#### Staff Report

### DOWNTOWN DEVELOPMENT ISSUES

November 14, 2017

### **BACKGROUND:**

Over the past few years the City has experienced significant growth in the number of new mixed-use developments in the Campustown area. Recently, the City staff has received interest from developers regarding similar mixed-use projects in the current Downtown business district and along the Lincoln Way corridor between Clark and Kellogg. It appears that the City Council is eager to support mixed-use projects that include additional housing opportunities in these areas.

Before responding to requests from developers regarding such downtown redevelopment projects, the City Council has requested that the staff provide information regarding 1) parking standards, 2) storm water regulations, 3) community space, and 4) potential incentives. It is hoped that this information will allow the City Council to make policy decisions regarding these issues prior to developers seeking assistance from the City.

#### DOWNTOWN PARKING STANDARDS

The Downtown has a unique zoning district of Downtown Service Center (DSC) that is written to promote a "main street" character and to promote commercial use and to allow for residential uses on upper floors of buildings. Private development has no requirement for providing parking for commercial uses and a minimal requirement of providing for one parking space per residential dwelling. Miscellaneous uses of hotels and theaters require additional parking.

#### EXCERPT OF PARKING STANDARDS:

PRINCIPAL LAND USE	ALL ZONES EXCEPT DOWNTOWN AND CAMPUSTOWN SERVICE CENTER ZONES	DOWNTOWN AND CAMPUS TOWN SERVICE CENTER ZONES
APARTMENTS DWELLINGS	1.5 space/RU; for one-bedroom units 1 space/bedroom for units of 2 bedrooms or more 1.25 space/bedroom for units of 2 bedrooms or more in University Impacted (O-UIE and O-UIW) 1 space/residential unit for an Independent Senior Living Facility	1 space/RU
AUDITORIUMS, THEATERS, STADIUMS AND ARENAS	Greater of 1 space/5 seats or 10 spaces/1,000 sf, with a minimum of 20 spaces	Greater of 1 space/4 seats or 10 spaces/1,000 sf, with a minimum of 20 spaces
RETAIL SALES AND SERVICES-GENERAL SIT-DOWN RESTAURANT	1 space/300 sf 9 spaces/1,000 sf	NONE

Remote parking is allowed within the DSC when it meets the standards of Section 29.406(18) and the location is approved by the City Council. Remote parking must be within 300 feet of the site and permanently committed to parking for use by the site. The distance of 300 feet is roughly equal to the length of traditional city block in Downtown. Use of public parking spaces does not meet the remote parking requirements.

Downtown does not specifically have parking design requirements that differ from the City's general requirements for surface parking lots or for parking decks. DSC zoning does require that a minimum of 50% of the ground floor of the building be used for commercial uses, but does not directly address parking configurations in relation to the ground floor of the building. The City's standards for parking lots require a minimum of a seven-foot landscape separation along streets and 0 to 3 feet from property lines. Larger parking lots would also require internal tree planter islands.

Parking decks include specific requirements about design in an effort to minimize the impact of the look of parking garages and their compatibility with pedestrian character at street level. Parking decks are defined as having of having two levels of parking, either above or below the ground level. Parking decks often create a feeling of "dead space" compared to the activity of businesses and storefronts. Parking decks require that 75% of the frontage be lined with space for walk-in retail or services uses and that parking spaces are setback at least 35 feet from front property lines at street level. These standards have consistently been applied to redevelopment projects that have occurred within Campustown.

Downtown has a significant number of public parking spaces to support the commercial and public uses found in the Downtown. There are a total of 1,399 public parking spaces within Downtown, excluding the Lot M parking behind City Hall that is principally for City use and for employees during business hours.

Downtown Public Parking*	
Free Parking, Standard	559
Free Parking, Compact	30
ADA Parking	43
Metered Parking	600
Reserved Parking	167

Public parking has restrictions on time and use. Metered on-street parking has a typical limit of 2 hours along Main Street and up to 4 hours in other areas. The free parking located within off-street parking lots is typically restricted to 2 to 4 hours, but may be as long as 10 hours near City Hall and the Library. Parking restrictions do not apply after 6 pm. However, there is no overnight parking allowed within the public parking stalls and parking is prohibited after 3 am, with the exception of public parking permitted within Lot MM behind City Hall. Reserved parking spaces allow for 24-hour parking. A complete map of parking location and restrictions is available online through the Ames GIS Information.

## **STAFF COMMENTS REGARDING DOWNTOWN PARKING STANDARDS:**

The City's current parking regulations are a balance of moderate parking requirements for new development within an urban environment. It is unlikely that the current requirement is a deterrent to redevelopment projects. The requirement for parking has deterred some property owners for a handful of existing buildings in Downtown from creating apartments, while others have been able to meet parking requirements on site or through remote parking arrangements.

