

## **COUNCIL ACTION FORM**

### **SUBJECT: AMENDMENT OF CAMPUSTOWN URBAN REVITALIZATION AREA PLAN**

#### **BACKGROUND:**

In order to reduce danger to life and property, the City requires that certain types of existing buildings install fire sprinkler systems. These existing buildings were selected based on use and other factors, and include nursing homes, dormitories, buildings that are impractical to evacuate, and high rise structures (i.e., those greater than 75 feet in height). If installing the fire sprinkler system adds more than 5% to the value of a building, the City Council has agreed to provide abatement of the property taxes on this added value for up to ten years.

The ten story residential building at 111 Lynn Avenue is subject to this City requirement and a fire sprinkler system is being installed. The property owner would like to apply for tax abatement. Several Greek houses ("dormitories") have received tax abatement for property improvements that included fire sprinkler systems. The City Council approved these abatements during the annual consideration of tax abatement applications because the Greek houses were all within the existing East University Urban Revitalization Area. Property improvements that include installing fire sprinkler systems qualify for tax abatement in the East University Urban Revitalization Area. However, 111 Lynn Avenue is within the Campustown Urban Revitalization Area, where property improvements that include installing fire sprinkler systems do not currently qualify for tax abatement (see Attachment A).

City Council is now being asked to begin the process to revise the Campustown Urban Revitalization Plan to add property improvements that include installing fire sprinkler systems. The existing Campustown Criteria Matrix is attached. The amendment would add the criteria as described in the attached "Urban Revitalization Sprinkler Retrofitting Criteria."

If these criteria were added to the Campustown Urban Revitalization Plan, then to become eligible for tax abatement the owners of 111 Lynn would only need to show that they have completed improvements that include the required fire sprinkler system. They would then be included in the annual review and approval by the Council in February 2011. The tax abatements approved through these processes would apply to the value of any and all improvements, not just sprinkler systems, if the added value is at least 5% of the value before the improvements. Abatement is available over three, five, or ten years. It is not known at this time if this project will increase the value of 111 Lynn by at least 5%.

Staff is not aware of any other existing buildings within the Campustown URA for which the City's Fire Code will require fire sprinkler systems.

This action will lead to involve publishing a legal notice, as well as providing written notice of the public hearing to all property owners within the Campustown Urban Revitalization Area. This notice will include a description of the revision being made to the Campustown Urban Revitalization Plan, and that it appears to only apply to the 111 Lynn Avenue property.

Notices for hearings on Urban Revitalization Plans are usually mailed to all occupants within the Urban Revitalization Area, but state law allows the City Council to waive this part of the notice requirement “for good cause.” The proposed addition of fire sprinkler criteria to the Plan for which only one building is likely to qualify will not affect the hundreds of apartment residents in the Campustown Urban Revitalization Area. **If City Council agrees that this is good cause, it should also approve a motion waiving the mailing of the hearing notice to occupants in the Campustown Urban Revitalization Area.**

#### **ALTERNATIVES:**

1. The City Council can set the date of public hearing for December 14, 2010, to amend the plan for the Campustown Urban Revitalization Area to qualify fire sprinkler retrofit improvements for tax abatement, and waive the mailing of hearing notice as described above.
2. The City Council can set the date of public hearing for December 14, 2010, to amend the plan for the Campustown Urban Revitalization Area to qualify fire sprinkler retrofit improvements for tax abatement, *with modifications*.
3. The City Council can decline to set a date of public hearing to amend the plan for the Campustown Urban Revitalization Area to qualify fire sprinkler retrofit improvements for tax abatement.
4. The City Council can refer this request back to staff for additional information.

