ITEM # <u>14</u> DATE: 02-09-16

### **COUNCIL ACTION FORM**

<u>SUBJECT</u>: SET PUBLIC HEARING DATE FOR WALNUT RIDGE MIXED USE

URBAN REVITALIZATION AREA AT 3505 AND 3515 LINCOLN

**WAY** 

### **BACKGROUND**:

Turn Key Development, LLC, and Chuck Winkleblack, property owners, are requesting the designation of 3505 and 3515 Lincoln Way as an Urban Revitalization Area. The subject site consists of two properties with a total area of 2.23 acres that are zoned Highway Oriented Commercial with the Lincoln Way Mixed Use Overlay. The site was recently approved for development as a mixed-use project with 10,912 square feet of commercial uses on the ground floor and 18 apartments. A location map is found in Attachment A.

The history of the site includes a prior use as a mobile home park that the current property owner removed with the intent of developing a small subdivision to the north and commercial development on the subject area. The property owner requested determination by City Council in June 2008 that the site was underutilized as described in the City's former policy for commercial tax abatement for HOC zoned property. City Council adopted a resolution in 2008 recognizing redevelopment of the subject site with the commercial area as meeting the underutilized threshold of the 2008 Commercial Policy. However, no formal designation of the site as an Urban Revitalization Area occurred at that time.

On October 27, City Council directed staff to proceed with creation of an Urban Revitalization Area for the project. The Council directed that the Major Site Development Plan (approved by City Council in September 2015) be established as the criteria for the revitalization area with the addition of criteria requiring participation in the Crime Free Housing Programs with the Police Department.

### **URBAN REVITALIZATION PLAN:**

The draft Walnut Ridge Mixed Use Urban Revitalization Plan (Attachment B) meets state requirements and also includes qualifying criteria. These criteria are found in Attachment 3 of the Urban Revitalization Plan and require substantial conformance to the Major Site Development Plan approved by Council and participation in the Ames Crime Free Housing program. The draft plan also identifies that it will expire on December 31, 2021.

If City Council is satisfied with the draft Urban Revitalization Plan and qualifying criteria, it must next set a public hearing date to consider approval of the plan. The next available Council meeting that meets public notice requirements is March 22, 2016. At the March 22 meeting, the City Council will conduct a public hearing, act on a resolution to approve the Urban Revitalization Plan, and act on the first reading of an ordinance

exempting the improvements from property taxes within the Urban Revitalization Area for projects that meet the qualifying criteria.

### **ALTERNATIVES**:

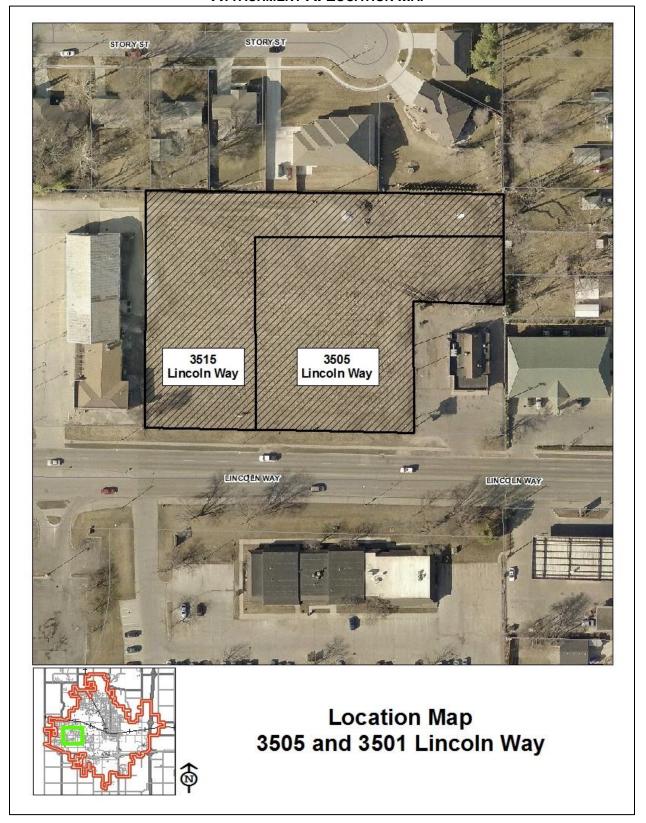
- 1. If the City Council accepts the draft Lincoln Way Mixed Use Urban Revitalization Plan for 3505 and 3515 Lincoln Way, it can set March 22, 2016, as the date of the public hearing for the adoption of the Plan and the approval of the Urban Revitalization Area.
- 2. The City Council may amend the draft South Lincoln Way Mixed Use Urban Revitalization Plan for 3505 and 3515 Lincoln Way and direct staff to set March 22, 2016, as the date of the public hearing for the adoption of the Plan and the approval of the Urban Revitalization Area.
- 3. The City Council may choose not to proceed with establishing an Urban Revitalization Area for the subject site.

