

**COUNCIL ACTION FORM**

**SUBJECT: TAX INCREMENT FINANCING (TIF) AND REPORTING RESOLUTIONS FOR ANNUAL URBAN RENEWAL REPORT, AND CERTIFICATON AND ANNUAL APPROPRIATION OF KINGLAND TIF REBATE**

**BACKGROUND:**

The 2012 Iowa Urban Renewal and Tax Increment Financing (TIF) Reform bill included provisions for reporting, including the Annual Urban Renewal Report, which must be approved by the governing board and provided to the Iowa Department of Management to be made available to the public on an internet site.

This report includes uploading documents related to the urban renewal districts, such as the plan document and the City Council action establishing the district, as well as financial information on TIF funds related to urban renewal districts. The due date for the report filing is December 1 of each year. The penalty for non-compliance is withholding certification of tax levies.

The attached report includes financial information for the South Bell TIF district, the only active TIF for the City. Documents for the ISU Research Park and Campustown (Kingland) TIF districts have been uploaded to the Department of Management website and will be available for public viewing. The attached Annual Urban Renewal Report is for the fiscal year ending June 30, 2016.

In addition to the state reporting, the City is required to certify TIF debt with the County Auditor for the upcoming fiscal year. The ISU Research Park debt is a general obligation bond debt, so no additional action is required by the City Council. The Kingland TIF involves a rebate of incremental property taxes subject to annual appropriation by the City Council. A resolution is required for the annual appropriation for the collection and rebate of incremental taxes per the agreement with Kingland.

**ALTERNATIVES:**

1. The City Council can approve the City's annual 2016 Urban Renewal Report and approve a resolution appropriating the payment of a rebate of incremental taxes for the Campustown TIF district.
2. The City Council can choose to not approve the report and resolution and refer this item back to staff.

**CITY MANAGER'S RECOMMENDED ACTION:**

In order for the City to comply with mandated TIF reporting requirements and fulfill requirements under the development agreement with Kingland, it is necessary to submit this report to the Iowa Department of Management by December 1 of this year and to approve the appropriation of the tax increment rebate.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.

**Annual Urban Renewal Report, Fiscal Year 2015 - 2016**

**Levy Authority Summary**

Local Government Name: AMES  
 Local Government Number: 85G811

Active Urban Renewal Areas	U.R. #	# of Tif Taxing Districts
AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL	85012	1
AMES SOUTH BELL AVENUE URBAN RENEWAL	85021	2

**TIF Debt Outstanding: 715,801**

TIF Sp. Rev. Fund Cash Balance as of 07-01-2015:	-255,740	0	Amount of 07-01-2015 Cash Balance Restricted for LMI
TIF Revenue:	41,286		
TIF Sp. Revenue Fund Interest:	-948		
Property Tax Replacement Claims	4,259		
Asset Sales & Loan Repayments:	11,340		
<b>Total Revenue:</b>	<b>55,937</b>		
Rebate Expenditures:	0		
Non-Rebate Expenditures:	117,960		
Returned to County Treasurer:	0		
<b>Total Expenditures:</b>	<b>117,960</b>		

TIF Sp. Rev. Fund Cash Balance as of 06-30-2016:	-317,763	0	Amount of 06-30-2016 Cash Balance Restricted for LMI
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**Year-End Outstanding TIF Obligations, Net of TIF Special Revenue Fund Balance: 915,604**

**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL  
 UR Area Number: 85012

UR Area Creation Date: 11/1997

UR Area Purpose: Enhance the availability of sites to accommodate the construction of new industrial and commercial buildings and encourage and support development that will expand the tax base.

Tax Districts within this Urban Renewal Area	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL TIF INCREM	85526	85126	0

**Urban Renewal Area Value by Class - 1/1/2014 for FY 2016**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

<b>TIF Sp. Rev. Fund Cash Balance as of 07-01-2015:</b>	<b>0</b>	<b>0</b>	<b>Amount of 07-01-2015 Cash Balance Restricted for LMI</b>						
TIF Revenue:	0								
TIF Sp. Revenue Fund Interest:	0								
Property Tax Replacement Claims	0								
Asset Sales & Loan Repayments:	0								
<b>Total Revenue:</b>	<b>0</b>								
Rebate Expenditures:	0								
Non-Rebate Expenditures:	0								
Returned to County Treasurer:	0								
<b>Total Expenditures:</b>	<b>0</b>								
<b>TIF Sp. Rev. Fund Cash Balance as of 06-30-2016:</b>	<b>0</b>	<b>0</b>	<b>Amount of 06-30-2016 Cash Balance Restricted for LMI</b>						