Parking requirements could be reduced as policy preference, if providing for parking with residential uses is viewed as an impediment to adding housing within Downtown. City Council could choose to reduce parking based upon smaller unit sizes, small project size, availability of off-site parking, or eliminate the requirement in its entirety as is the case for commercial uses. The City Council could also expand the allowance for remote parking to encourage greater use of parking spaces that may already exist in Downtown, including potentially use of City reserved parking stalls.

Currently, City reserved stalls would not meet the standard of permanently reserved parking available for private use and is not eligible as required parking for meeting zoning standards. If the City Council desired to reduce parking requirements within the Zoning Ordinance, it would also need to decide if parking would continue to be required in the Rental Code. Reducing zoning requirements may make it easier to establish residential uses and the Rental Code would ensure that some form of parking was still provided on or near the site.

Staff reviewed Des Moines, Iowa City, and Cedar Rapids parking requirements for the downtown types of zoning districts. Des Moines requires no parking for any uses in downtown and allows for a 60% reduction in parking for neighborhood and pedestrian commercial oriented areas. Iowa City has a base requirement of .5 spaces for 1 bedroom units, 1 space for 2 bedrooms, and 3.5 spaces for 3 bedroom units. Iowa City also allows for reductions in parking and payment of in lieu fees for parking within a parking district. Cedar Rapids requires no parking within Downtown.

Staff believes that the current one space per unit requirement is reasonable and most market rate, non-student developments are likely to provide at least .5 to 1 parking space per unit. Staff will be proposing a modified parking ratio for the Lincoln Corridor area based upon a 1 space per two bedroom unit standard and a lower requirement for one bedroom units. If City Council is interested in modifying parking requirements for Downtown, staff would advocate reducing the requirement only for smaller projects and apartment sizes to ensure student housing is not over incentivized for the area with relaxed development regulations.

#### STORM WATER REGULATIONS

The City of Ames adopted Chapter 5B Post Construction Stormwater Management Ordinance on April 22, 2014. This Ordinance meets the requirements of the U.S Environmental Protection Agency's National Pollutant Discharge Elimination System (NPDES) permit program as administered by the Iowa Department of Natural Resources (IDNR). The City of Ames was required to obtain an NPDES Permit for the discharge of stormwater from a Municipal Separate Storm Sewer System (MS4 Permit).

The Ordinance requires that the site improvements be designed to control water quantity (flow rates) and to improve water quality from the stormwater runoff of applicable development properties within the City. It also encourages the use of low impact development to increase on-site infiltration, reduce pollutant loads in receiving waterways, and reduce stormwater runoff volumes from developed areas.

Since adoption of the ordinance, reduction in stormwater runoff volumes on redevelopments, new developments, and the City Hall Parking Lot project **have been achieved through either detention basins or underground storage**. Water quality improvements **have been achieved primarily through wet detention basins, soil quality restoration, native landscaping, or underground mechanical units**.

Currently the Ordinance applies to the following properties and/or development sites:

- Any new development or redevelopment disturbing more than one acre of land.
- Any new development of redevelopment creating more than 10,000 SF of impervious cover.

The following are exempt from the Ordinance:

- Any agricultural activity.
- Additions or modifications to an existing single family property.
- Storm Water Management Design standards do not apply to any area within a 1,000 foot distance from any City of Ames drinking water well located in the Southeast Well Field and Youth Complex Well Field. In these specific areas, developments will need to meet requirements for stormwater quality based treatment or a combination of quantity and quality based treatment as approved by both the Director of Public Works and the Director of Water Pollution Control.
- Partial waiver can be granted to allow the movement of stormwater management facilities to an off-site location with sufficient justification.

## WHAT DO OTHER CITIES DO IN THE DOWNTOWN?

As a comparative reference, staff reviewed Post Construction Stormwater Management Ordinances in some other Iowa communities. (See Attachment 3)

As evidenced in the attached table, the Central Business Districts in Iowa City and Waterloo are **totally exempt** from the Stormwater Ordinance. In Iowa City, developers of other sites located within the South Sycamore Greenway Watershed (not the Central Business District) are able to "buy into" a regional area, which was built around the year 2000 and which controls both water quantity and quality.

Some cities have alternate criteria for redeveloped sites. For instance:

- In Cedar Falls redeveloped areas with at least 25,000 square foot land disturbance are subject to the ordinance, whereas newly developed areas the ordinance applies to sites with at least 43,560 square feet of land disturbance.
- Cedar Rapids has a general exception for "areas deemed appropriate by the City Engineer" that allows for discretion and could include the Downtown area if the City Engineer finds that appropriate.