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

The attached plan is in conformance with the direction that was given in October for drafting an Urban Revitalization Plan for 3505 and 3515 Lincoln Way.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above.

## ATTACHMENT A: LOCATION MAP



#### ATTACHMENT B: DRAFT URA PLAN

# Walnut Ridge Mixed Use Urban Revitalization Plan

Approved by the Ames City Council on \_\_\_\_\_\_\_, 2016 In accordance with Chapter 404, Code of Iowa

### **Legal Descriptions (See Attachment 1: Location Map)**

#### 3505 Lincoln Way

Parcel ID# 09-05-451-244

Legal Description:

A part of Lots 1 and 2 in Walnut Ridge Subdivision First Addition to the City of Ames, Story County, Iowa, more particularly described as follows: Commencing at the Northeast Corner of said Lot 2; thence S00°17'39"E, 48.23 feet along the East line of said Lot 2 to the point of beginning; thence S00°17'39"E, 78.02 feet to a corner of said Lot 2; thence N88°27'12"W, 104.06 feet to a corner of said Lot 2; thence S00°26'33"E, 149.91 feet to the Southeast Corner of said Lot 2; thence N88°44'41"W, 182.72 feet along the South line thereof; thence N00°00'00"E, 221.11 feet; thence S90°00'00"E, 285.14 feet to the point of beginning, containing 1.12 acres.

#### 3515 Lincoln Way

Parcel ID# 09-05-451-248

Legal Description:

A part of Lots 1 and 2 in Walnut Ridge Subdivision First Addition and the East 73.74 feet of the alley in Edgewood Fifth Addition, all in the City of Ames, Story County, Iowa, more particularly described as follows: Beginning at the Southwest Corner of said Lot 1; thence N00°01'39"E, 246.80 feet to the Northwest Corner thereof; thence N00°23'07"W, 23.91 feet to the North line of said alley; thence S89°23'05"E, 73.74 feet to the Northeast Corner of said alley; thence S89°25'59"E, 337.94 feet to the Northeast Corner of said Lot 2; thence S00°17'39"E, 48.23 feet along the East line thereof; thence N90°00'00"W, 285.14 feet; thence S00°00'00"W, 221.11 feet to the South line of said Lot 1; thence N88°44'41"W, 126.76 feet to the point of beginning, containing 1.11 acres.

### **Owners and Addresses**

Property	Owner Name	Owner Address
3505 Lincoln Way	Charles E. Winkleblack	5854 Oak Crest Circle
		Ames IA 50010
3515 Lincoln Way	Turn Key Investments LLC	2615 Northridge Parkway Ste.#102
		Ames IA 50010

#### **Assessed Valuations**

Property	Land Value	Building Value	Total Value
3505 Lincoln Way	\$425,600	\$0	\$425,600
3515 Lincoln Way	\$311,200	\$0	\$311,200

### **Zoning and Land Uses (See Attachment 2: Zoning of Proposed URA)**

	Exis	sting	Proposed	
Property	Zoning	Land Use	Zoning	Land Use
3505 Lincoln Way	HOC,	Vacant	Highway Commercial	Commercial\Residential
	O-LMU		with Mixed Use	Mixed Use
			Overlay	
3515 Lincoln Way	HOC,	Vacant	Highway Commercial	Commercial\Residential
	O-LMU		with Mixed Use	Mixed Use
			Overlay	
HOC= Highway Oriente	d Commercia			•

HOC= Highway Oriented Commercial
O-LMU=Lincoln Way Mixed Use Overlay

### **Proposed Expansion of Services**

The proposed urban revitalization area will continue to receive all services from the City of Ames. There is no proposed extension or increase in the level of service.

