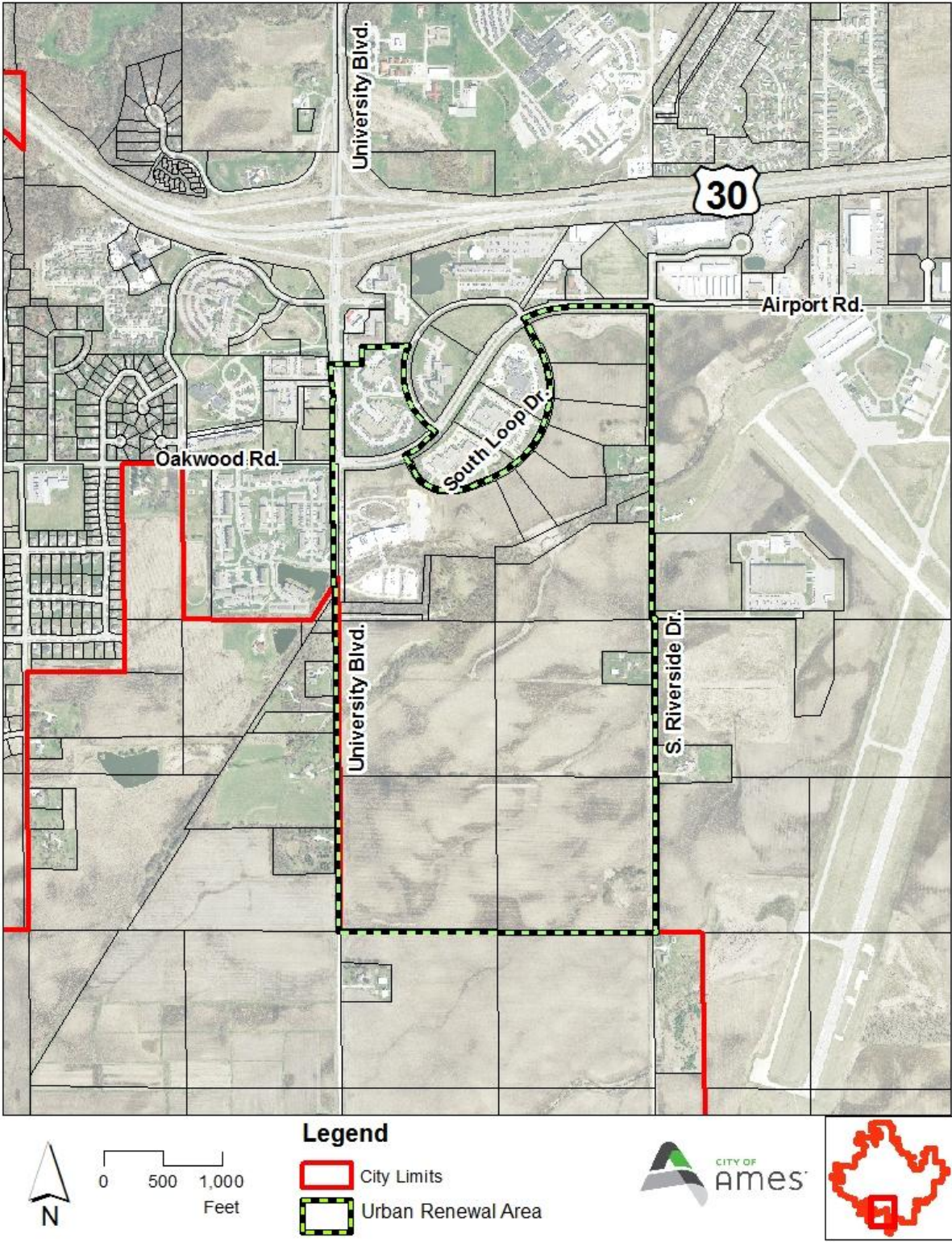
MANAGER'S RECOMMENDED ACTION:

Staff has implemented the direction of the City Council in preparing the urban renewal plan, holding the consultation with the affected taxing entities, forwarding the plan to the Planning and Zoning Commission, and setting November 10 for the public hearing on the establishment of the urban renewal area. On October 14 the City Council approved a Development Agreement with the ISU Research Park related to the shared costs of the infrastructure installation, and also approved the RISE grant agreement with the Iowa Department of Transportation.

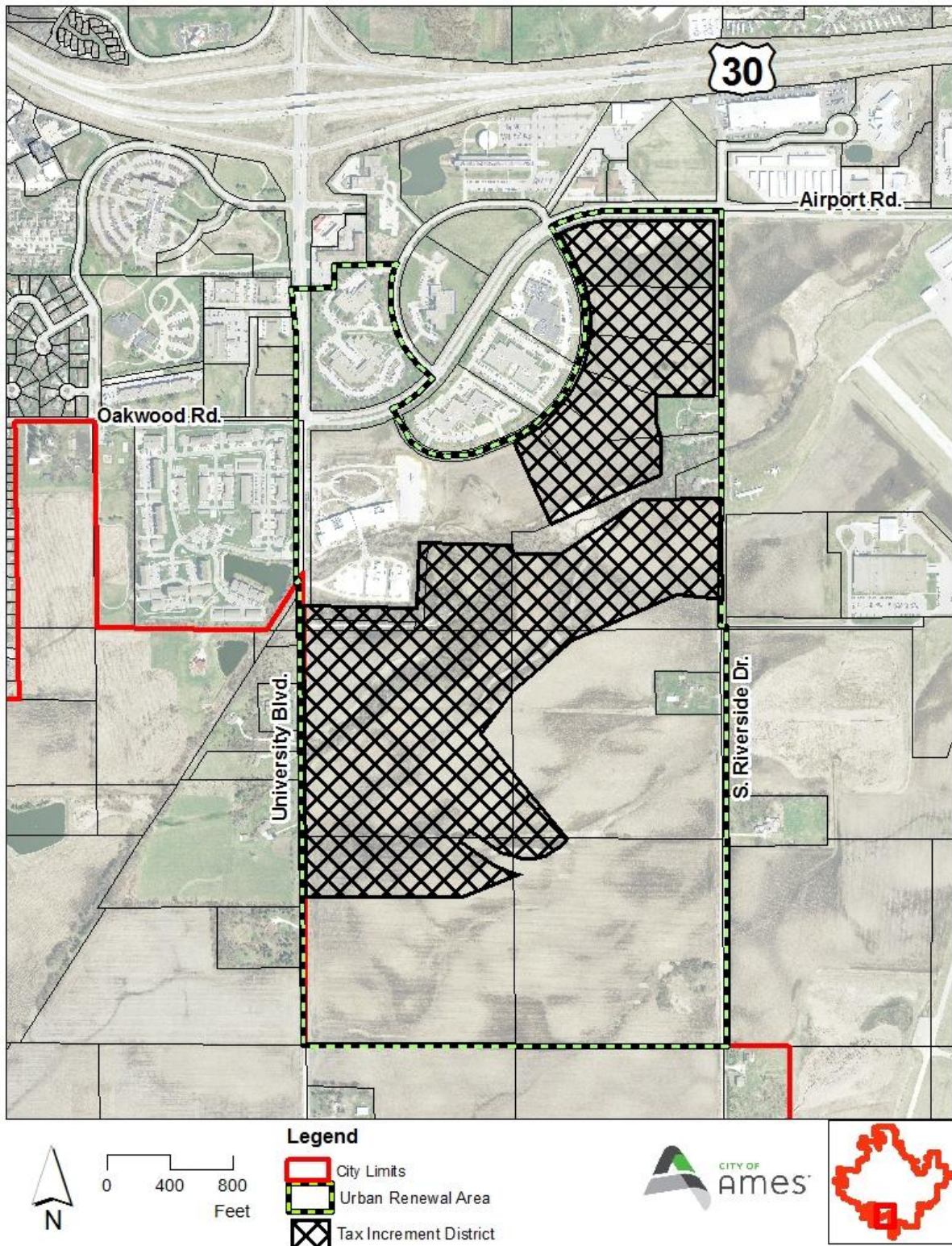
Therefore, it is the recommendation of the City Manager that the City Council accept Alternative #1, thereby (1) approving the resolution adopting the ISU Research Park Urban Renewal Plan and establishing the urban renewal area, and (2) approving the ordinance creating a tax increment financing district.