**Ordinance applicability and criteria are also able to be considered for revision**. Council Bluffs and Iowa City Ordinances have a minimum land disturbance of one (1) acre and three (3) acres, respectively, without impervious coverage criteria, and are therefore less restrictive than the current Ames Ordinance.

## **OPTIONS:**

Staff has identified four options for dealing with the handling of storm water for redevelopment projects in the Downtown.

## **Option 1**: Meet the current standards

This option would require all applicable redevelopment projects in Downtown Ames to meet the current requirements of the Post Construction Stormwater Ordinance like all other developments within the City.

If Option 1 is selected, no further action is needed by City Council and the current Ordinance requirements would be applied.

It should be remembered that under our current Ordinance, with justification, offsite storm water management facilities can be used to satisfy the requirements. This option can sometimes save the developer from the more costly underground facility in the Downtown.

## <u>Option 2:</u> Exempt redevelopment projects in Downtown from meeting current standards

This option would exempt Downtown redevelopment projects from the Stormwater Management requirements. It would be difficult to support this option due to significant community flooding and the negative capacity impact there would be on storm sewer infrastructure downstream of the development.

If Option 2 is selected, Chapter 5B, Section (8) (a) of the Post Construction Stormwater Management Ordinance should be amended to exempt the Downtown area from the requirements of the Ordinance.

# <u>Option 3:</u> Develop specific criteria for Downtown District and/or re-development projects.

Under this option, Staff would collaborate with the development community to come up with specific design criteria for the Downtown District that would both provide public health, safety, and welfare and establish an agreeable arrangement with the Developers.

Things to consider would be capacity impact on storm sewer infrastructure downstream of the development, history of localized/river flooding downstream of the development, and water quality improvements.

For example, water quality improvements could be required on-site (e.g. permeable pavement systems, green roofs), but underground detention systems be allowed to control runoff volumes back to existing condition (compared to meadow as required by the ordinance).

If Option 3 is selected, Staff would come back to City Council with recommendations for Ordinance amendments based on the collaboration of Staff with the Development Community.

## <u>Option 4:</u> Offer the developer an option to provide a fee in-lieu of meeting the stormwater requirements on site

This approach would require the construction of a regional stormwater management area with the developers contributing a fee towards this facility when a Downtown redevelopment project is undertaken. This option would most likely result in a Cityowned Stormwater Management facility requiring ongoing maintenance rather than typical privately owned facilities.

Two ways this option could transpire are:

**Option 4A: Require that water quality controls be on-site and allow for offsite water quantity/flood control.** This option would allow for the larger water storage areas to be off-site and would encourage some reduction of on-site volume and currently used best management practices such as permeable pavements and green roofs. **Option 4B: Allow for both water quantity and quality controls to be off-site.** This option would remove all stormwater management from the development site and not encourage the use low impact development practices and runoff minimization.

If Option 4 is selected, Chapter 5B, Section (8) (a) of the Post Construction Stormwater Management Ordinance should be amended to exempt the Downtown area from the requirements and add the fee-in-lieu requirement. Option 4 would also require the construction of a regional stormwater management area downstream of the development areas and would most likely necessitate the City purchasing land and adding an ongoing maintenance program for this project. In addition, it might be difficult to identify a site large enough to satisfy the capacity needs.

#### COMMUNITY SPACE

Downtowns often include public amenity space for visitors, residents, and employees. Public space for downtowns can take on many forms depending on the purpose and location of the space. Staff approached the task of analyzing options for creating public space within Downtown by reviewing prior studies and considering potential site size and uses for the space as a plaza. Prior studies focused on two large City controlled properties for various plaza and public space ideas. The City analyzed options for the entire Downtown in 1996 and developed a single "catalyst" project civic plaza concept in 2005 for the parking lot east of City Hall. In addition to this location, staff has identified other City owned properties in and around Downtown and included a map of these locations in Attachment 1. Since the City does not control other properties, Staff did not consider at this time the use of private property or incorporating public space in future redevelopment opportunities when assessing options for Downtown.

Public spaces can include plazas and buildings, green space, decorative hardscapes, active and passive areas, water features, public art, seating and gathering spaces, and performance venues. Prioritizing the needs and purpose of the plaza will help formulate the best location and size for the public space. For example, considering public space as a visitable, everyday facility as an amenity or attraction to Downtown will shape the space differently than it if it is primarily a passive area intended for events or larger gatherings. Tom Evans Plaza is an example of micro-sized public space that is intended primarily for everyday use with its location adjacent to Main Street and its tables, benches, and art exhibits. Alternatively, a performance venue, or pavilion structure, would likely be more event or activity driven and have design features that accommodate large groups that use the space on a less regular basis.