### **Applicability**

Revitalization is applicable only to new construction and only in conformance with the approved site development plan and that the principal buildings have received building certificates of occupancy. Revitalization is available to all allowed uses on the site that meet the qualifying criteria found in Attachment 3 of this Plan.

#### **Relocation Plan**

There are no occupied residential structures in the proposed area. No relocations are anticipated, in the event relocation is necessary it is at the sole expense of the property owner.

#### **Tax Exemption Schedule**

The property owner may choose one of the following options:

**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.

### **Required Increase in Valuation**

The project shall require an increased in assessed valuation of at least fifteen percent.

#### Federal, State or Private Funding

No federal, state, or private funding (other than the developer's financing) is anticipated for this project.

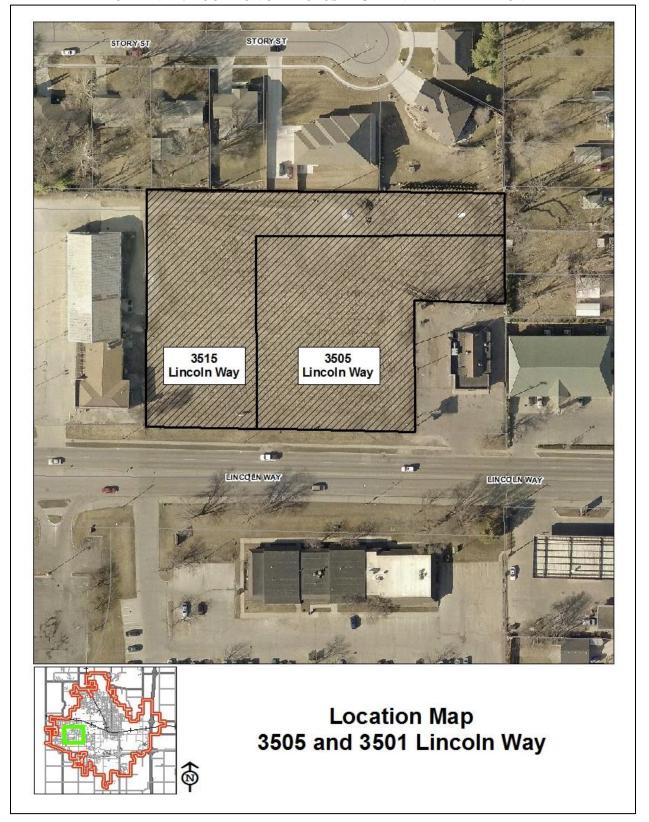
#### **Duration**

The Urban Revitalization Area shall expire on December 31, 2021. All projects seeking tax abatement must have been completed prior to expiration. Projects already determined to be eligible for tax abatement shall continue to receive tax abatement consistent with the chosen schedule for abatement and in accordance with state law.