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Sum of Private Investment Made Within This Urban Renewal Area  
during FY 2016

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL (85012)  
 TIF Taxing District Name: AMES CITY/AMES SCH/AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL TIF INCREM  
 TIF Taxing District Inc. Number: 85126  
 TIF Taxing District Base Year: 1997  
 FY TIF Revenue First Received: 2000  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2020

UR Designation	
Slum	No
Blighted	No
Economic Development	11/1997

**TIF Taxing District Value by Class - 1/1/2014 for FY 2016**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2016	43,167	0	0	0	0

FY 2016 TIF Revenue Received: 0

**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES SOUTH BELL AVENUE URBAN RENEWAL  
 UR Area Number: 85021

UR Area Creation Date: 01/2009

UR Area Purpose: To expand the available inventory of fully serviced industrial land within Ames.

**Tax Districts within this Urban Renewal Area**

	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/SOUTH BELL AVENUE URBAN RENEWL TIF INCREM	85586	85186	1,827,450
AMES CITY AG/AMES SCH/SOUTH BELL AVENUE URBAN RENEWAL TIF INCREM	85587	85187	0

**Urban Renewal Area Value by Class - 1/1/2014 for FY 2016**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	2,030,500	0	0	0	2,030,500	0	2,030,500
Taxable	0	0	1,827,450	0	0	0	1,827,450	0	1,827,450
Homestead Credits									0

**TIF Sp. Rev. Fund Cash Balance as of 07-01-2015:** -255,740      **0**      **Amount of 07-01-2015 Cash Balance Restricted for LMI**

TIF Revenue: 41,286  
 TIF Sp. Revenue Fund Interest: -948  
 Property Tax Replacement Claims 4,259  
 Asset Sales & Loan Repayments: 11,340  
**Total Revenue: 55,937**

Rebate Expenditures: 0  
 Non-Rebate Expenditures: 117,960  
 Returned to County Treasurer: 0  
**Total Expenditures: 117,960**

**TIF Sp. Rev. Fund Cash Balance as of 06-30-2016:** -317,763      **0**      **Amount of 06-30-2016 Cash Balance Restricted for LMI**

## Projects For AMES SOUTH BELL AVENUE URBAN RENEWAL

### South Bell Infrastructure

Description:	Public Infrastructure for South Bell Area
Classification:	Roads, Bridges & Utilities
Physically Complete:	Yes
Payments Complete:	No



## Debts/Obligations For AMES SOUTH BELL AVENUE URBAN RENEWAL

### 2009B GO Bonds

Debt/Obligation Type:	Gen. Obligation Bonds/Notes
Principal:	641,676
Interest:	74,125
Total:	715,801
Annual Appropriation?:	No
Date Incurred:	10/29/2009
FY of Last Payment:	2020

## **Non-Rebates For AMES SOUTH BELL AVENUE URBAN RENEWAL**

TIF Expenditure Amount:	117,960
Tied To Debt:	2009B GO Bonds
Tied To Project:	South Bell Infrastructure

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES SOUTH BELL AVENUE URBAN RENEWAL (85021)  
 TIF Taxing District Name: AMES CITY/AMES SCH/SOUTH BELL AVENUE URBAN RENEWL TIF INCREM  
 TIF Taxing District Inc. Number: 85186  
 TIF Taxing District Base Year: 2008  
 FY TIF Revenue First Received: 2010  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2030

	UR Designation
Slum	No
Blighted	No
Economic Development	01/2009

TIF Taxing District Value by Class - 1/1/2014 for FY 2016

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	2,030,500	0	0	0	2,030,500	0	2,030,500
Taxable	0	0	1,827,450	0	0	0	1,827,450	0	1,827,450
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2016	14,531	1,827,450	1,827,450	0	0

FY 2016 TIF Revenue Received: 41,286

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES SOUTH BELL AVENUE URBAN RENEWAL (85021)  
 TIF Taxing District Name: AMES CITY AG/AMES SCH/SOUTH BELL AVENUE URBAN RENEWAL TIF INCREM  
 TIF Taxing District Inc. Number: 85187  
 TIF Taxing District Base Year: 2008  
 FY TIF Revenue First Received: 2011  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2031

	UR Designation
Slum	No
Blighted	No
Economic Development	01/2009

TIF Taxing District Value by Class - 1/1/2014 for FY 2016

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2016	0	0	0	0	0

FY 2016 TIF Revenue Received: 0