

**COUNCIL ACTION FORM**

**SUBJECT:** 2017 URBAN REVITALIZATION TAX ABATEMENT REQUESTS

**BACKGROUND:**

In accordance with Chapter 404 of the *Code of Iowa*, the City Council has established Urban Revitalization Areas (URAs) which, among other things, specifies standards for physical improvements that provide public benefits. When property within one of these URAs is developed, redeveloped, rehabilitated, or remodeled, the property owner is eligible for abatement of property taxes on the incremental increase in property value after the improvements are completed. This abatement can extend for three, five, or ten years, depending on the criteria for each URA.

The City Council has adopted Urban Revitalization Areas and Plans for the following areas and purposes:

- HOC Commercial Program
- Sprinkler Retrofit Program
- Downtown URA
- Campustown URA
- East University Impacted URA
- West University Impacted URA
- North Sheldon URA
- South Lincoln URA
- Walnut Ridge Mixed Use URA
- Roosevelt School Area

Every year, owners who have made improvements to property within the City's URAs during 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 criteria in the Urban Revitalization Plan for the URA in which the property is located. If the City Council finds that the criteria are met, this approval is forwarded to the City Assessor, who then reviews the request and determines the increase in incremental value.

**Property owners of eight projects are requesting tax exemptions for improvements completed in the 2016 calendar year. Applications related to the Downtown, Roosevelt, East University, and Walnut Ridge URAs.** A table of project addresses, Urban Revitalization Area, project costs, and requested tax abatement schedule is included in Attachment 1. Attachments 2 through 5 contain the specific eligibility criteria for the designated Areas, descriptions of the individual projects, staff determination of eligibility, and the submitted application forms.

In summary, the property owners have reported construction values totaling \$10,054,186 for these eight projects. **The various applicant estimates are based upon construction and soft costs and may not be the same as the added property value. The actual increase in valuation from the improvements will be determined by the City Assessor and that valuation will be the basis of the partial property tax abatement**

In addition to the current eight applications for final approval, the City Council gave previous approval to a Campustown Urban Revitalization Area application for 2311 Chamberlain Street at their meeting on October 11, 2016. Staff does not typically bring individual requests to the Council before February. However, the developer desired final approval in advance of February 2017 to assist in setting up the long term financing of the project.

**ALTERNATIVES:**

1. The City Council can approve the requests for tax exemption as outlined in Attachment 1 by finding that they meet the criteria of their respective Urban Revitalization Areas.
2. The City Council can deny any or all of these requests for approval of the tax exemptions if the Council finds the improvements do not comply with the respective Urban Revitalization Area criteria.

**MANAGER'S RECOMMENDED ACTION:**

Staff has examined the applications as of February 2017, and finds that the work conforms to the respective Urban Revitalization Plans approved by the City Council.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative #1, thereby approving the eight requests for tax exemption as meeting the criteria for their respective Urban Revitalization Areas. This action will allow the qualifying requests for tax exemption to be processed by the City Assessor, who will determine the actual value of the respective tax exemptions.

**ATTACHMENT 1: 2016 URBAN REVITALIZATION APPLICATIONS**

<b>ADDRESS</b>	<b>URA</b>	<b>COSTS</b>	<b>YEARS</b>
921 9 <sup>th</sup> Street, Unit 101	Roosevelt	\$229,000	3
921 9 <sup>th</sup> Street, Unit 202	Roosevelt	\$284,500	3
921 9 <sup>th</sup> Street, Unit 306	Roosevelt	\$303,000	3
413 Northwestern Avenue	Downtown	\$2,121,425	3
217 Ash Avenue	University	\$2,266,261	10
3505 Lincoln Way, Suites 101, 201-208	Walnut Ridge	\$1,500,000	10
3505 Lincoln Way, Suites 102-105	Walnut Ridge	\$1,100,000	10
3515 Lincoln Way	Walnut Ridge	\$2,250,000	10

## **ATTACHMENT 2: ROOSEVELT SCHOOL AREA CRITERIA AND APPLICATIONS**

### **Eligibility Criteria.**

- The property includes a former public school building that is no longer used as a school; and,
- The National Park Service has determined that one or more of the properties has a structure that meets the National Register Evaluation Criteria; and,
- The renovation and remodeling of structures will not destroy or obscure essential architectural features. In addition, such architectural features must be enhanced to the extent that it is feasible and prudent to do so.