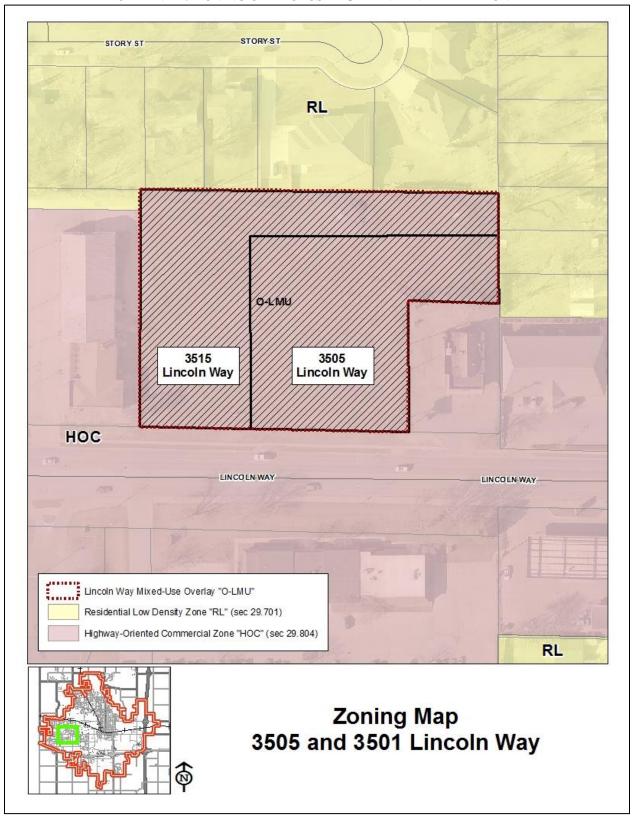
#### **Additional Criteria**

In order to be eligible for tax abatement, a project must be consistent with City ordinances and also meet the criteria in Attachment 3.