Since it will not be possible to incur expenses to begin the design of the required infrastructure in advance of the approval of the TIF ordinance, staff recommends that the TIF ordinance be approved on its second and third reading on November 10th as well. It is staff's intent to bring the recommendation before the Council to contract for the needed engineering services for the Phase III expansion in the near future.

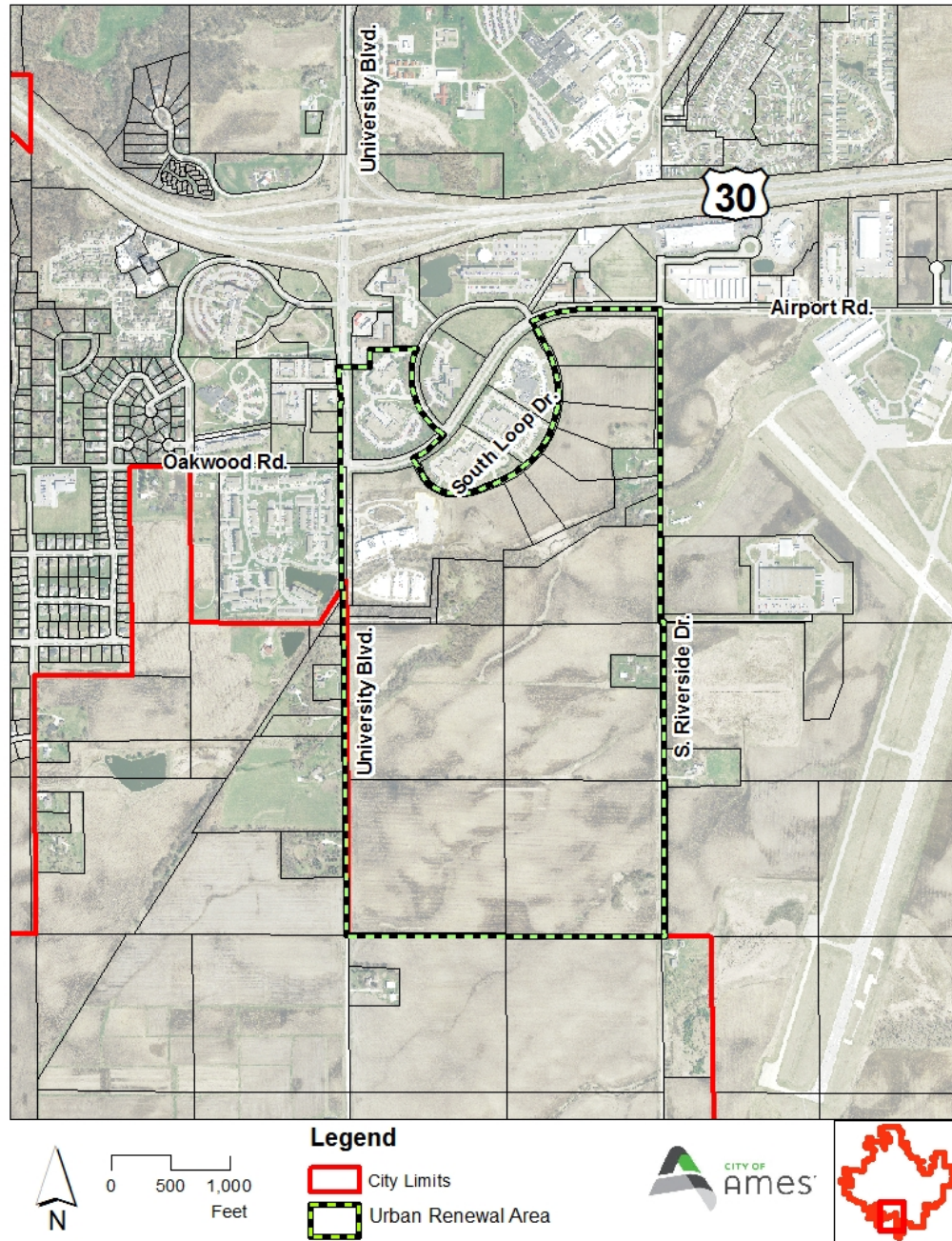
ATTACHMENT 1: PROPOSED ISU RESEARCH PARK URBAN RENEWAL AREA



ATTACHMENT 2: PROPOSED TIF DISTRICT



Urban Renewal Plan For ISU Research Park



Prepared by the
Dept. of Planning and Housing
and
Presented to the Ames City Council

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Urban Renewal Plan

This Urban Renewal Plan for the Iowa State University Research Park (the Plan) was prepared at the direction of the Ames City Council and in conformance with the Code of Iowa Chapter 403 Urban Renewal. This Plan comprises the necessary components as described in Chapter 403.17(24). In addition, it describes and documents the procedures followed in bringing the Plan forward, in approving the Plan, and in allowing the division of revenues from taxation (tax increment financing).

This Plan designates the urban renewal area as an economic development area as defined in Chapter 403.17(10). The general location of the urban renewal area is found in Attachment 1.

Plan Preparation and Adoption

PREPARATION AND COMMISSION ACTION

The City of Ames Department of Planning and Housing (the Department) prepared this Plan, initially presenting it to the Ames City Council on October 14, 2014. The City Council directed the Department to submit the Plan to the Planning and Zoning Commission (the Commission) for their review and to provide a recommendation as to its conformity with the general plan of the City—the Ames Land Use Policy Plan.

The Commission met on November 5, 2014 and heard a summary of the report and a recommendation from the Department. The Commission found that the Urban Renewal Plan is consistent with the Ames Land Use Policy Plan and recommend it's adoption by the City Council. The recommendation of the Commission is found in the Appendix.

NOTIFICATION AND CONSULTATIONS

During the preparation of this Plan, the City met the notification and consultation requirements of Code of Iowa Chapter 403.5. Notice was provided to the affected taxing entities (Story County Board of Supervisors and the Ames Community School District) since the urban renewal area includes an allowance for the division of revenues from taxation (tax increment financing). The notice of a consultation and a copy of the Plan was sent by regular mail to the taxing entities on October 15, 2014 for a consultation that was held on October 21, 2014. The taxing entities, their addresses and their representatives to the consultation are listed in the Appendix.

The taxing entities were notified that they had seven days following the consultation to provide any recommendations for modifications of the Plan. None were received.

CITY COUNCIL ACTION

The Ames City Council held a public hearing on November 10, 2014 to consider the adoption of the Plan, the resolution to establish the urban renewal area, and the ordinance to allow for the division of revenue from taxation (tax increment financing). Notification for the public hearing was as prescribed by Code of Iowa Chapter 403.5(3). Public notice was published in the Ames Tribune on October 28, 2014, a copy of which is included in the Appendix. In addition, a copy of the notice was sent by regular mail to the affected taxing entities.

At the public hearing, the City Manager presented a summary of the report and a recommendation to the City Council. The City Council was also presented with the recommendation of the Planning and Zoning Commission.