These three units in the Roosevelt School Urban Revitalization Program received abatements for partial improvements in 2015. They are now seeking abatement for the remaining completed value of the units.

**Staff finds that the interior buildout of the units is consistent with the eligibility criteria.**

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APR 29 2016

Application Form Last Updated: April 20, 2016

CITY OF AMES, IOWA  
DEPT. OF PLANNING & HOUSING

**Tax Abatement**  
**Roosevelt School Urban Revitalization Program**  
*Application Form*


(This form must be filled out completely before your application will be accepted.)

- 1. **Property Address:** 921 9<sup>th</sup> St. Unit No. 101
- 2. **Property Identification Number (Geocode):** 09-03-235-500
- 3. **Legal Description:** Roosevelt Condominiums Lot: Unit 101

<b>Improvement costs:</b> \$ <u>229,000.00</u>
<b>Beginning construction date:</b> <u>October 2013</u>
<b>Completion date:</b> <u>January 2015</u>
<b>Assessment year for which exemption is being claimed:</b> <u>2017</u>
<b>Exemption schedule (3, 5, or 10 years):</b> <u>3</u>

- 4. **Property Owner:** Tony Minatta
- Mailing Address: 921 9<sup>th</sup> Street Unit 101 Ames IA 50010  
(Street) (City) (State) (Zip)
- 970-219-6204 Tminatta@iastate.edu  
(Phone) (Fax) (e-mail)

**I (We) certify that I (we) have submitted all the required information to apply for approval of the Roosevelt School Urban Revitalization Program and that the information is factual.**

Signed by:  Date: 04-29-16  
 Property Owner(s)

Tony Minatta  
 Print Name

(Note: No other signature may be substituted for the Property Owner's Signature.)

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Application Form Last Updated: December 24, 2014

APR 20 2016

CITY OF AMES, IOWA  
DEPT. OF PLANNING & HOUSING

### Tax Abatement Roosevelt School Urban Revitalization Program Application Form

(This form must be filled out completely before your application will be accepted.)

- 1. **Property Address:** 921 9<sup>th</sup> St. Unit No. 202
- 2. **Property Identification Number (Geocode):** 09-03-235-520
- 3. **Legal Description:** Roosevelt Condominiums Lot: Unit 202

<b>Improvement costs:</b> \$ <u>284,500</u>
<b>Beginning construction date:</b> <u>October 2013</u>
<b>Completion date:</b> <u>3-13-15</u>
<b>Assessment year for which exemption is being claimed:</b> <u>2015</u>
<b>Exemption schedule (3, 5, or 10 years):</b> <u>3 years</u>

- 4. **Property Owner:** Nola Jean Poklitar
- Mailing Address: 921 9<sup>th</sup> St. #202 Ames IA 50010  
(Street) (City) (State) (Zip)
- 515-232-7508 checkstar@aol.com  
(Phone) (Fax) (e-mail)

I (We) certify that I (we) have submitted all the required information to apply for approval of the Roosevelt School Urban Revitalization Program and that the information is factual.

Signed by: Nola Jean Poklitar Date: 4-18-16  
 Property Owner(s)  
Nola Jean Poklitar  
 Print Name

(Note: No other signature may be substituted for the Property Owner's Signature.)

## Tax Abatement Roosevelt School Urban Revitalization Program Application Form

(This form must be filled out completely before your application will be accepted.)

1. **Property Address:** 921 9<sup>th</sup> St. Unit No. 306
2. **Property Identification Number (Geocode):** 0903235580
3. **Legal Description:** Roosevelt Condominiums Lot: Unit 306

<b>Improvement costs:</b> <u>\$ 303,000</u>
<b>Beginning construction date:</b> <u>October 2013</u>
<b>Completion date:</b> <u>3/13/2015</u>
<b>Assessment year for which exemption is being claimed:</b> <u>2016</u>
<b>Exemption schedule (3, 5, or 10 years):</b> <u>3</u>

4. **Property Owner:** Jason Salisbury / Manali Sheth  
Mailing Address: 921 9<sup>th</sup> St #306 Ames, IA 50010  
(Street) (City) (State) (Zip)  
773-727-8539 jdsalisbury9@gmail.com  
(Phone) (Fax) (e-mail)

