

COUNCIL ACTION FORM

SUBJECT:2011 URBAN REVITALIZATION TAX EXEMPTION REQUESTS

BACKGROUND:

Each year, property owners who have developed, redeveloped, rehabilitated, or remodeled property within the City's Urban Revitalization Areas (URA's) may apply for tax exemption on the incremental added value of their properties, as provided in Chapter 404 of the *Code of Iowa*. Property owners of four development or redevelopment projects are requesting tax exemptions for the 2011 assessment year, which refers to improvements made in 2010 that are included in the current value of the properties.

A listing of the project owners, locations, and reported values is attached. Abatements are applied over three, five, or ten years, depending on the Urban Revitalization Plan approved for each area, as illustrated by the attached abatement schedule. The property owners have reported construction value totaling \$2,414,235 for these projects.

ALTERNATIVES:

1. The City Council can approve the requests for tax exemption as conforming to the corresponding Urban Revitalization Plan to the extent that these requests are in compliance with Chapter 404 of the *Code of Iowa*.
2. The City Council can deny these requests for approval of the tax exemptions, only if found not to be in conformance with the revitalization plan.

MANAGER'S RECOMMENDED ACTION:

Staff has examined these projects as of January 2011, and finds that the work completed conforms to the corresponding Urban Revitalization Plans approved by the City Council.

Therefore, it is the recommendation of the City Manager that the City Council accept Alternative #1. This action will deem the requests for tax exemption conforming to the revitalization plan consistent with Chapter 404 of the *Code of Iowa*. The City Assessor will ultimately determine which of these applications will receive tax exemption. This action will allow the requests for tax exemption to be processed by the City Assessor.

2011 Tax Abatement Properties

East University Urban Revitalization Area

Estimates For Incremental Values

Pi Chapter of Alpha Delta Pi Building Corporation
2125 Greeley
Greek House Renovation
3-years

\$ 170,235

Kappa Delta Building Association
2102 Sunset
Greek House Renovation
10 years

\$ 794,000

Sigma Kappa, Inc.
233 Gray
Greek House Renovation (completed in 2009)
9 years remaining of 10-year schedule

\$ 250,000

Campustown URA

Cyclone Inns, LLC
111 Lynn Avenue
Mandatory Sprinkler Retrofit
10 Years

\$ 1,200,000

Urban Revitalization Program

Tax Exemption Schedule

All qualified real estate located in the designated revitalization area is eligible to receive a partial exemption from taxation on the Actual Value added by the improvements as specified by the schedules below. Any qualified real estate may elect one of the three schedules.

The exemption period for ten (10) years. The amount of the partial exemption is equal to a percent of the Actual Value added by the improvements, determined as follows:

For the first year,	80%
second	70%
third	60%
fourth	50%
fifth	40%
sixth	40%
seventh	30%
eighth	30%
ninth	20%
tenth	20%

The exemption period for five (5) years.

For the first year,	100%
second	80%
third	60%
fourth	40%
fifth	20%

The exemption period for three (3) years. All qualified real estate is eligible to receive a 100% exemption on the Actual Value added by the improvements for each of the three years.

Carefully examine the exemption schedules before making a selection. Once the selection of the schedule is made and the exemption is granted the owner is not permitted to change the method of exemption.

University Area Urban Revitalization Program

Application Form

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

1. Property Address: 233 Gray Avenue
2. Property Identification Number (Geocode): 09-09-228-060
3. Urban Revitalization Area: Greek Community - East University
4. Legal Description (attach, if lengthy): College Heights Add. Lots 12, 13, +14 Blk 16
5. Description of Improvements ☐ Attach if lengthy: Mandated sprinkler project. At same time, new closet systems, ceiling + lighting updates, wall repairs, new woodwork + doors majority house.

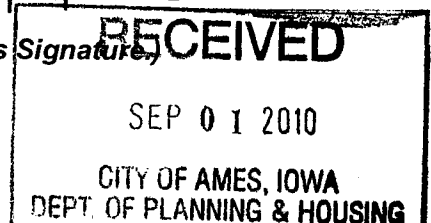
Improvement costs: \$ See attached : Est: 250,000 since under budget.
Beginning construction date: Majority May 2009; prep summer 2008
Estimated or actual completion date: Fall 2009
Assessment year for which exemption is being claimed: 2011
Exemption schedule (3, 5, or 10 years): 10 years