#### **MANAGER’S RECOMMENDED ACTION:**

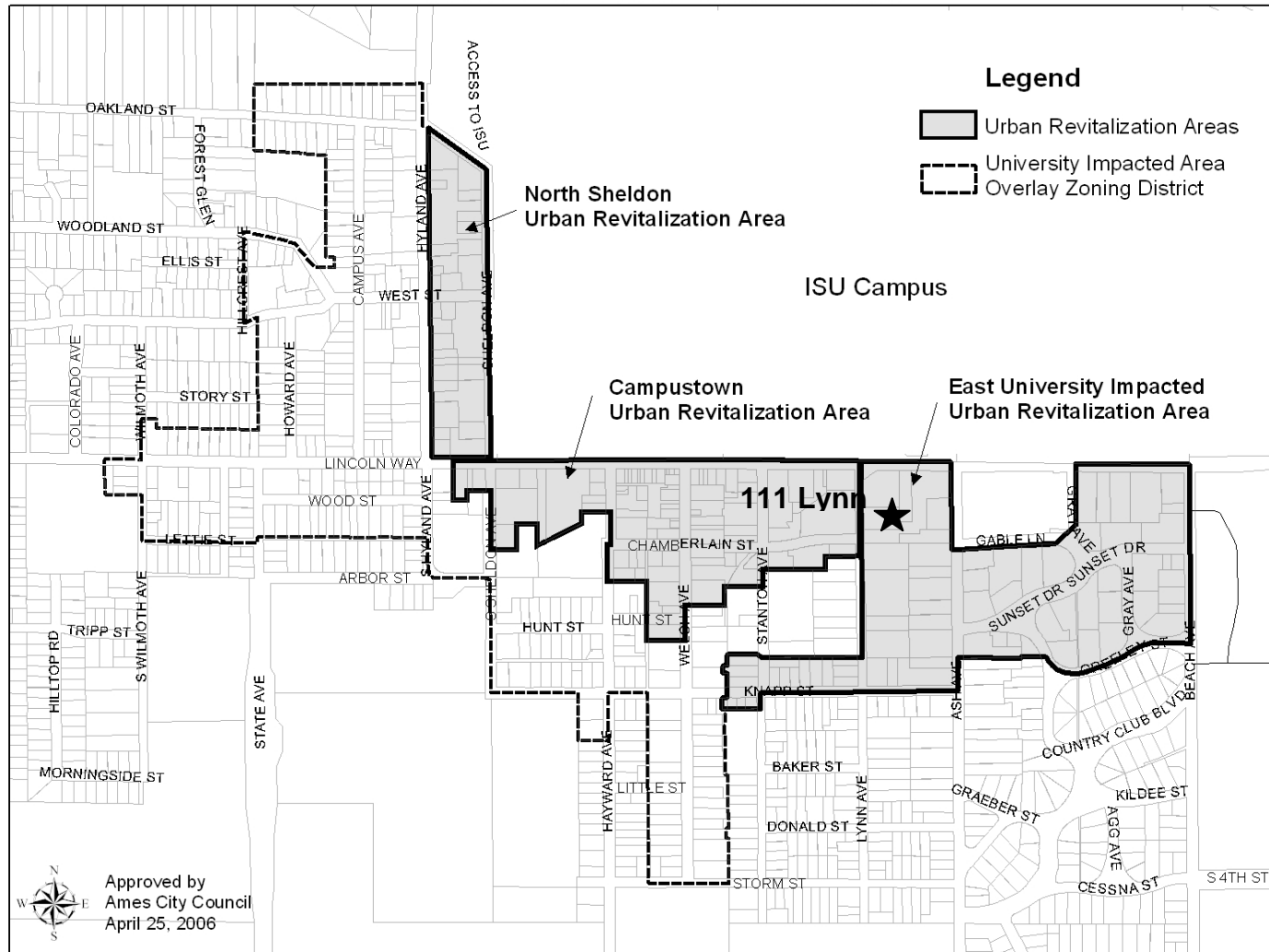
The owner of 111 Lynn is making a substantial investment to improve safety in that residential high-rise building and to comply with the City’s requirement for a fire sprinkler system retrofit. The City Council has approved a policy offering partial property tax abatement to property owners in the East University Urban Revitalization Area under these conditions. Amending the Campustown Urban Revitalization Plan would be the most efficient means to provide the abatement.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, setting the date of public hearing for December 14, 2010 to amend the plan for the Campustown Urban Revitalization Area to qualify fire sprinkler retrofit improvements for tax abatement, and waiving the mailing of hearing notice as described above.