**I (We) certify that I (we) have submitted all the required information to apply for approval of the Roosevelt School Urban Revitalization Program and that the information is factual.**

Signed by: Jason Salisbury / Manali Sheth Date: 11/4/2016  
Property Owner(s)  
Jason Salisbury / Manali Sheth  
Print Name

**(Note: No other signature may be substituted for the Property Owner's Signature.)**

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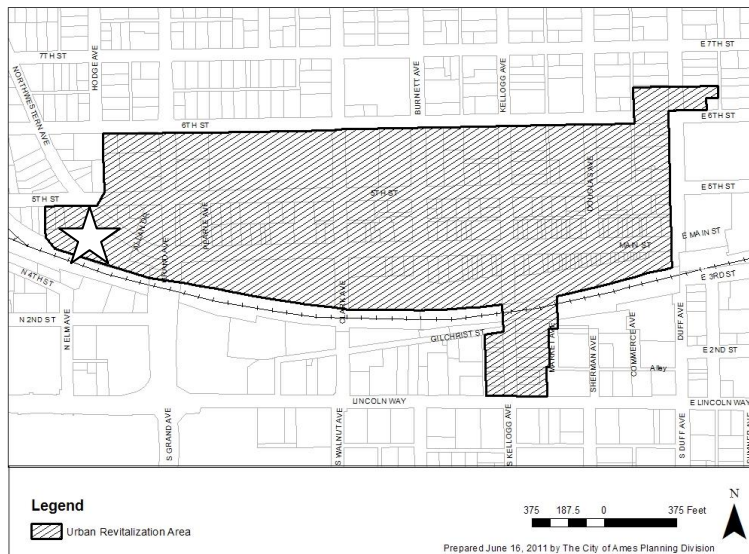
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DEPT. OF PLANNING & HOUSING

## ATTACHMENT 3: DOWNTOWN CRITERIA AND APPLICATION

### Eligibility Criteria.

- Properties must be located within the designated Downtown Urban Revitalization Area.
- Façade Improvements and the scope of work must follow the current Downtown Design Guidelines as approved by City Council. If additional interior or exterior improvements are part of the same project, the entire project is eligible for tax abatement, as long as the project includes façade improvements whose scope and design follow the Guidelines.
- If the first floor is vacant before the façade improvements are made, then the front half of the first floor is required to have a retail use after the improvements are completed. If the first floor has a permitted use before the façade improvements are made, then it is eligible. No residential structures are eligible.
- Improvements must be made to the property increasing its actual value by 5% or more. The property is eligible to receive abatement of 100% of this added value for each of three (3) years.
- The improvements must be maintained for three (3) years.

Downtown Urban Revitalization Area



Wheatsfield Cooperative received a façade grant and completed the improvements consistent with that grant. The project also included significant interior remodeling and site improvements. The structure is a one-story building which has a retail use occupying the front half of the structure. There is no residential use. **Staff finds that the improvements meet the eligibility criteria.**



Effective Date: March 25, 2013

**Downtown  
Urban Revitalization Program**  
*Application Form*

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1. **Property Address:** \_\_\_413 Northwestern Ave\_\_\_\_\_
2. **Property Identification Number (Geocode)** (if known): \_\_\_09-03-478-065\_\_\_
3. **Legal Description** (attach, if lengthy): College park add 2nd north parcel B lots 1-4 BLK 29 and SEC 3 parcels I, J & K slide 515 pg 1
4. **Description of Improvements**(attach, if lengthy):Removed 2 houses to the west to increase the size of the parking lot and added a storm water management system under new lot. Renovated eastern part of building to include in retail store adding new entrance, expanded kitchen, full-service meat, new deli seating area, teaching kitchen/classroom, new restrooms and office space. New east facade.