Agricultural Land

Code of Iowa Chapter 403.17.10 allows agricultural land (as defined by Code of Iowa Chapter 403.17(3)) to be included in an economic development area only with the consent of the owner of the land. The proposed urban renewal area comprises three parcels owned by the ISU Research Park and two parcels owned by Erben Hunziker and Margaret Hunziker Apartments, LLC. that meet the definition of agricultural land. The property owners provided their consent to allow their parcels to be included in the urban renewal area, which can be found in the Appendix.

Property Description

The proposed urban renewal area comprises twenty parcels. Additional rights of way are also included. A portion of this area lies outside the corporate limits of the City of Ames and is generally described as the west 33 feet of the University Boulevard/530th Avenue right-of-way easement under the jurisdiction of Story County. This area can be included in the urban renewal area with the consent of the Story County board of supervisors, in accordance with Code of Iowa Chapter 403.17(4). The supervisors provided their consent at their meeting on October 21, 2014, which can be found in the Appendix.

A map of the area is found in Attachment 2. The legal description of the urban renewal area is:

Beginning at the Southwest (SW) corner of the Northwest Quarter (NW ¼) of Section 22, Township 83 North, Range 24 West of the 5th PM, Story County, Iowa; thence North along the West line of said Section 22 to the Northwest (NW) corner of said Section 22, also the Southwest (SW) corner of Section 15, Township 83 North, Range 24 West of the 5th PM, Story County, Iowa; thence North along the West line of said Section 15 to the centerline of Airport Road, also being the Northwest corner of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of said Section 15; thence easterly along the centerline of Airport Road to the centerline of South Loop Drive; thence following the centerline of South Loop Drive to the centerline of Airport Road; thence easterly along the centerline of

Airport Road to the East right-of-way line (extended) of South Riverside Drive; thence South along the East right-of-way line of South Riverside Drive to the South line of the North Half (N ½) of said Section 22; thence West along the South line of the North Half (N ½) of said Section 22 to the Southwest (SW) corner of the Northwest Quarter (NW ¼) of said Section 22 also being the point of beginning; and

The East 33 feet of the Northeast Quarter (NE ¼) of Section 21, Township 83 North, Range 24 West of the 5th PM, Story County, Iowa, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and

The East 33 feet of Parcel "C" of the Southeast ¼ of the Southeast ¼ (SE ¼ SE ¼) of Section 16, Township 83 North, Range 24 West of the 5th PM, as described in a Plat of Survey recorded in the office of the Story County Recorder on October 12, 1998 on Slide 4 page 1 of the Recorder's Plat Cabinet as Instrument Number 98-14136, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and

The East 33 feet of that part of the Southeast ¼ of the Southeast ¼ of Section 16, Township 83 North, Range 24 West of the 5th PM, bounded as follows: On the Northeast by the East line of said Southeast ¼ of the Southeast ¼ of Section 16; On the Northwest by a line parallel with and distant 50 feet Northwesterly, measured at right angles, from the center line of the main track (now removed) of the Des Moines and Minnesota Railroad Company (now the Chicago and North Western Transportation Company), as said main track center line was originally located and established over and across said Section 16; On the Southwest by the South line of said Southeast ¼ of Section 16; And on the Southeast by said above described original main track center line, as described in a Deed recorded in the office of the Story County Recorder on February 8, 1991 as Instrument Number 05678, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and

The East 50 feet of Wessex Subdivision as described in a Subdivision Plat recorded in the office of the Story County Recorder on January 6, 1998 as Instrument Number 98-00182, also known as Lot "B" of said Wessex Subdivision and being the west half of the right-of-way of University Boulevard (Elwood Drive); and

Lot 3 except Parcel K (CFN 12-96), of Iowa State University Research Park Second Addition; and

The right-of-way of University Boulevard lying between a point 825 feet North of the centerline of Airport Road and the centerline of Airport Road and Oakwood Road, and

The northerly half of the right-of-way of Airport Road abutting Lot 3 except Parcel K (CFN 12-96), of Iowa State University Research Park Second Addition.

Urban Renewal Project Description

The proposed urban renewal area (hereinafter referred to as the “Area”) comprises approximately 285 acres of land adjacent to the existing Iowa State University Research Park (ISURP). In general, it is bounded on the west by University Boulevard, on the east by S. Riverside Drive, on the south by the Ames city limits, and on the north by Airport Road. It also includes a parcel on the north side of Airport Road.

The Project provides support for economic development and the necessary infrastructure for the expansion of the Iowa State University Research Park. The research park was established in 1987 and has continued to consistently expand throughout the years. The research park currently contains over 500,000 square feet of building space and pays almost \$1 million in property taxes each year. ISURP administration seeks to expand the area of the park and to significantly expand on the current employment base of 1,200 by recruiting leading and emerging firms in the bio-technology, agriculture, technology, and software industries. Support services for employment uses may also be integrated into the research park. Phase III is the first phase of the research park’s expansion into new lands recently annexed into the City of Ames.

To help accomplish this expansion, the ISURP received a legislative appropriation of \$12 million for an ISU Economic Development Core Facility building. This building will house ISU’s economic development offices, which will include ISURP administration offices, Office of Economic Development and Industry Relations, the Center for Industrial Research and Service, the Iowa Small Business Development Center, the Pappajohn Center for Entrepreneurship, ISU’s Office of Intellectual Property and Technology Transfer, the Iowa State Research Foundation, and the Cultivation Corridor regional economic development project. This appropriation and subsequent grant of RISE funding from the Iowa Department of Transportation, along with tax-increment financing, will provide the necessary funding for streets, water service, sanitary sewer, storm sewer, and other necessary infrastructure.

The project will provide improvements to University Boulevard and S. Riverside Drive adjacent to the development. Capacity improvements at the intersection of University Boulevard and Airport Road are also a part of the project. There will also be a new road, generally running east/west, connecting University Boulevard and S. Riverside Drive which will provide access to the ISU Economic Development Core Facility building as well as the new industrial development. The project will also include the installation of the sanitary sewer and water mains along University Boulevard, S. Riverside Drive, and the new east/west street.

Urban Renewal Plan Objectives

This urban renewal area is being created to expand the available inventory of fully serviced industrial land within Ames and target office and research and

development uses. The objectives of this plan are consistent with the Land Use Policy Plan and are listed below.

- To facilitate the expansion of the Iowa State University Research Park.
- Establish the Research Park as a nationally recognized Innovation District.
- Support employment uses with complementary commercial and service uses.
- To provide employment opportunities in the high-tech research and industrial sector and increase the employment base of the community.
- To increase the assessed valuations of the property tax base of the city.
- To provide these lots at below-market prices as an incentive for development.
- To create a public-private partnership to encourage development in the New Lands.
- To create a mechanism to fund the necessary infrastructure of that expansion.

Conformance with Land Use Policy Plan

The Land Use Policy Plan, adopted by the City Council in 1997 and subsequently amended, provides guidance on support of the growth of the City and economic development. The LUPP includes a narrative discussion of the goals and objectives of the City as well as maps and diagrams of City's policies. The Project is situated in area mapped with a Land Use Designation of Planned Industrial. See Attachment 3

GROWTH DETERMINANTS (LUPP PP. 12)

Population projections for the City of Ames, completed in 2011, show a population of between 61,270 to 72,771 by the year 2030. This increase in population from the 2010 census figures of 58,965 will require increases in housing and employment opportunities.

GOALS FOR A NEW VISION (LUPP PP. 18-27)

Goals for a New Vision of the Land Use Policy Plan describe ten goals in broad categories, as well as a number of objectives to meet those goals. Those that more greatly influence the development of an industrial urban renewal area are quoted below. Some goals are not included as they bear little relationship to this economic development issue. The text of the LUPP is shown below in serif font.

