ITEM # 35 DATE 06/24/08

#### **COUNCIL ACTION FORM**

SUBJECT: QUALIFICATION OF 3503 LINCOLN WAY FOR THE COMMERCIAL URBAN REVITALIZATION PROGRAM

#### **BACKGROUND:**

On June 6, 2008, the City Council received a letter from Chuck Winkleblack regarding his company's potential redevelopment of the property at 3503 Lincoln Way (see letter attached). The letter requested that the City staff assess whether that property qualifies in its pre-redevelopment condition under the required criteria for a Commercial Urban Revitalization Area.

The front 250 feet of the property has been used as a mobile home park for many years, although the zoning is Highway-Oriented Commercial. The rest of the property is zoned Residential Low Density and has been vacant except for many volunteer trees (see attached map). These two zoning designations are consistent with the Ames Land Use Policy Plan. According to the description of the proposed development in the letter of June 6, 2008, it would be consistent with these land use and zoning designations.

Under the Urban Revitalization Commercial Criteria Matrix (attached), a property must meet one of several required criteria and one of several optional criteria. One of the required criteria is that a property is "nonconforming with respect to the base zone that will be brought into conformance." The current residential use is not a permitted use under Highway Oriented Commercial zoning. Another criterion is that a properties are "vacant in an in-fill area and were previously developed and have had the principle structure removed." The owner is currently clearing the mobile homes from the property.

The developer's concern is that although the property in its current condition meets the required criteria, once it is cleaned up, it will no longer qualify. This would defeat one of the purposes of the Urban Revitalization Program: to redevelop properties such as this one. The developer states in the letter that he understands that in order to become an Urban Revitalization Area, the proposed project also must meet one of the optional criteria of the Urban Revitalization Commercial Criteria Matrix and that the City Council is not being asked to take that action at this time.

### **ALTERNATIVES:**

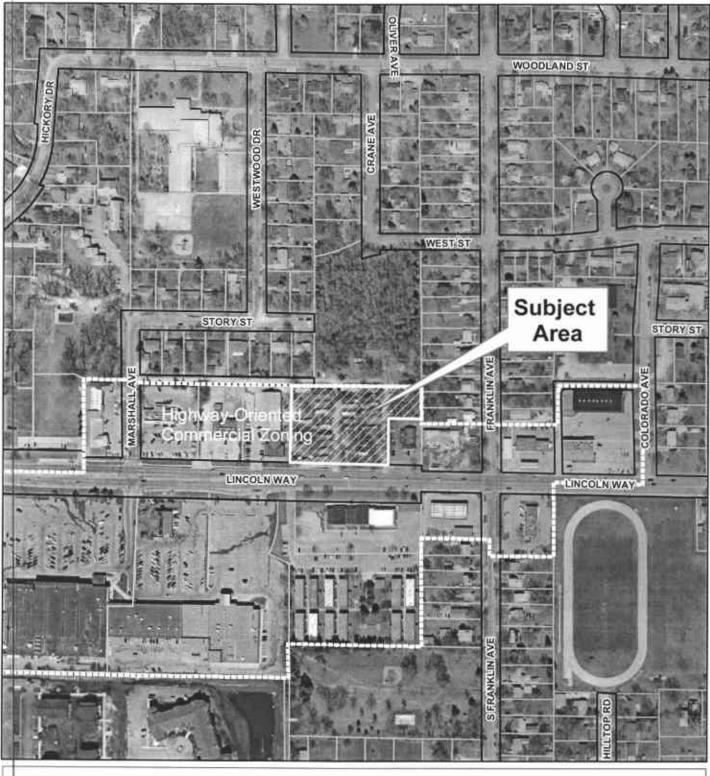
- 1. The City Council can <u>approve</u> the front, commercially zoned portion of the property at 3503 Lincoln Way as meeting one of the required criteria (underutilized) of the Urban Revitalization Commercial Criteria Matrix, with no commitment that the property will be approved as an Urban Revitalization Area.
- 2. The City Council can <u>deny</u> the property at 3503 Lincoln Way as meeting one of the required criteria of the Urban Revitalization Commercial Criteria Matrix.