ATTACHMENT 1: LOCATION OF PROPOSED URBAN REVITALIZATION AREA



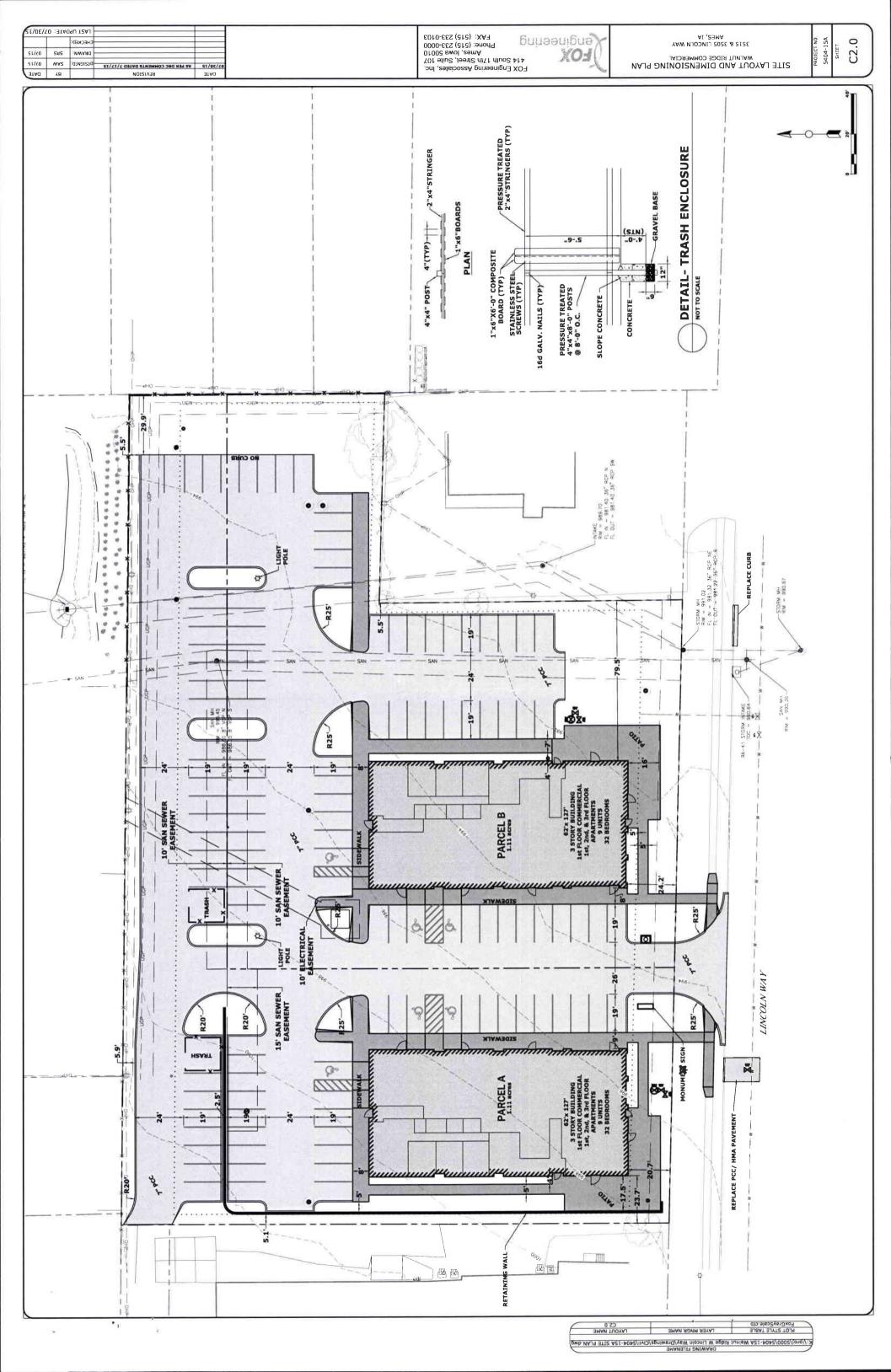
ATTACHMENT 2: ZONING OF PROPOSED URBAN REVITALIZATION AREA

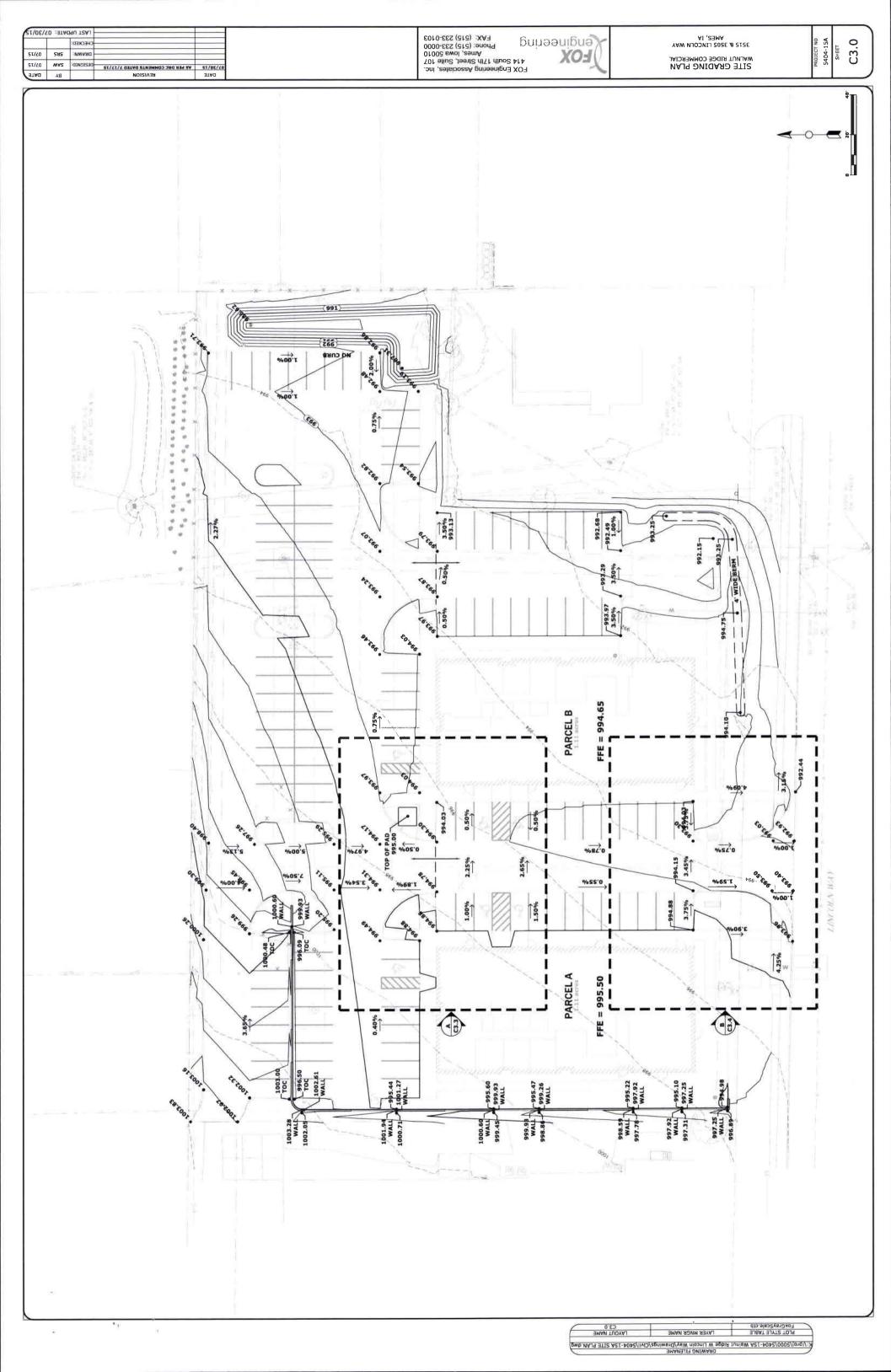


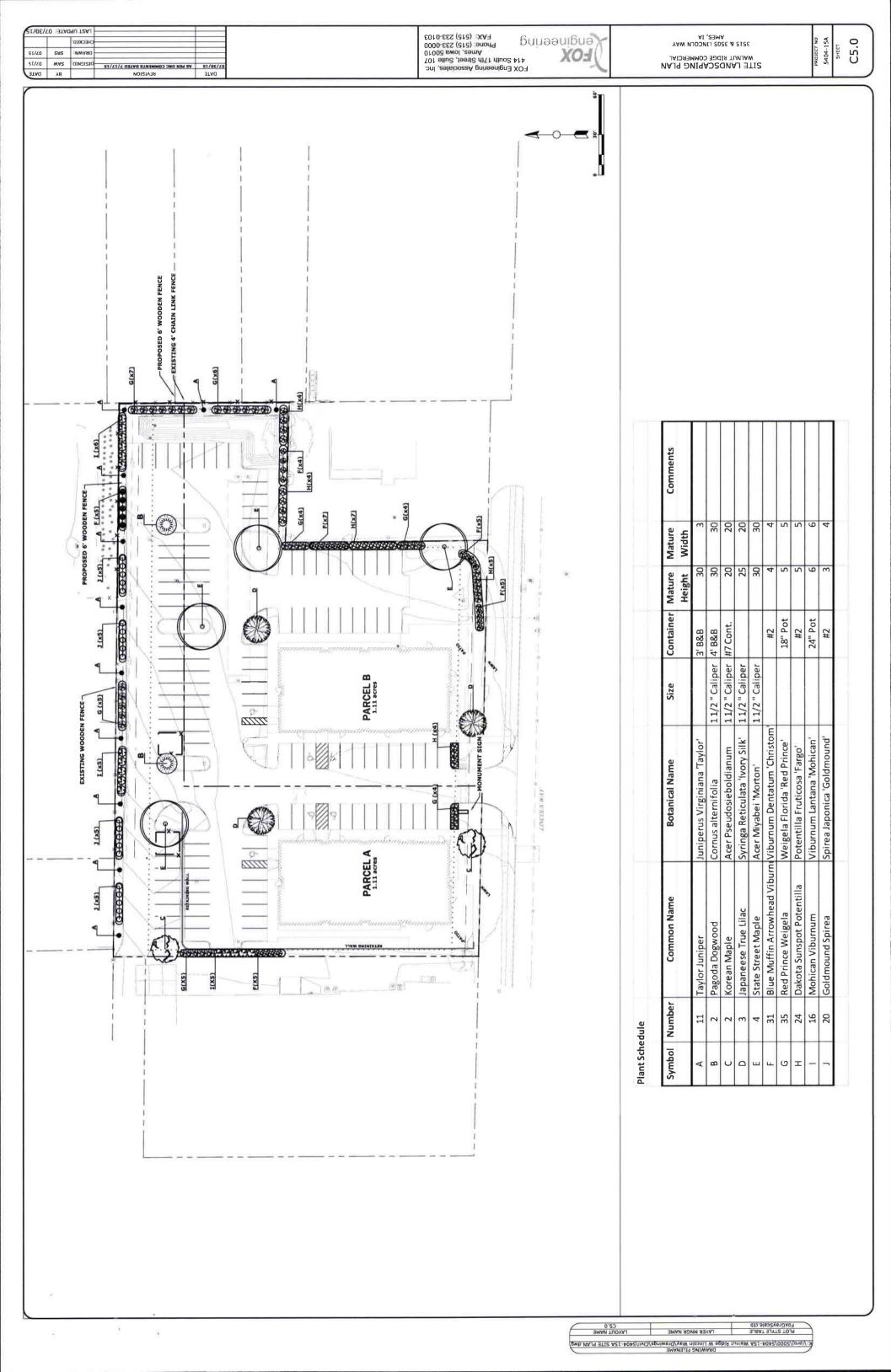
## **ATTACHMENT 3: ADDITIONAL QUALIFYING CRITERIA**

- 1. The project shall be built in substantial compliance with the Major Site Development Plans (Attachment 4) by City Council on