In order to finalize a concept for a plaza, Council direction will be needed regarding the following topics:

- 1. Size of the space
- 2. Location of the space
- 3. Purpose and features of the space
- 4. Budget for improvements.

Staff believes the existing performance venue options at Bandshell Park and Roosevelt Park meet the general need for a performance venue and that a formal town square type of civic space would not be a destination feature on its own. Creating an interesting place with individual small features will be the most likely type of public space to complement visits to Downtown or encourage new visitations to Downtown.

Successful plazas for everyday use should be engaging and interesting to families, have a high level of sunshine exposure, support Downtown uses and business vitality, and become a desirable and identifiable component for Downtown visitation. Access to parking could be important depending on the size and type of features that are incorporated into a plaza. The design of the plaza should also include the ability to incorporate attractive features for summer use as well as for winter use, such as a temporary recreational ice rink. This multi-seasonal design approach would make the plaza a year round destination and would add an activity element that is not currently part of the community.

Staff has prepared Attachment 2 to illustrate two plaza size templates and options for how they can be situated on current City property. Staff created a  $\frac{1}{4}$  acre 70 x 150 foot template for a smaller everyday family oriented space and a  $\frac{1}{2}$  acre 150 x 150 foot template for a larger public space that allows for some everyday attractions, but with space for additional small events. The largest feature intended for the two templates would be a temporary skating facility that may have a maximum size of 80 x 50 feet for recreational skating in the winter. During the summer months hardscape features, such as a labyrinth, could be in the same area as the ice rink. Seating areas and different versions of water features could also be incorporated into either template.

While water features are typically a high cost element for plazas, they do have the potential to create an engaging space. Any water feature for a Downtown plaza would be small in scale and be viewed as a complementary element to the plaza. The water feature would not be intended to compete with the Parks and Recreation Department's planned "Splash Pad" facility that will be constructed in a City park. In trying to create a fun and interesting atmosphere, options for a water feature could include surface flowing elements to mimic a stream with different textures and sounds or small water spouts that are interactive. A pond or larger scale splash pad features would not be necessary.

Additional element for an attractive plaza would be to add whimsy and flair to build anticipation and interest for visitors. The design does not have to be "childlike" for it to be fun and engaging as would be the case for a playground or park. Having interactive and kinetic elements to the plaza are enjoyable features for all ages. Interactive and kinetic elements can be a water feature, public art, and landscaping choices that demonstrate seasonal changes. Interactive features can include a mechanical clock with visible components, musical instruments, game areas, or wind powered mobiles, machines, or sculptures. If the City Council decided to move forward with a plaza concept, including a design motif could assist with focusing the design and include the elements described above.

Staff believes the two best locations for the proposed  $\frac{1}{4}$  acre template are the corner of 5<sup>th</sup> and Kellogg adjacent to the library or as an extension of Tom Evans Plaza. The  $\frac{1}{2}$  acre template would be best situated as an extension of Tom Evans Plaza rather than

as a standalone feature east of City Hall. A short summary of the various locations is included below. Each location would require the removal of public parking spaces to accommodate a plaza. Some locations would also need to accommodate vehicle movement along the perimeter of the spaces. The south of Tom Evans Plaza location would likely need to include measures to reduce noise from the railroad.

Location	Parking Spaces Lost	Example Of Possible Features	Parking Access	Synergy/Vitality	Comments
5 <sup>tr</sup> /Kellogg (1/4 Acre)	27	Labyrinth, skating, chess board, tables, surface water feature	On Street abutting the site	Abuts the Library and its high levels of users, 1 block from Main Street	Compact space takes advantage of its proximity to the Library and Main Street, Would need to address Church and alley driveways
City Hall Parking (¼ Acre)	20	Labyrinth, skating, chess board, tables, surface water feature	Parking Lot abutting the site	Lacks synergy due to parking lot development abutting site. Little pedestrian traffic in this area.	Ample space to fit features, may feel empty and removed from Downtown
City Hall Parking (1/2 Acre)	43	Water feature, skating, raised stage	Parking Lot abutting the site	Lacks everyday synergy due to parking lot development abutting site. Little pedestrian traffic in this area. Could support large numbers of people with additional parking nearby.	Similar approach to the Town Square design of 1996 and 2006
Tom Evans Expansion Parking Lot (¼ Acre)	15	Labyrinth, chess board, tables, surface water feature, skating on flat area	Parking Lot abutting the site	Extension of Tom Evans Plaza create larger overall area connected to Main Street	Would include green space of current park and add new hardscape. Parking easily accessible. Railroad noise undesirable.
Tom Evans Expansion Parking Lot (1/2 Acre)	45	Large space for many features discussed above.	Parking Lot abutting the site	Extension of Tom Evans Plaza create larger overall area connected to Main Street. Combined size could hold small events.	Maintain vehicle circulation through the site, train noise undesirable for acoustics
Parking 6 <sup>th</sup> and Douglas (1/4 or ½ acre)	34-84	Large space for many features discussed above.	On street only with large size	Across from Library, but no connection to rest of downtown	Highly used parking area for Library patrons would be lost