**Improvement costs: \$1,487,338.97 in building & \$634,086 in parking lot (includes \$194,740 for storm water system) TOTAL: \$2,121,424.97**

**Beginning construction date: \_\_\_May 2015\_\_\_\_\_**

**Estimated or actual completion date: \_\_\_Jan 31, 2017\_\_\_\_\_**

**Assessment year for which exemption is being claimed: \_\_\_2017\_\_\_\_\_**

5. **Property Owner:** \_\_\_Ronald J. McMillen\_\_\_\_\_

Address: \_\_\_29659 595th\_\_\_\_\_ Cambridge \_\_\_\_\_ IA \_\_\_\_\_ 50046  
(Street) (City) (State) (Zip)

\_\_\_515-231-6025\_\_\_\_\_ \_\_\_\_\_  
(Phone) (Fax) (e-mail)

Effective Date: March 25, 2013

Designed by: \_\_\_\_\_

Business: \_\_\_\_\_

Address: \_\_\_\_\_  
(Street) (City) (State) (Zip)

\_\_\_\_\_  
(Phone) (Fax) (e-mail)

**I (We) certify that I (we) have submitted to the best of our knowledge all the required information to apply for approval of the Downtown Urban Revitalization Program and that the information is factual.**

Signed by: Ron McMillen Date: 1/6/17  
(Property Owner)

Ron McMillen  
(Print Name)

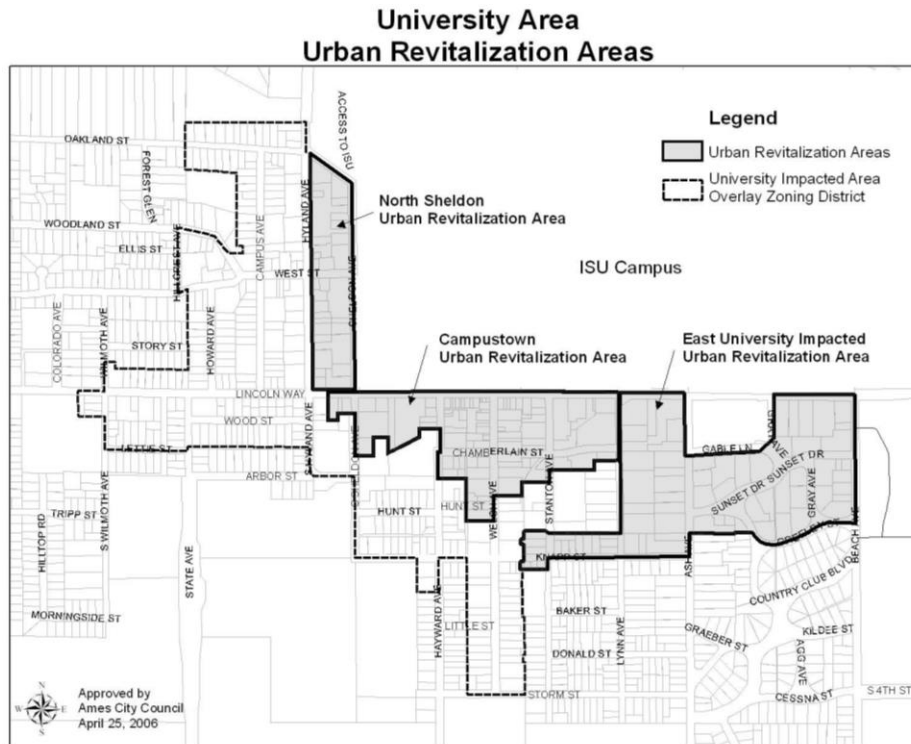
Linda L. Johnson Date: 1/6/17  
(Applicant - if different than Property Owner)

LINDA L. JOHNSON  
(Print Name)

## ATTACHMENT 4: UNIVERSITY AREA CRITERIA AND APPLICATION

### Eligibility Criteria.

- Properties must be located within one of the designated Urban Revitalization Areas in the University Area. (See map below)
- Within each of these Urban Revitalization Areas, different eligibility criteria and conditions apply. (See the criteria below)
- Improvements must be made to the property increasing its actual value by 5% or more.



### URBAN REVITALIZATION CRITERIA

#### EAST UNIVERSITY IMPACTED

#### NORTH SHELDON AREA

REQUIRED	REQUIRED
Existing or former residence recognized by Iowa State University as part of the Greek Residence system.  <b>AND</b>  Seventy percent (70%) of the area of the existing exterior walls of the structure will remain.  NOTE: Sprinkler retrofit projects within this area qualify if all improvements add 5% or more to the actual value of the property.	The building on the site was originally built before 1941.  <b>AND</b>  Seventy percent (70%) of the area of the existing exterior walls of the structure will remain.  <b>AND</b>  Original or historical materials and designs will be preserved and/or restored.