September 8, 2015 and in accordance with the conditions of Resolution #15-561, or as amended.
- 2. The residential project shall receive and maintain certification for the Iowa Crime Free Multi-Housing Program administered by the Ames Police Department.

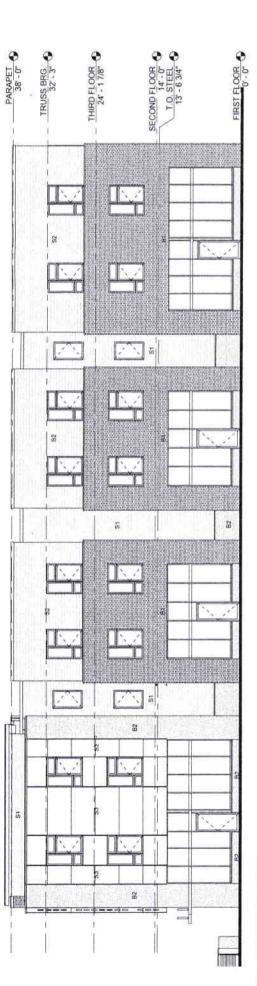
# ATTACHMENT 4: APPROVED MAJOR SITE DEVELOPMENT PLAN





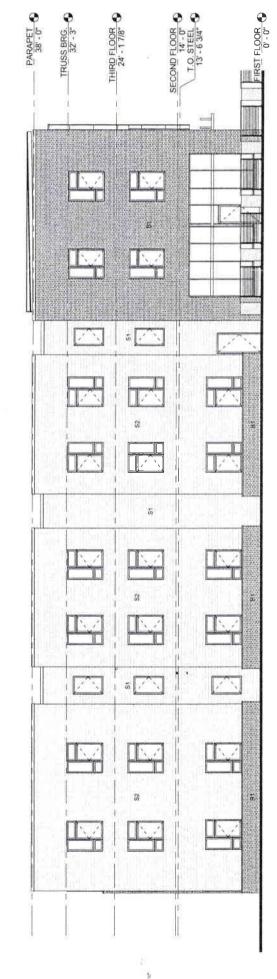




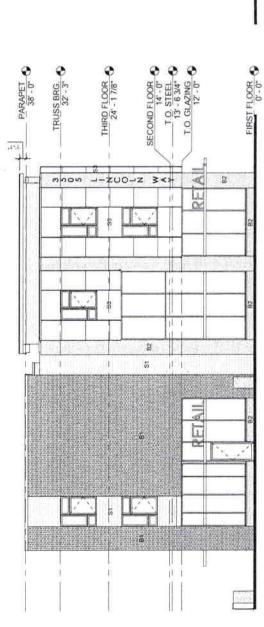


| MATERIAL SCHEDULE | Type Mark | Bit | Bitch: -Dark Gray | Bit | Bitch: -Dark Gray | Bit | Bitch: -Dark Gray | Bit | Bitch: -Light Tan | Bit | Bitch: -Dark Gray | Bit | Bitch: -Dark Gray | Bit | Bi

EAST ELEVATION
SCALE: 1/8" = 1'-0"

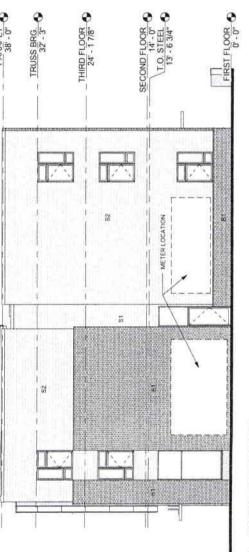


3 WEST ELEVATION SCALE: 1/8" = 1'-0"



NORTH ELEVATION SCALE: 1/8" = 1'-0"

SCALE: 1/8" = 1-0"



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