Emphasis is added to the more pertinent passages.

Goal No. 1. Recognizing that additional population and economic growth is likely, it is the goal of Ames to plan for and manage growth within the context of the community's capacity and preferences. It is the further goal of the community to manage its growth so that it is more sustainable, predictable and assures quality of life.

Objectives. In managing growth, Ames seeks the following objectives.

- 1.A. **Ames seeks to diversify the economy and create a more regional employment and market base. While continuing to support its existing economic activities, the community seeks to broaden the range of private and public investment.**
- 1.B. Ames seeks to integrate its growth with an economic development strategy for the Central Iowa region.
- 1.C. **Ames seeks to manage a population and employment base that can be supported by the community's capacity for growth. A population base of 61,000-73,000 and an employment base of up to 34,000 is targeted within the City.** Additionally, it is estimated that the population in the combined City and unincorporated Planning Area could be as much as 67,000 and the employment base could be as much as 38,000 by the year 2030.

Goal No. 2. In preparing for the target population and employment growth, it is the goal of Ames to assure the adequate provision and availability of developable land. It is the further goal of the community to guide the character, location, and compatibility of growth with the area's natural resources and rural areas.

Objectives. In assuring and guiding areas for growth, Ames seeks the following objectives.

- 2.A. **Ames seeks to provide at least 600 to 2,500 acres of additional developable land within the present City and Planning Area by the year 2030.** Since the potential demand exceeds the supply within the current corporate limits, alternate sources shall be sought by the community through limited intensification of existing areas while concentrating on the annexation and development of new areas. The use of existing and new areas should be selective rather than general.
- 2.B. Ames seeks to assure the availability of sufficient suitable land resources to accommodate the range of land uses that are planned to meet growth. Sufficient land resources shall be sought to eliminate market constraints.
- 2.C. Ames seeks a development process that achieves greater compatibility among new and existing development.
- 2.D. Ames seeks a development process that achieves greater conservation of natural resources and compatibility between development and the environment.

- 2.E. Ames seeks to integrate its planning with that of Story County and surrounding counties in assuring an efficient and compatible development pattern, and in assuring that there are adequate agricultural resources to serve the region.

Goal No. 5. It is the goal of Ames to establish a cost-effective and efficient growth pattern for development in new areas and in a limited number of existing areas for intensification. It is a further goal of the community to link the timing of development with the installation of public infrastructure including utilities, multi-modal transportation system, parks and open space.

Objectives. In defining the growth pattern and timing of development, Ames seeks the following objectives.

- 5.A. **Ames seeks to establish priority areas for growth in which there are adequate and available land resources and infrastructure to meet the major development requirements through the year 2030.**
- 5.B. **Ames seeks to attract public and private capital investment in the priority areas for growth on a concurrency basis (i.e. having infrastructure available at the time of development approval).** Public capital improvements (e.g. trunk lines and a major street system) could be used to leverage the location of development and the availability of land.
- 5.C. Ames seeks the continuance of development in emerging and infill areas where there is existing public infrastructure and where capacity permits.
- 5.D. Ames seeks to have the real costs of development borne by the initiating agent when it occurs outside of priority areas for growth and areas served by existing infrastructure.
- 5.E. Ames seeks to integrate its planning with that of Story County and regional planning agencies.

Goal No. 7. It is the goal of Ames to provide greater mobility through more efficient use of personal automobiles and enhanced availability of an integrated system including alternative modes of transportation.

Objectives. In achieving a more mobile community, Ames seeks the following objectives.

- 7.A. **Ames seeks to establish a comprehensive and integrated transportation system that includes automotive, public transit, pedestrian, bicycle and ride-sharing modes.**
- 7.B. **Ames seeks a transportation system that is linked with the desired development pattern of the overall community and areas therein.**

- 7.C. Ames seeks to establish new transportation corridors that have been planned, in part, to minimize impacts on significant natural resources.
- 7.D. **Ames seeks to increase the efficiency of existing traffic movement in reducing air pollutants from automobiles** (e.g. improving intersection movements to minimize delays and conserve energy).
- 7.E. Ames seeks a development pattern that protects and supports the airport and its flight approach zones.

Goal No. 9. It is the goal of Ames to promote expansion and diversification of the economy in creating a base that is more self-sufficient and that is more sustainable with regard to the environment.

Objectives. In creating an economic base that is more self-sufficient and environmentally sustainable, Ames seeks the following objectives.

- 9.A. **Ames seeks more diversified regional employment opportunities involving technology-related services and production, office centers and retail centers.**
- 9.B. Ames seeks to attract and support a small- and medium-size business center that utilizes the skills and products of the area's trained workforce.
- 9.C. **Ames seeks to expand its research and technology development through greater private, public and university coordination and cooperation.**
- 9.D. **Ames seeks economic activities that are compatible and sustainable with its environment.**

FUTURE LAND USE ALLOCATIONS (LUPP P. 33)

"An additional 55-325 acres should be allocated for future industrial uses. Included are approximately 45-240 acres for planned industrial involving industrial park-type settings, plus 14-85 acres for general industrial involving non-park settings."

FUTURE LAND USE POLICY PLAN MAP

The area of the proposed urban renewal area is identified on the Land Use Policy Plan Map as Planned Industrial. See Attachment 3.

NEW LANDS POLICY OPTIONS (LUPP PP. 62-63)

The area of the proposed urban renewal area is described as New Lands Area on page 53. The New Lands Area proposes the following information relating to industrial land.

“Industrial Expansion Areas. In further supporting the community’s goal for economic expansion, additional industrial uses are needed. Expansion areas are recommended for both private sector activities and ISU research park activities. It is recommended that the New Lands area provide the base for the community’s industrial expansion....”

“Planned Industrial. It is recommended that much of the new industrial uses be associated with planned industrial parks. These planned industrial parks should be located in conjunction with a limited - access highway. A limited- access highway location provides adequate ingress and egress for the regional - scale activities without imposing the associated extraneous traffic on the community’s internal traffic system.

“Uses. All future large-scale industrial activities should be located in planned industrial parks. Locating large-scale activities in parks assures adequate land area, access, utilities provisions and environmental controls. The park locations also assure that appearances are compatible with the community’s entries along which planned industrial locations are recommended.

OTHER LUPP ISSUES

The Land Use Policy Plan presents no contradiction in the use of this land as planned industrial and as the expansion of the ISU Research Park. There are no issues associated with the proposed industrial land use that are contradicted by the Natural Resources Inventory or Natural Resources Suitability Analysis (pp.80-82).

SUMMARY

The urban renewal plan and the proposed urban renewal project are consistent with and supported by the goals of the Ames Land Use Policy Plan. This is demonstrated by:

- The area will support an increased employment base moving the City closer to its 2030 employment projections.
- The area provides 200 gross acres of land moving the City closer to its anticipated increase of 300 to 375 acres of new industrial land.
- Development of the area assures the immediate availability of planned industrial developable land.
- The project improves existing connection and provides new connections in the City’s transportation network.
- The project leverages private development with its investment of public resources.
- The project supports and the area is adjacent to an existing planned industrial area and public infrastructure is immediately adjacent.
- The area lies within a planned industrial designation of the Land Use Policy Plan Map.
- The scale of the project is consistent with the Land Use Policy Plan’s description of planned industrial in which “all future large-scale industrial activities should be located in planned industrial parks.”

- The area lies within the New Lands Area, which is identified for the community's industrial expansion.