## ASSESSMENT OF POSSIBLE PUBLIC PLAZA LOCATIONS FOR DOWNTOWN:

## POTENTIAL CITY INCENTIVES

## **OVERRIDING PHILOSOPHY:**

It should be remembered that the receipt of incentives from a city government is not a right. However, more often than not, discussions with a developer will start out with a request for incentives from a city in return for the project being built in the community.

The City Council should understand that not every project warrants, or justifies, incentives from a city. Therefore, it is recommended that the City Council follow a three step analysis to decide whether or not a project justifies any city incentives.

**Step 1. Determine if city incentives are warranted for the proposed project.** There are at least two reasons why incentives might be justified.

 First, if for some time the city has desired to accomplish a specific project, but the market forces have not enticed a developer to complete the project – city incentives might be justified.

<u>For example</u>, if retail sales data indicates there is substantial "leakage" to the Des Moines area for furniture sales, the City Council might want to offer incentives to facilitate the construction of a furniture store in the community.

<u>Another example</u> would be if no new development has been attracted to an area in the community that is dilapidated and targeted for redevelopment, the City Council might want to offer incentives to a developer to revitalize this high priority area.

• A second reason to offer incentives would be if the city is getting something from a proposed development project that is above and beyond what the municipality requires in its codes.

<u>For example</u>, in an area envisioned for high density that allows surface parking to meet the city requirements, the City Council might want to offer incentives to a developer who builds a parking ramp that accommodates the project's off-street parking requirements and/or the parking needs of the general public.

<u>Another example</u> would be if a City Council desires a public gathering space in the downtown area. If the developer's project includes this amenity, the City Council could justify the use of public incentives to assure that a public plaza is constructed.

# Step 2. Determine if a financing gap exists for the developer's project to warrant the developer needs the city incentives to accomplish the project.

This decision can be facilitated by staff reviewing the developer's project performa to see if there is a financing gap. In this instance, the City will have to decide what is an acceptable rate of return for the developer.

It also should be noted that in most cases redeveloping in an urbanized area, like Downtown, is more costly than developing in a green field on the outskirts of town. Therefore, the use of public incentives could be justified to offset the higher land cost, possible relocation costs of businesses and renters in the project area, and the demolition costs associated with in-fill projects.

## Step 3. Make sure the city incentives are the last dollars injected into a project.

It is prudent to leverage as much other non-city incentives as possible for the project. It should be expected that a developer will first obtain other funding sources for a project such as from: an equity contribution, conventional financing (loans), and state/federal grants before seeking city incentives to close the financing gap for a project.

## THE ARRAY OF PUBLIC INCENTIVES THAT CAN BE OFFERED A DEVEOPER:

A city has at its disposal a number of incentive tools that can be offered to a developer if a City Council concludes that the infusion of public funding is warranted. A list of the most readily used incentives are listed below in ascending order.

### 1. <u>Reduction or Exemption from City Code Requirements</u>

Under this strategy, rather than provided direct financial incentives to a developer, the City Council could offer a reduction, or total exemption, from the normal City code requirements in order to reduce the cost of the project.

<u>For example</u>, to entice a developer to build multi-family housing in the downtown business district, the Council could require less off-street parking spaces per dwelling unit than is required in other R-H zoned areas.

<u>Another example</u> would be to exempt any storm water quality or quantify requirements for developers who build multi-family developments in the downtown business district, or allow them to accomplish these requirements in other areas off-site within the watershed.

#### 2. <u>Special Assessment</u> (For any off-site improvements)

Many times the addition of an economic development project results in the need for certain off-site improvements such as turning lanes, street widening, traffic lights, and/or bike path/sidewalk connections.

Rather than make the developer pay for these obligations up-front, a city could decide to finance these improvements for the developer by incurring the up-front cost of the improvement and allowing the developer to repay a city over a ten year period for this obligation through a special assessment process.

Under this incentive, the developer can take advantage of the City's lower borrowing rate, but the debt from the assessment counts against the City's debt limit.