6. Property Owner: Sigma Kappa, Inc.
Address: 233 Gray Ave Ames IA 50014
(Street) (City) (State) (Zip)
Telephone: 515-975-1664 ; 515-292-9060
(Home) (Business) (Fax)

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: Janelle K. Jacobsen Date: 8/31/2009
(Property Owner)

(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: 2102 Sunset Drive, Ames, IA 50014
2. Property Identification Number (Geocode): 09-09-228-040 ←
3. Legal Description (attach, if lengthy): SEE PARCEL ID ABOVE
4. Description of Improvements - Attach if lengthy: NEW SPRINKLER SYSTEM WITH FIRE ALARM; SOFFITS TO CONCEAL SPRINKLER; NEW ELEC. SERVICE; NEW HOT WATER FIN TUBE BOILER SYSTEM; NEW CARPET, PAINTING, & INTERIOR COSMETICS

Improvement costs: \$ 794,000⁰⁰

Beginning construction date: 5/15/09 THRU 9/1/10

Estimated or actual completion date: 9/1/10

Assessment year for which exemption is being claimed: 2011

Exemption Schedule (~~5~~, ~~8~~, or 10 years): 10 YEAR SCHEDULE

5. Property Owner: KAPPA DELTA BLDG ASSOCIATION

Address: 2102 SUNSET DR AMES IOWA 50010
(Street) (City) (State) (Zip)

Telephone: 515-292-4200
(Home) (Business) (Fax)

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: Patricia K. Jernod, President Date: 9/16/2010
(Property Owner)

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

House Corporation Board
Kappa Delta Sorority

RECEIVED

SEP 20 2010

CITY OF AMES, IOWA
DEPT. OF PLANNING & HOUSING

Urban Revitalization Program Application Form

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

1. Property Address: 2125 GREELEY ST., AMES
2. Property Identification Number (Geocode): 09-09-228-070
3. Legal Description (attach, if lengthy): COLLEGE HEIGHTS ADD LOTS 10 + 11
BLK 16
4. Description of Improvements - Attach if lengthy: SEE ATTACHED -
ALPHA DELTA P. SORORITY

Improvement costs: \$ 170,235

Beginning construction date: 5/15/2009

Estimated or actual completion date: 2/29/2010

Assessment year for which exemption is being claimed: 2010

Exemption Schedule (3, 5, or 10 years): 3 YEARS

5. Property Owner: P. CHAPTER OF ALPHA DELTA P. BUILDING CORPORATION

Address: 2125 GREELEY ST., AMES IOWA 50014
(Street) (City) (State) (Zip)

Telephone: 515/292-6582 515/292-9280 515/292-6582
(Home) (Business) (Fax)

BEVERLY MADDEN, ALPHA DELTA P.
PRESIDENT SORORITY

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: Beverly L. Madden Date: 6/21/2010
(Property Owner)

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

RECEIVED

JUN 21 2010

CITY OF AMES, IOWA
DEPT. OF PLANNING & HOUSING



COPY

Fire Department/Inspection Division

515 Clark Avenue ♦ Ames, IA

Phone: (515) 239-5153

Fax: (515) 239-5261

www.cityofames.org

February 3, 2010

To Whom It May Concern:

The City of Ames recognizes Alpha Delta Pi Sorority, located at 2125 Greeley Street, Ames, Iowa, as having met requirement 8.203 of the municipal fire code by installing an automatic fire sprinkler system in accordance with NFPA 13R standards. The system has been in service since July, 2009.

Respectfully,

Tom Henriksen
Fire Inspector
City of Ames

TH/hcr

**University Area
Urban Revitalization Program**
Application Form

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

1. **Property Address:** 111 Lynn Ave, Ames IA
2. **Property Identification Number (Geocode):** 09-09-200-044
3. **Urban Revitalization Area:** _____
4. **Legal Description** (attach, if lengthy): Parkers addition, Parcel "U"
lots 5 and 24.
5. **Description of Improvements - Attach if lengthy:** Installation of
a fire suppression system.

Improvement costs: \$ 1.2 million

Beginning construction date: November 2009.

Estimated or actual completion date: December 2010

Assessment year for which exemption is being claimed: 2011

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

6. **Property Owner:** Cyclone Inns, LLC
Address: Po Box 1088 Manhattan, KS 66505-1088
(Street) (City) (State) (Zip)
Telephone: 785-776-3804
(Home) (Business) (Fax)

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: Charles A. Busch Date: 12/29/10
(Property Owner)

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