Conformance with Zoning and Current Use

The Area is currently zoned A-Agriculture. This zoning designation was applied upon annexation in September, 2014, consistent with the requirements of the Ames Zoning Ordinance. A zoning map amendment to the PI-Planned Industrial designation has been filed with the City and its approval is anticipated prior to development. The land is currently being used for agricultural purposes.

City's Debt Obligations

This urban renewal area will include a provision for tax increment financing. In accordance with Code of Iowa Chapter 403.17(24)(c), the following financial information is provided.

CURRENT GENERAL OBLIGATION AND REVENUE BOND DEBT

					As of 9/30/'14
	Date of Issue	Interest Rates	Amount Originally Issued	Maturity Date	Outstanding 9/30/'14
General obligation bonds:					
Corporate purpose	2006	4.000%	\$ 5,285,000	2018	\$ 2,100,000
Corporate purpose	2007	3.75-4.15%	\$ 9,130,000	2019	\$ 4,820,000
Corporate purpose	2008	3.75-4.15%	\$ 5,855,000	2020	\$ 4,745,000
Corporate purpose	2009	2.00-3.50%	\$ 11,165,000	2021	\$ 7,145,000
Corporate purpose	2010	2.00-2.50%	\$ 6,690,000	2022	\$ 4,745,000
Refunding	2011	2.00-3.35%	\$ 5,980,000	2021	\$ 2,150,000
Corporate purpose	2011	1.00-2.40%	\$ 6,675,000	2023	\$ 5,090,000
Corporate purpose	2012	1.50-3.00%	\$ 11,325,000	2032	\$ 11,045,000
Corporate purpose/refunding	2013	2.00-3.125%	\$ 21,220,000	2032	\$ 20,420,000
Corporate purpose	2014	2.00- 2.50%	\$ 9,965,000	2026	\$ 9,965,000
Total general obligation bonds			\$ 93,290,000		\$ 72,225,000
Revenue bonds:					
Hospital improvement	2011	3.00-5.625%	\$ 65,000,000	2036	\$ 64,060,000
Hospital improvement/refunding	2012	2.07%	\$ 26,000,000	2027	\$ 22,270,000
Total revenue bonds			\$ 91,000,000		\$ 86,330,000
TOTAL ALL BONDS					\$ 158,555,000

CURRENT CONSTITUTIONAL DEBT LIMIT AND CAPACITY

	As of 9/30/'14
Total Actual Valuation	\$ 3,536,735,367
State Mandated Debt Limit*	\$ 176,836,768
City Reserve (25% of Limit) [†]	<u>(\$ 44,209,192)</u>
Un-Reserved Debt Capacity	\$ 132,627,576
Outstanding Debt	\$ 72,225,000
Total Debt Subject to Limit	\$ 72,225,000
[†] Available Un-Reserved Debt Capacity City Policy(\$)	\$ 60,402,576
Available Un-Reserved Debt Capacity City Policy (%)	45.54%
*Total Debt Capacity Available (\$)	\$ 104,611,768
Total Debt Capacity Available (%)	59.16%

Notes:

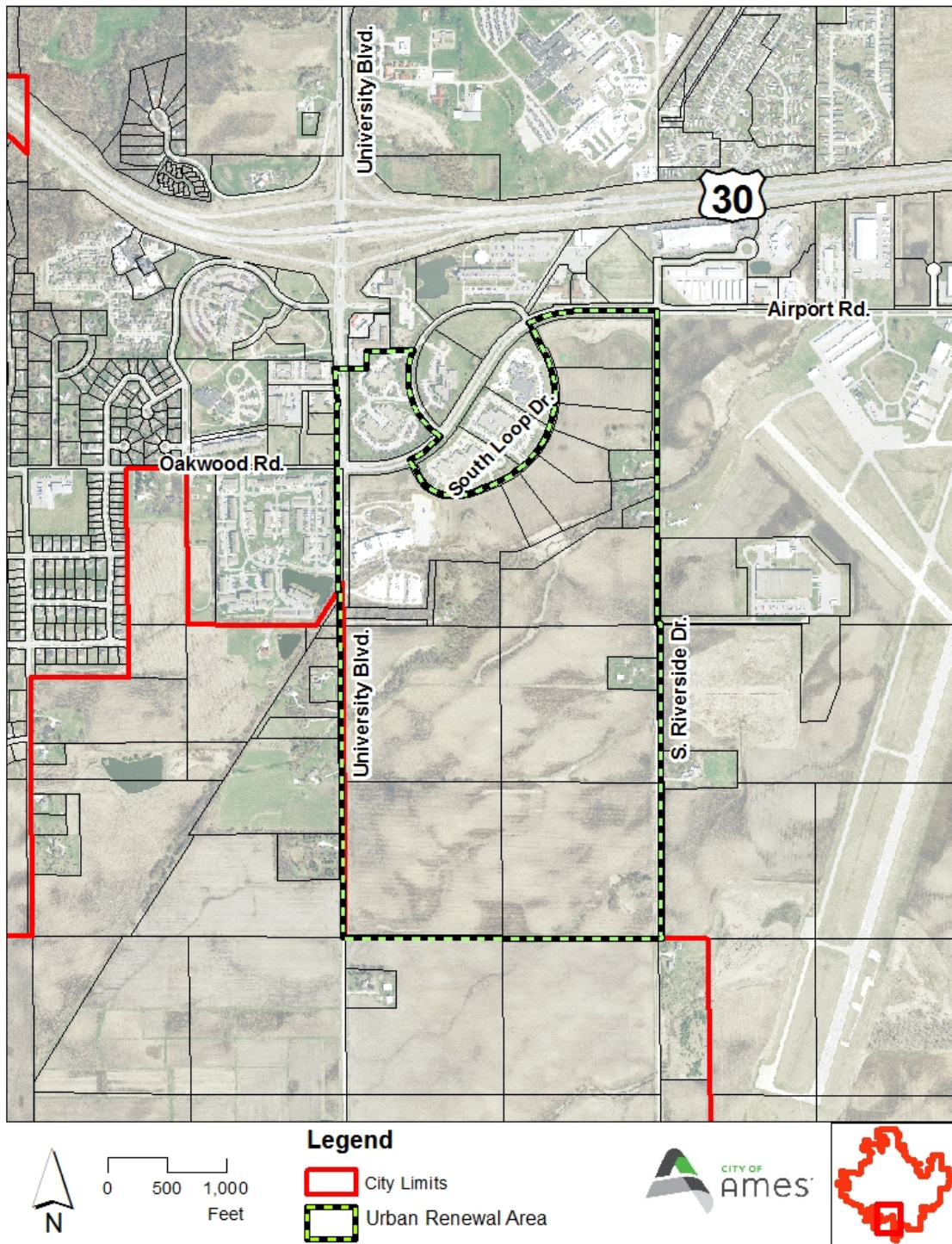
*Iowa statutory debt limit is 5 percent of total city valuation