## 3. Urban Revitalization Partial Tax Abatement

This is a widely used incentive by cities. It does not require an out-of-pocket expenditure of city funds. Because the tax abatement is based on a sliding scale, the city, county, and school district receive the benefit of a portion of the new tax base immediately.

Generally, the City of Ames offers three options should an urban revitalization area be established for a project: 1) a 3 year – 100% abatement, 2) a 5 year partial abatement, and 3) a 10 year partial abatement once an urban revitalization district has been approved by the Council. (See Attachment 4)

It should be remembered that an urban revitalization area currently exists for the Downtown area. However, according to the area plan, in order to be eligible for a partial tax abatement the project must be:

- 100% commercial (no residential structures are eligible)
- Meet the Downtown design guidelines
- Must improve one or more facades of the structure
- Only eligible for the three year, 100% abatement option

#### 4. Low Income Housing Tax Credit (LIHTC)

LIHTC is a federal income tax credit for the owners of affordable housing developments. LIHTC is a competitive program for the 9% tax credits and is administered by the Iowa Finance Authority (IFA).

IFA solicits applications once a year, typically in December. Award of the tax credits are announced in the Spring. The application and scoring criteria vary year to year as published by IFA. A local contribution is typically required with a minimum 1% of the project value required as part of the 2017 criteria.

The 1% local contribution can be through commitment of land, property tax abatement, or other local funding mechanisms. Projects that receive tax credits are subject to annual reporting to IFA on maintaining affordable housing rent levels. The affordable housing obligation is typically for a minimum of ten years.

#### 5. Work Force Housing Tax Credits

This program is primarily a state incentive that provides up to \$1,000,000 to a developer who provide housing projects using abandoned, empty, or dilapidated properties. It is a very competitive since only \$20,000,000 has been approved annually by the State legislature.

The tax incentive includes a refund on sales, service, or use taxed paid during construction. In addition, the developer can receive an investment tax credit of up to 10% of the investment directly related to the construction or rehabilitation of the housing portion of the project.

This program requires a city to provide a match of at least \$1,000 per dwelling unit. This match can be met by a tax abatement incentive from a city, rather than a direct cash infusion into the project.

#### 6. Tax Increment Financing (TIF)

The tax increment financing tool allows a city to redirect the additional taxes paid by the developer for the additional value of the new economic development project that would have normally gone to a city, school district, and county to pay for their operating budgets either to 1) the developer in the form of an annual rebate or 2) to city to pay the debt service for any public infrastructure (for example: roads, bridges, parking ramps) that was constructed to facilitate the new development.

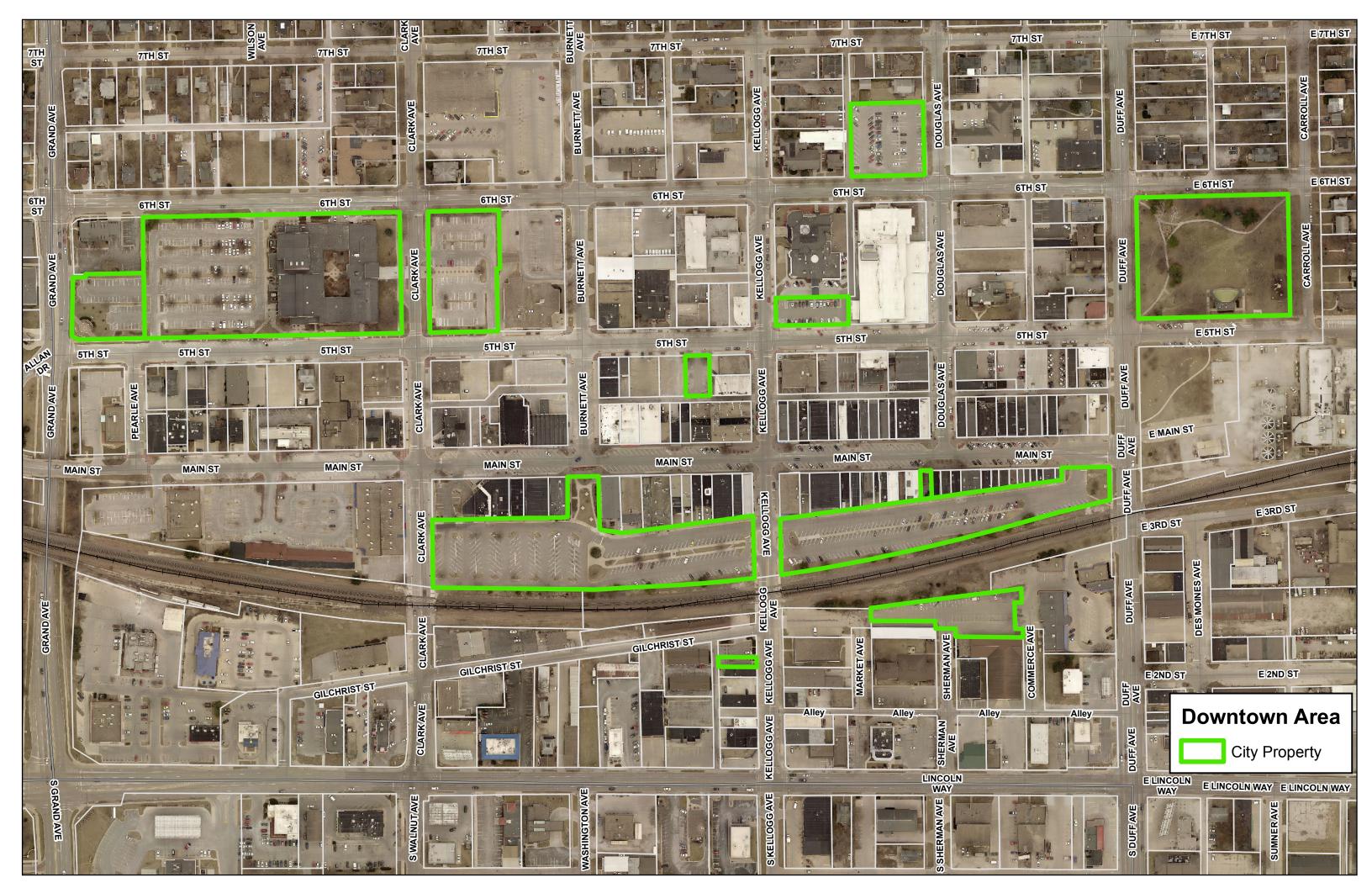
It should be noted that the Iowa Code now limits the duration for this TIF financing tool to 20 years. In addition, if a TIF rebate is pursued, the amount of