**It is important to emphasize that the change being proposed will apply only to structures that qualify under the City’s current sprinkler retrofitting criteria for tax abatement. In addition, in order for any property owner to qualify for this abatement, an application must be submitted to the City prior to the completion of the fire sprinkler and other improvements.**

## Attachment A

### University Area Urban Revitalization Areas



## URBAN REVITALIZATION CAMPUSTOWN CRITERIA MATRIX

PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS			PROJECT MUST MEET CRITERIA OF ONE OF THESE COLUMNS	
<b><i>Slum and Blighted</i></b> 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.	<b><i>Parking</i></b> 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.	<b><i>Adaptive Reuse</i></b> The building on the site was originally built before 1941.	<b><i>Underrepresented</i></b> 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).	<b><i>Design Standards</i></b> Retail and office uses on the first floor adjacent to a public sidewalk must have direct access to the public sidewalk.
	<b>AND</b>  <b><i>Mixed Use</i></b> 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 household living.	<b>AND</b>  70% of the area of existing exterior walls of the structure will remain  <b>AND</b>  Historic materials and designs are preserved and/or restored.		<b>AND</b>  <b><i>Signage</i></b> 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.
			<div style="border: 1px solid black; padding: 5px; display: inline-block;">OR</div>	
			<b><i>Brick Material</i></b> 100% of the front and 80% of the three remaining sides of the structure shall be faced with clay brick for the first four stories. On stories five through seven any other building materials except vinyl will be allowed.	<b><i>Alternative Siding Material</i></b> If historically significant - use and repair of historically appropriate siding material is permitted and must be maintained for the term of the selected tax abatement schedule.

ALL RESIDENTIAL USES SHALL ALSO MEET THE FOLLOWING CRITERIA OR EQUIVALENT AS APPROVED BY THE CITY COUNCIL	
1. Limit commercial space in the same building to the ground floor 2. Provide separate entrances for commercial and residential uses 3. Locate all residential entrances to be visible from the street and provide secure access control at each 4. Prevent access from the exterior to the interior through doors that serve only as fire exits 5. Prohibit public access to structured parking, using overhead door and secure access control 6. Provide transparent glass windows into all stairwells 7. Provide camera monitoring of all pedestrian and vehicle entrances and areas	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 12. 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 first and second floors and two at elevation between third and fourth floor

## URBAN REVITALIZATION SPRINKLER RETROFITTING CRITERIA

### **Who is eligible for the Program?**

Owners of properties of high-rise buildings, dormitories, institutions, and residences with occupants who have impractical evacuation capabilities will be eligible for this tax abatement program. The definitions of these categories are as follows:

**Existing High-Rises:** Buildings having occupied floors located more than 75 feet above the lowest level of fire department vehicle access.

**Institutions:** Buildings housing more than 16 persons on a 24-hour basis to be cared for or provided a supervised environment because of their physical or mental condition, including hospitals, nursing homes, and assisted living facilities.

**Mobility Impaired:** Buildings with 16 or more dwelling units of which eight are occupied by one or more persons who have an impaired evacuation capability. The fire chief, or his/her designee, shall have the authority to determine whether a person is an occupant with an impaired evacuation capability as aforesaid, and to conduct a timed evacuation drill to determine the extent to which an apartment building may contain occupants with such impaired evacuation capabilities.

**Dormitories:** A building in which sleeping accommodations are provided for more than 16 persons, who are not related by marriage or consanguinity, in one room or a series of closely associated rooms, with or without meals.

### **What type of improvement must be accomplished?**

In order to qualify for the Tax Abatement Program, the property owner must install an International Building Code/International Fire Code (2003) compliant sprinkler system.

### **How long is the abatement incentive available?**

In order to be considered for the tax abatement program, the installation of a Code compliant sprinkler system must be completed prior to October 1, 2011.

### **What improvements will be eligible for tax abatement?**

For existing buildings, tax abatement will be given for the installation of a sprinkler system in accordance with Section 403.2 of the 2003 International Building Code and Section 903 of the 2003 International Fire Code and for any other improvements that are made as part of the same construction project where the value has been increased by at least 5%.

NOTE: Greek houses within the East University Impacted Urban Revitalization Area may apply with that program application packet.