[†]City policy reserves 25 percent of available debt capacity

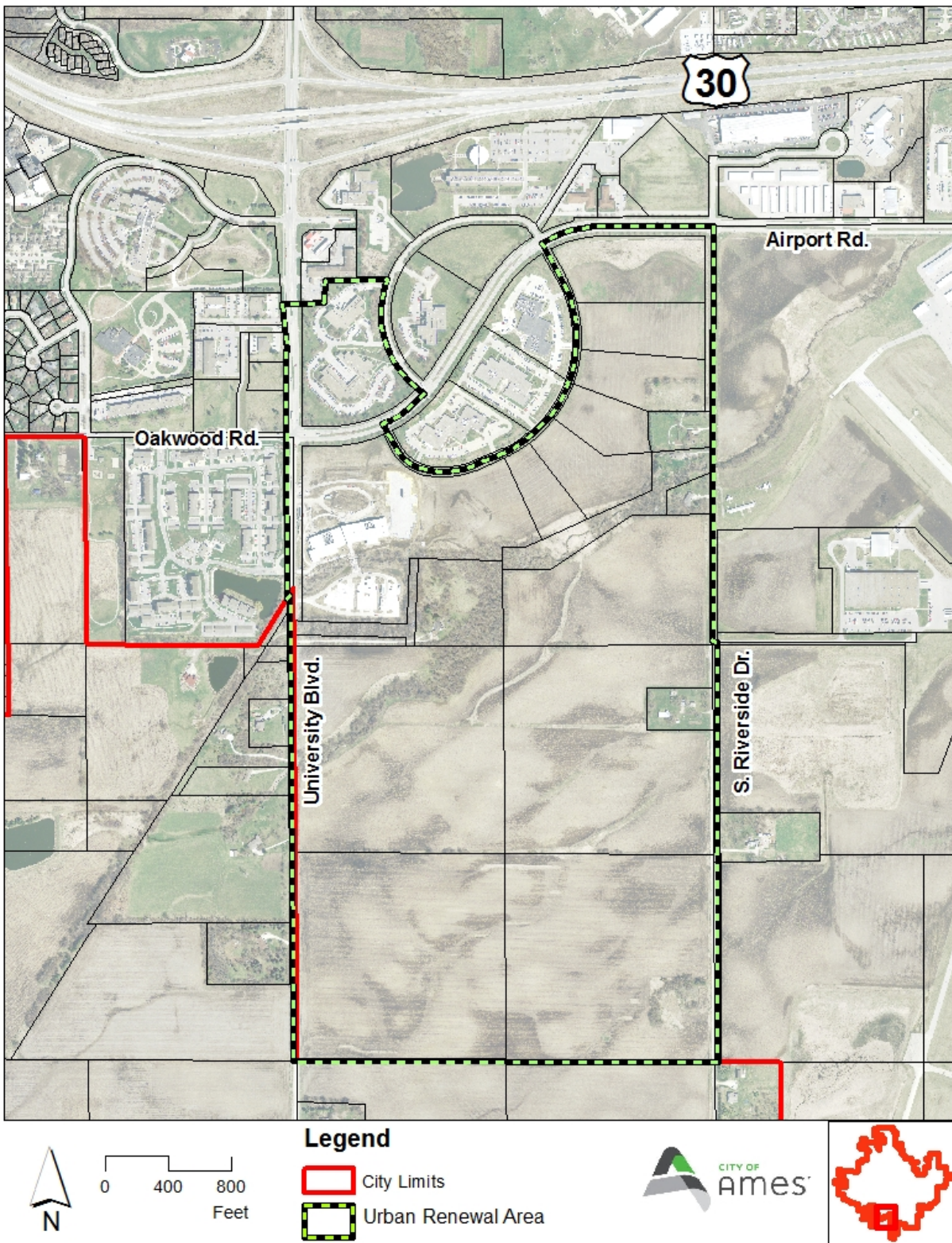
PROPOSED AMOUNT OF INDEBTEDNESS

The project will rely on the use of tax-increment financing to pay for some the infrastructure improvements. TIF districts will be created in phases as the funding for each phase of development is needed. The first phase of development utilizing TIF would be approximately \$4 million dollars. The additional phases of TIF financing may increase the overall funding to \$7 million.