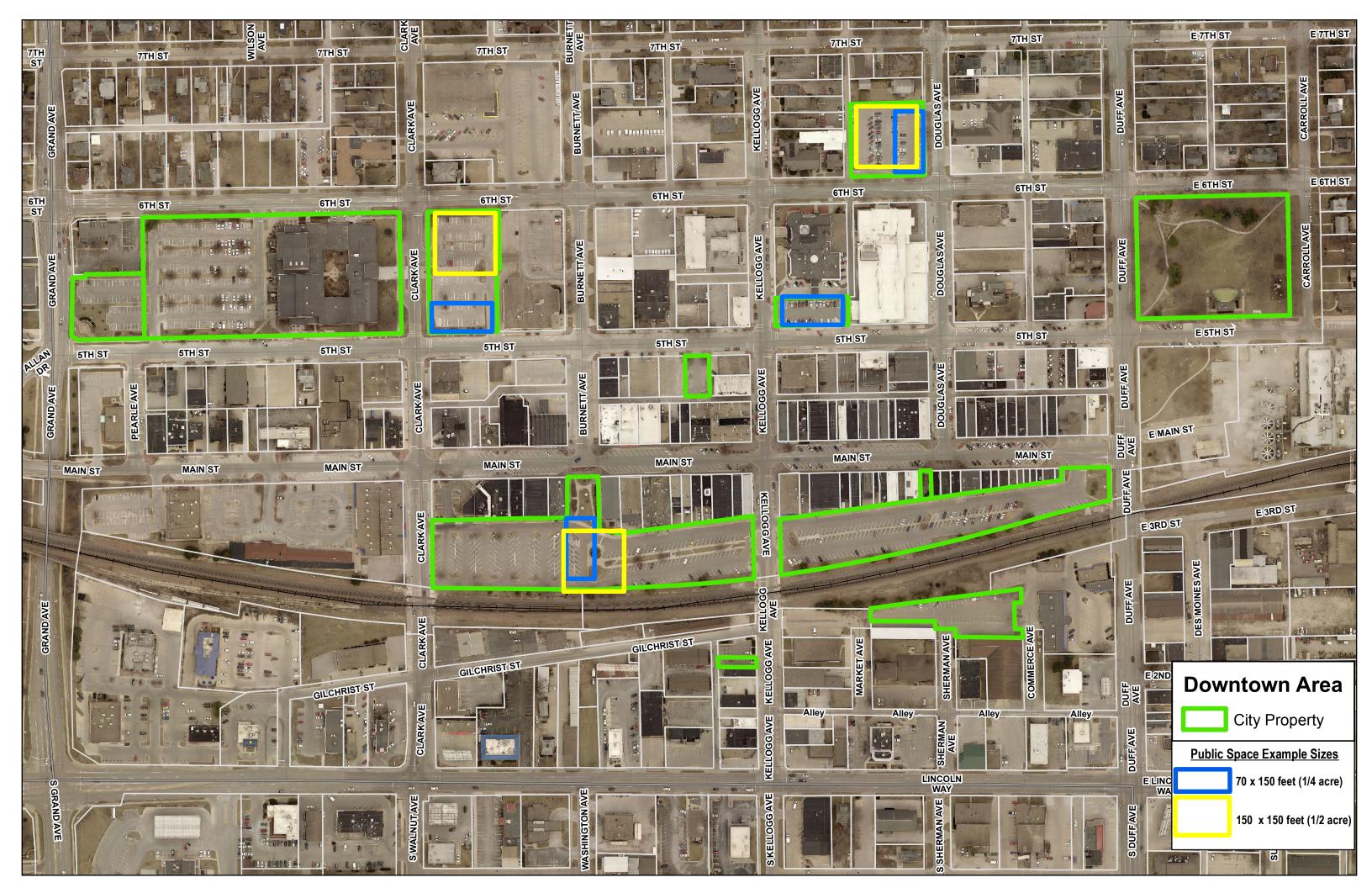
additional taxes that are generated from a new project are still paid to the taxing entities in accordance with their debt service levies.