This project included the installation of a fire alarm and fire suppression system as well as extensive interior remodeling and minor exterior improvements. **Staff finds that the improvements meet the eligibility criteria under the retention of the existing facades and that the home is a Greek House. The Assessor must determine the increase in value requirement.**



Effective Date: March 8, 2016

### University Area Urban Revitalization Program Application Form

(This form must be filled out completely before your application will be accepted.)

1. **Property Address:** 217 Ash Avenue, Ames, IA 50014
2. **Property Identification Number (Geocode):** 09-09-202-090
3. **Urban Revitalization Area:** East University Impacted Urban Revitalization Area
4. **Legal Description** (attach, if lengthy): "LOT 3, IN MILLER'S SUBDIVISION, AMES, STORY COUNTY, IOWA"
5. **Description of Improvements - Attach if lengthy:** Please see attached description

**Improvement costs:** \$ \$2,266,260.54 which includes construction hard & soft costs

**Beginning construction date:** June 3, 2014

**Estimated or actual completion date:** May 26, 2016

**Assessment year for which exemption is being claimed:** 2016

**Exemption schedule (3, 5, or 10 years):** 10 years

6. **Property Owner:** Colonials Club House LLC

Business: \_\_\_\_\_

Address: 3119 Burnham Dr Ames IA 50010  
 (Street) (City) (State) (Zip)

515-233-2674 rjhallenbeck@gmail.com  
 (Phone) (Fax) (e-mail)

*I (We) certify that I (we) have submitted all the required information to apply for approval of the University Area Urban Revitalization Program and that the information is factual.*

Signed by: Ronald Hallenbeck Date: January 17, 2017  
Property Owner(s)

Ronald Hallenbeck, President Colonials Club House LLC  
**Print Name**

(Note: No other signature may be substituted for the Property Owner's Signature.)

## ATTACHMENT 5: WALNUT RIDGE MIXED USE AREA CRITERIA AND APPLICATION

### Eligibility Criteria.

- The project shall be built in substantial compliance with the Major Site Development Plan approved by City Council on September 8, 2015 and in accordance with the condition of Resolution #15-561, or as amended.
- The residential project shall receive and maintain certification for the Iowa Crime Free Multi-Housing Program administered by the Ames Police Department.

The two new buildings have received occupancy and are compliant with the approved Major Site Development Plan. The police department has verified that both structures have received certification in the Iowa Crime Free Multi-Housing Program. This enrollment will need to be maintained in order to continue receiving the 10-year abatement the owners are seeking. **Staff finds that the improvements meet the eligibility criteria.**

Note that 3505 Lincoln Way includes two applications. The building has been converted to a condominium regime and there are two separate owners.

# Urban Revitalization Program

## Application Form

(This form must be filled out completely before your application will be accepted.)

- 1. **Property Address:** 3505 Lincoln Way, Suites 101, 201 through 208
- 2. **Property Identification Number (Geocode):** 09-05-451-244
- 3. **Legal Description** (attach, if lengthy): see attached

4. **Description of Improvements:**

**Established Urban Revitalization Areas**

- Downtown
- Campustown
- East University Impacted
- North Sheldon
- South Lincoln

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CITY OF AMES, IOWA  
DEPT. OF PLANNING & HOUSING

**Urban Revitalization Policy Areas**

- Southeast 16<sup>th</sup> Street Address \_\_\_\_\_
- Other Commercial Area Address 3505 Lincoln Way
- University Impacted Area – West Address \_\_\_\_\_

<b>Improvement costs:</b> \$ <u>1,500,000</u>
<b>Beginning construction date:</b> <u>August 2015</u>
<b>Estimated or actual completion date:</b> <u>August 2016</u>
<b>Assessment year for which exemption is being claimed:</b> <u>2017</u>
<b>Exemption Schedule (3, 5, or 10 years):</b> <u>10 year</u>

5. **Property Owner:** WS Properties, LLC

Business: \_\_\_\_\_

Address: 3505 Lincoln Way Suite 102 Ames, IA 50010  
(Street) (City) (State) (Zip)

Telephone: \_\_\_\_\_ 515-292-7777 515-290-7007  
(Home) (Business) (Fax) Cell ☐

Effective Date: March 25, 2013

*I (We) certify that I (we) have submitted all the required information to apply for approval of the Urban Revitalization Program and that the information is factual.*

Signed by:  Date: 1/30/17  
Property Owner(s)

Chuck Winkleblack  
Print Name

*(Note: No other signature may be substituted for the Property Owner's Signature.)*



# Urban Revitalization Program Application Form

(This form must be filled out completely before your application will be accepted.)