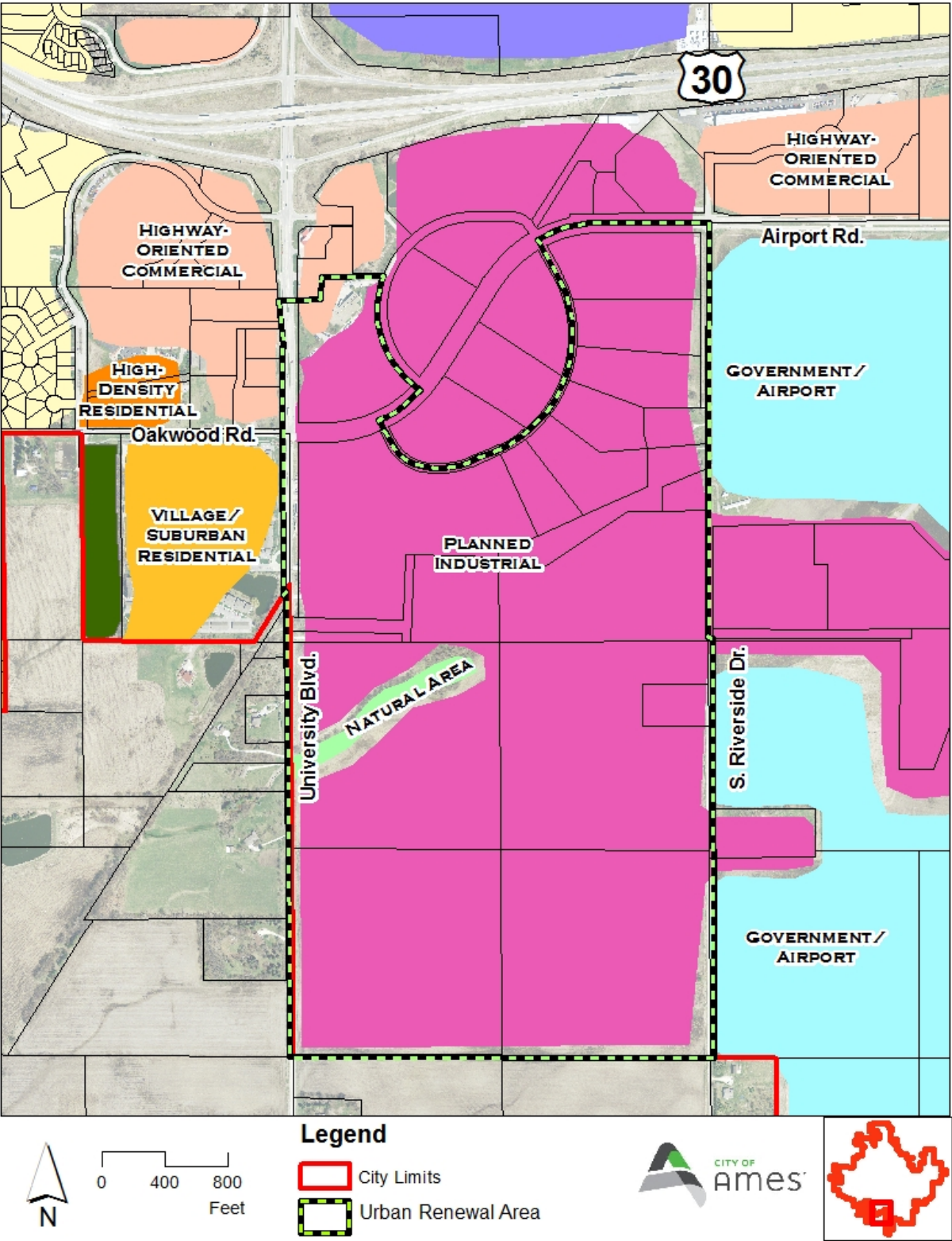
ATTACHMENT 1: VICINITY MAP



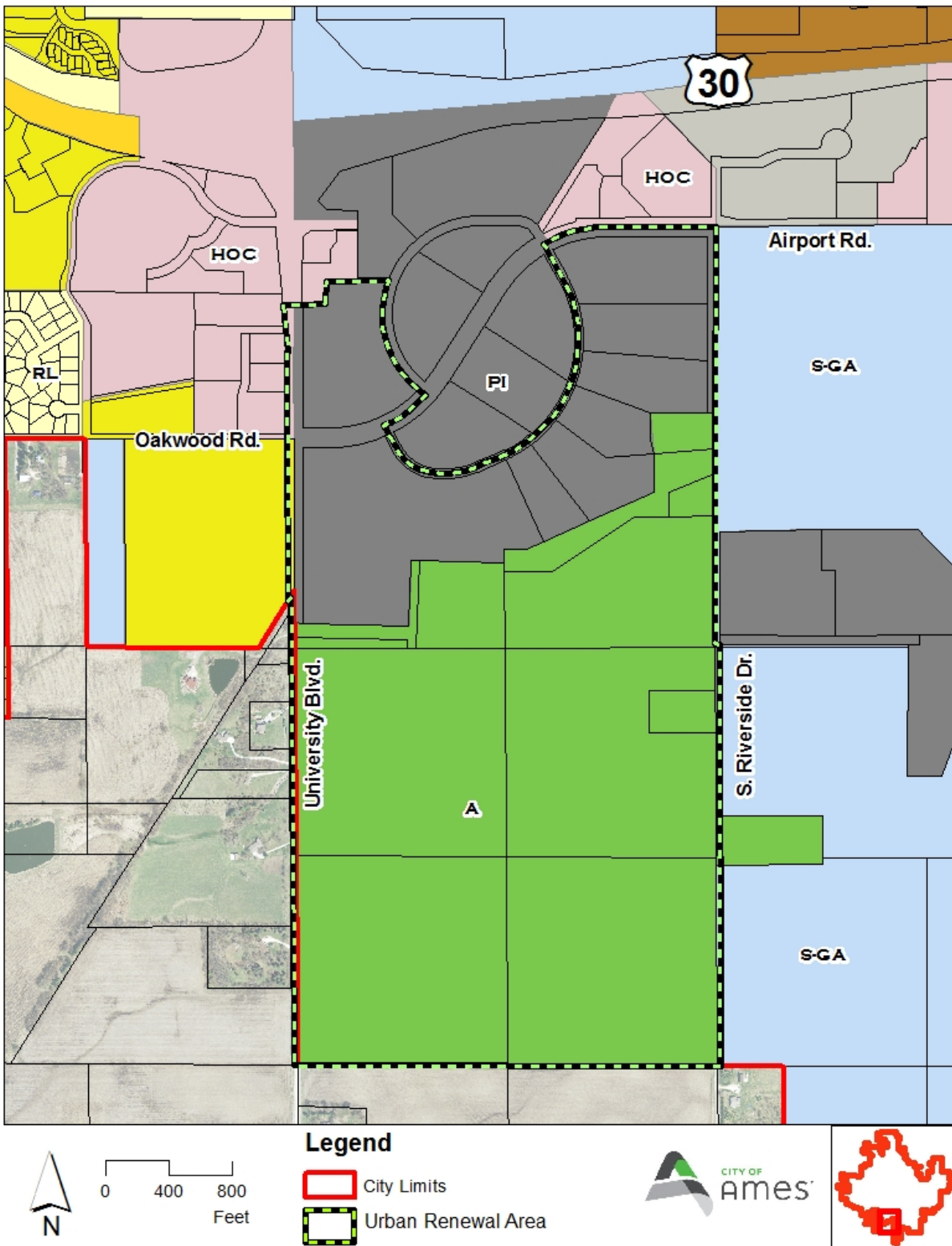
ATTACHMENT 2: PROJECT AREA



ATTACHMENT 3: LUPP FUTURE LAND USE MAP



ATTACHMENT 4: ZONING MAP



Appendix A

Recommendation of the Planning and Zoning Commission of November 5, 2014.



Ames City Council and Mayor
515 Clark Avenue
Ames, IA 50010

Dear City Council and Mayor:

The Ames Planning and Zoning Commission received and reviewed the draft Urban Renewal Plan for the Iowa State University Research Park Urban Renewal Area. At its regular meeting on November 5, the Commission found that the proposed Plan conforms to the Ames Land Use Policy Plan by noting that:

- The area will support an increased employment base moving the City closer to its 2030 employment projections.
- The area provides 200 gross acres of land moving the City closer to its anticipated increase of 300 to 375 acres of new industrial land.
- Development of the area assures the immediate availability of planned industrial developable land.
- The project improves existing connection and provides new connections in the City's transportation network.
- The project leverages private development with its investment of public resources.
- The project supports and the area is adjacent to an existing planned industrial area and public infrastructure is immediately adjacent.
- The area lies within a planned industrial designation of the Land Use Policy Plan Map.
- The scale of the project is consistent with the Land Use Policy Plan's description of planned industrial in which "all future large-scale industrial activities should be located in planned industrial parks."
- The area lies within the New Lands Area, which is identified for the community's industrial expansion.

Sincerely,

A handwritten signature in blue ink that reads 'Debra Lee'.

Debra Lee
Chairperson

Planning and Housing Department

515.239.5400 *main*
515.239.5404 *fax*

515 Clark Ave. P.O. Box 811
Ames, IA 50010
www.CityofAmes.org

Appendix B

Affected Taxing Entities and Their Representatives

Affected Taxing Entity	Mailing Address	Representative to Consultation
City of Ames	PO Box 811 Ames, IA 50010	Kelly Diekmann, Planning and Housing Director
Ames Community School District	415 Stanton Avenue Ames, IA 50014	None attended
Story County	900 6th Street Nevada, IA 50201	Rick Sanders, Supervisor

Appendix C

Notice of Consultation to Affected Taxing Entities [Notice to Supervisors shown.].



October 15, 2014

Story County Board of Supervisors
900 6th Street
Nevada, IA 50201

RE: Proposed Urban Renewal Area

Dear Story County Board:

The City of Ames is preparing an Urban Renewal Area and considering the creation of a Tax Increment Financing District as allowed by Code of Iowa 403.19. I am enclosing a copy of the draft Urban Renewal Plan.

In accordance with Code of Iowa 403.5 (2), you or a representative you appoint, are invited to attend a consultation with the Planning and Housing Director, appointed by the Ames City Council as their representative. The consultation will be held in Room 235 of City Hall, 515 Clark Avenue, Ames, Iowa on Tuesday, October 21, 2014 at 4:00 P.M. In accordance with state law, the representative will have seven days following the consultation to submit written recommendations for modifications to the proposed Tax-Increment Financing. The City will review the written recommendations and provide written responses no later than seven days before the public hearing scheduled for November 10, 2014.

Please feel free to contact me if you have any questions.

Sincerely,

Kelly Diekmann
Planning and Housing Director

CC: Charlie Kuester, Planner
Diane Voss, City Clerk
Judy Parks, City Attorney

Enclosure

Planning and Housing Department

515.239.5400 *main*
515.239.5404 *fax*

515 Clark Ave. P.O. Box 811
Ames, IA 50010
www.CityofAmes.org

Appendix D

Notice of public hearing published in the Ames Tribune on October 28, 2014 and mailed to the Affected Taxing Entities.