3. The City Council can refer the request back to staff and/or the applicant for further information.

#### **MANAGER'S RECOMMENDED ACTION:**

The current use of the subject property as a mobile home park has been severely deteriorating for decades. The land use policy and zoning for this property make it clear that the City's intent is to change this use of the front portion of the property. The current residential use of the front, commercially zoned portion of the property is nonconforming under the base zoning. Therefore, it is the recommendation of the City Manager that the City Council act in accordance with Alternative #1, which is to approve the front, commercially zoned portion of the property at 3503 Lincoln Way as meeting one of the required criteria (underutilized) of the Urban Revitalization Commercial Criteria Matrix, with no commitment that the property will be approved as an Urban Revitalization Area.

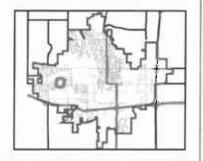
Following this action, the property can be cleared of residential use and subdivided. In order for any of the commercially zoned properties to become an Urban Revitalization Area after it has been cleared, the developer and owner of the property at that time must apply for a new Urban Revitalization Area, the City Council must determine if it meets one of the optional criteria, and the public notice and hearing requirements must be followed. At that time, the City Council will still have the authority to approve or deny an Urban Revitalization Area.



## Location Map 3503 Lincoln Way



0 170 340 680 Feet



June 6<sup>th</sup>, 2008

Honorable Mayor and City Council City of Ames 515 Clark Ames, IA 50010

Dear Mayor and Council,

I am currently working on an exciting redevelopment and infill project on West Lincoln Way. The address to be more specific is 3503 Lincoln Way. It is currently a mobile home park. I would hope that you would agree if you drive by the property that is a bit of an eye sore.

My goal for redevelopment would be two-fold. First I would like to clean up the area adjacent to Lincoln Way that is already zoned HOC for commercial redevelopment and secondly connect the two streets that dead end (Crane and Story) through the North portion into single family detached housing within the Ames Community school district. This would create approximately 11 single family lots in the Ames school district as well as connect two dead end streets.

I read through the current ordinance for urban revitalization for commercial areas and hopefully we can all agree that this area is both under utilized and slum and blighted. I do not have an end user for the commercial area but would like to be able to market this property as having the potential for tax abatement if they meet the second half of the matrix. I understand that you can not grant tax abatement until you are assured that the new project will meet those guidelines in the urban revitalization matrix.

My concern is taking the risk of buying the property, cleaning it up and developing it into build able lots and then having the urban revitalization request turned down because the property is no longer slum and blighted.

I would ask that the council direct city staff to review the property and assess whether or not they feel that it would qualify under the first half of the urban revitalization matrix and give me some assurance that I will not be penalized for cleaning up this area.

Sincerely,

Chuck Winkleblack

# URBAN REVITALIZATION COMMERCIAL CRITERIA MATRIX

(EXCLUSIVE OF THE DOWNTOWN & CAMPUSTOWN AREAS)

REQUIRED	OPTIONAL		OPTI	ONAL
<ul> <li>Slum &amp; Blighted</li> <li>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.</li> <li>OR Underutilized</li> <li>Properties that are vacant in an in-fill area and were previously developed and have had the principal structure removed; OR</li> <li>Properties that are non-conforming with respect to the base zone that will be brought into conformance; OR</li> <li>Properties that are non-conforming with respect to the flood way fringe that will be brought into conformance with applicable flood plain regulations.</li> </ul>	<ul> <li>✔ Properties that are to include a business use where that actual sales of the business use is below the expected sales for the business use as determined by the City Council to be of benefit to the City (should be supported by a retail leakage study).</li> </ul>	<ul> <li>Proper the difference of the differ</li></ul>	ctandards erties where the structure that esign standards where applications where 25% of the area of caped area is located where some the street or adjacent properties that utilize wall mounted; AND  Carking erties where two or more parking supply as provided the zoning ordinance of the	t is constructed on the property meets able; <i>AND</i> of the lot is landscaped and the the benefit is provided to a view of the erty; <i>AND</i> d, ground mounted, or monument

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