- 1. **Property Address:** 3505 Lincoln Way, suites 102, 103, 104 and 105
- 2. **Property Identification Number (Geocode):** 09-05-451-244
- 3. **Legal Description** (attach, if lengthy): see attached

4. **Description of Improvements:**

**Established Urban Revitalization Areas**

- Downtown
- Campustown
- East University Impacted
- North Sheldon
- South Lincoln

**Urban Revitalization Policy Areas**

- Southeast 16<sup>th</sup> Street Address \_\_\_\_\_
- Other Commercial Area Address 3505 Lincoln Way
- University Impacted Area – West Address \_\_\_\_\_

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<b>Improvement costs:</b> \$ <u>1,100,000</u>
<b>Beginning construction date:</b> <u>August 2015</u>
<b>Estimated or actual completion date:</b> <u>partial - Oct 16</u>
<b>Assessment year for which exemption is being claimed:</b> <u>2017</u>
<b>Exemption Schedule (3, 5, or 10 years):</b> <u>10 year</u>

5. **Property Owner:** TPM Properties LLC

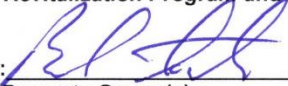
Business: \_\_\_\_\_

Address: 3505 Lincoln Way Suite 102 Ames, IA 50010  
(Street) (City) (State) (Zip)

Telephone: N/A 515-292-7777 515-290-4104  
(Home) (Business) (Fax) Cell

Effective Date: March 25, 2013

*I (We) certify that I (we) have submitted all the required information to apply for approval of the Urban Revitalization Program and that the information is factual.*

Signed by:  Date: 1/30/17  
Property Owner(s)

Brad Stehr  
Print Name

*(Note: No other signature may be substituted for the Property Owner's Signature.)*

# Urban Revitalization Program Application Form

(This form must be filled out completely before your application will be accepted.)

- 1. **Property Address:** 3515 Lincoln Way
- 2. **Property Identification Number (Geocode):** 09-05-451-248
- 3. **Legal Description** (attach, if lengthy): Parcel A Walnut Ridge SD 1st ADD  
lots 1+2 + E 93.74' Alley in Edgewood 5th ADD Slide 521 pg 6

4. **Description of Improvements:**

**Established Urban Revitalization Areas**

- |   |  |
|---|--|
| <input type="checkbox"/> Downtown                 | <input type="checkbox"/> North Sheldon |
| <input type="checkbox"/> Campustown               | <input type="checkbox"/> South Lincoln |
| <input type="checkbox"/> East University Impacted |  |

Walnut Ridge Mixed Use

**Urban Revitalization Policy Areas**

- |  |                                 |
|--|---------------------------------|
| <input type="checkbox"/> Southeast 16 <sup>th</sup> Street | Address _____                   |
| <input checked="" type="checkbox"/> Other Commercial Area  | Address <u>3515 Lincoln Way</u> |
| <input type="checkbox"/> University Impacted Area – West   | Address _____                   |

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Improvement costs: \$ <u>2,250,000</u>
Beginning construction date: <u>11/16/15</u>
Estimated or actual completion date: <u>11/4/16</u>
Assessment year for which exemption is being claimed: <u>2017</u>
Exemption Schedule (3, 5, or 10 years): <u>10 years</u>

- 5. **Property Owner:** Turn Key Investments LLC
- Business:** Contact: Chuck Winklerblack
- Address:** 125 S 16<sup>th</sup> St Ames Ia 50010  
(Street) (City) (State) (Zip)
- Telephone:** 515-290-7007 515-239-8606 515-233-5821  
(Home) (Business) (Fax)

Effective Date: March 25, 2013

***I (We) certify that I (we) have submitted all the required information to apply for approval of the Urban Revitalization Program and that the information is factual.***

Signed by:  Date: Dec 30, 16  
Property Owner(s)

Chuck Winkler  
Print Name

***(Note: No other signature may be substituted for the Property Owner's Signature.)***