NOTICE OF PUBLIC HEARING ON DESIGNATION OF THE IOWA STATE UNIVERSITY RESEARCH PARK URBAN RENEWAL AREA AND ON PROPOSED URBAN RENEWAL PLAN AND PROJECT

Notice Is Hereby Given: That at 7:00 o'clock p.m., at the City Hall Council Chambers, Ames, Iowa, on the 10th day of November, 2014, the Ames City Council will hold a public hearing on the question of designating as the Iowa State University Research Park Urban Renewal Area, pursuant to Chapter 403, Code of Iowa, certain property generally described as follows: 285 acres of land adjacent to and within the existing Iowa State University Research Park; said land bounded on the west by University Boulevard, on the east by S. Riverside Drive, on the south by the Ames city limits, and on the north by Airport Road; and also including a parcel on the north side of Airport Road. The subject matter of the public hearing will also include a proposed Urban Renewal Plan and project for the Iowa State University Research Park Urban Renewal Area identified above, pursuant to Chapter 403, Code of Iowa, a copy of which Plan is on file for public inspection in the office of the City Clerk. The general scope of the proposed urban renewal plan, as more specifically described therein, includes the following: Promoting economic development for the Iowa State University Research Park in Ames, to be done primarily with extensions of necessary public infrastructure. development. The initial purpose of the Plan is to make it possible to use tax increment financing in multiple phases to fund the City infrastructure, to include streets, water mains, sanitary sewer, storm sewer, and other public improvements. The future uses of the area are contemplated to be commercial, industrial, and permitted research and development. At the hearing any interested person may file written objections or comments and may be heard with respect to the subject matter of the hearing.

Diane Voss, City Clerk

Appendix E

Owner's Consent to Inclusion of Agriculture Property.



September 30, 2014

To Whom it May Concern:

As the owner of, The South Half of the Northwest Quarter of Section 22, Township 83 North, Range 24 West of the 5th P.M., Story County, Iowa, containing 79.72 acres, which includes 1.99 acres of existing public right of way, agree to the inclusion of this land in the urban renewal area.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dean Hunziker", written over a horizontal line.

Dean Hunziker

Trustee

AMES

105 South 16th Street
Ames, Iowa 50010-8009
(515) 233-4450

ANKENY

1255 N. Ankeny Blvd., Suite 101
Ankeny, IA 50023
(515) 963-8618

BOONE

700 Story Street
Boone, Iowa 50036
(515) 432-8699

NEVADA

1104 6th Street
Nevada, Iowa 50201
(515) 382-5667

Appendix E

Owner's Consent to Inclusion of Agriculture Property.



Building 4, Suite 4050
2711 South Loop Drive
Ames, IA 50010
515-296-PARK
www.isupark.org

October 1, 2014

Mr. Charles Kuester
Planner
City of Ames
515 Clark Avenue
Ames, IA 50010

RE: Urban Renewal Area

Dear Charlie:

The Iowa State University Research Park acquiesces in our inclusion into the City's proposed urban renewal area. The property is more particularly described as:

Parcel L in the Southeast Quarter of the Southwest Quarter of Section 15 AND part of the North Half of the Northwest Quarter of Section 22, all in Township 83 North, Range 24 West of the 5th P.M., Story County, Iowa, all together being more particularly described as follows: Beginning at the Northwest Corner of said Section 22; thence S89°19'57"E, 1319.43 feet to the Northeast Corner of the Northwest Quarter of the Northwest Quarter of said Section 22, said point also being the Southwest Corner of said Parcel L; thence following the boundary of said Parcel L N00°1 1' 8"E, 489.46 feet to the Northwest Corner thereof; thence S89°14'47"E, 296.62 feet; thence N56°46'25"E, 622.15 feet; thence N89°52'19"E, 512.38 feet to the Northeast Corner of said Parcel L; thence S00°10'26"W, 843.11 feet to the Southeast Corner thereof, said point also being the North Quarter Corner of said Section 22; thence S00°19'19"E, 241.41 feet along the East line of the Northwest Quarter of said Section 22 to the Northeast Corner of an existing parcel, described in a Quit Claim Deed filed at Inst. No. 94-05359; thence running coincident with the boundary of said existing parcel S89°36'11"W, 411.96 feet to the Northwest Corner thereof; thence S00°19'27"E, 272.09 feet to the Southwest Corner thereof; thence N89°35'28"E, 411.95 feet to the Southeast Corner thereof; thence S00°19'19"E, 793.23 feet along the East line of said Northwest Quarter to the Southeast Corner of the Northeast Quarter of the Northwest Quarter; thence N89°36'16"W, 2646.10 feet to the Southwest Corner of the Northwest Quarter of the Northwest Quarter; thence N00°23'42"W, 1319.25 feet to the point of beginning, containing 98.31 acres, which includes 2.42 acres of existing public right of way.

Please let us know if you have any questions or comments.

Sincerely,

IOWA STATE UNIVERSITY RESEARCH PARK

A handwritten signature in black ink, appearing to read 'Steven T. Carter'.

Steven T. Carter, President

U\URA Letter.docx

Appendix F

County's Consent to Inclusion of Unincorporated Land

RETURN TO:

SHELLY BELLILE
AUDITOR'S OFFICE

Instrument: 2014-0009668
Date: Oct 28, 2014 02:53:32P
Rec Fee: .00 E-Com Fee: .00
Aud Fee: .00 Trans Tax: .00
Rec Management Fee: .00
Non-Standard Page Fee: .00
Filed for record in Story County, Iowa
Susan L. Vande Kape, County Recorder

Prepared by: City of Ames, 515 Clark Ave., P.O. Box 511, Ames, IA 50010
Phone #515-239-5105

RESOLUTION #15-33

WHEREAS, the City of Ames, Iowa (the "City") has begun the process of establishing the Iowa State University Research Park Urban Renewal Area, pursuant to Chapter 403 of the Code of Iowa; and

WHEREAS, a portion of the property which is proposed to be included in the Iowa State University Research Park Urban Renewal Area is located outside the city limits and is legally described on Exhibit A hereto, (the "Property"); and

WHEREAS, in accordance with paragraph 4 of Section 403.17 of the Code of Iowa, a city may exercise urban renewal powers with respect to property which is located outside but within two miles of the boundary of a city only if the city obtains the consent of the county within which such property is located; and

WHEREAS, the City Council of the City has requested that the Board of Supervisors of Story County adopt a resolution giving its consent that the City may exercise urban renewal powers with respect to the Property;

NOW, THEREFORE, it is hereby resolved by the Board of Supervisors of Story County, Iowa, as follows:

Section 1. The Board of Supervisors of Story County hereby gives its consent that the City of Ames may exercise urban renewal powers pursuant to Chapter 403 of the Code of Iowa with respect to the Property.


Section 2. This Resolution shall be deemed to meet the statutory requirements of paragraph 4 of Section 403.17 of the Code of Iowa and shall be effective immediately following its approval and execution.

Passed and approved this 28th day of October, 2014.



Chairperson, Board of Supervisors
Paul Toot

Attest:



County Auditor Lucy Martin

EXHIBIT A

Legal Description

The East 33 feet of the Northeast Quarter (NE $\frac{1}{4}$) of Section 21, Township 83 North, Range 24 West of the 5th PM, Story County, Iowa, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and

The East 33 feet of Parcel "C" of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 16, Township 83 North, Range 24 West of the 5th PM, as described in a Plat of Survey recorded in the office of the Story County Recorder on October 12, 1998 on Slide 4 page 1 of the Recorder's Plat Cabinet as Instrument Number 98-14136, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and

The East 33 feet of that part of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 16, Township 83 North, Range 24 West of the 5th PM, bounded as follows: On the Northeast by the East line of said Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 16; On the Northwest by a line parallel with and distant 50 feet Northwesterly, measured at right angles, from the center line of the main track (now removed) of the Des Moines and Minnesota Railroad Company (now the Chicago and North Western Transportation Company), as said main track center line was originally located and established over and across said Section 16; On the Southwest by the South line of said Southeast $\frac{1}{4}$ of Section 16; And on the Southeast by said above described original main track center line, as described in a Deed recorded in the office of the Story County Recorder on February 8, 1991 as Instrument Number 05678, being the west half of the right-of-way of S 530th Avenue and lying within unincorporated Story County; and