## 7. Use of Cash Balances

The City Council could decide to inject cash from the available balances in various city funds to pay for or reduce the cost of land, off-site improvements necessitated by the development, or utility work.

This approach would be the most difficult to justify since you would be drawing down "one time money". Sustaining this source of funding over time would be difficult and hard to estimate in the budget.





Attachment 3

#### SUMMARY OF IOWA MUNICIPALITIES STORMWATER MANAGEMENT ORDINANCE APPLICABILITY AND EXCEPTIONS

CITY	APPLICATION	EXEMPTIONS
Ames	<ol> <li>All development and redevelopment within the city:         <ul> <li>a. Disturbing 1 acre of more of land or</li> <li>b. Creating at least 10,000 square feet of impervious cover. Impervious cover means surfaces (roads, sidewalks, driveways, and parking lots) that are covered by impenetrable materials such as asphalt, concrete, brick, and stone, rooftops as well as soils compacted by urban development.</li> </ul> </li> </ol>	<ol> <li>Agricultural activity.</li> <li>Additions or modifications to an existing single family property.</li> <li>Stormwater Management Design standards do not apply to any area within a 1,000 foot distance from any City of Ames drinking water well located in the Southeast Well Field and Youth Complex Well Field. In these specific area, developments will need to meet requirements for storm water quality-based treatment or a combination of quantity and quality based treatment, as approved by both the Director of Public Works and the Director of Water and Pollution Control.</li> <li>Partials waiver for on-site controls of redevelopment sites if approved by Municipal Engineer.</li> </ol>
<u>Cedar Rapids</u>	<ol> <li>All development within the city. Development is defined as "improvement of land from its existing state".</li> <li>Stormwater detention basins intended to serve single family residential development shall be publicly owned and maintained, unless approved otherwise by the City Engineer.</li> <li>Non-single family lots with an overall area of one acre or more shall provide on- site stormwater detention. Non-single family lots with an overall area less than one acre shall comply with one of the following, as approved by the City Engineer:         <ul> <li>Privately owned, on-site detention basin.</li> <li>Tributary to a privately or publicly owned detention basin. In some watersheds, on-site stormwater detention may be required, at the discretion of the City Engineer, for non single-family lots with an overall area of less than one acre.</li> </ul> </li> <li>At the discretion of the City Engineer, if a detention basin serves non-single family zoning districts and can provide stormwater attenuation for a substantial drainage area, the facilities may be publicly owned and maintained.</li> </ol>	<ol> <li>Agricultural use of land</li> <li>Emergencies posing an immediate danger to life or property, or substantial flood or fire hazards;</li> <li>Land within flood plain areas as designated in the Federal Emergency Management Agency maps in effect at the time of development.</li> <li>Areas deemed appropriate by the City Engineer.</li> </ol>
<u>Cedar Falls</u>	<ol> <li>Land disturbing activity exceeding 43,560 square feet in area on land previously vacant of buildings or largely free of previous land disturbing activity other than traditional agricultural activities; or</li> <li>Land disturbing activity creating 5,000 square feet in area or more of impervious cover; or</li> <li>Land disturbing activities that are smaller than the minimum square feet applicability criteria set forth in this subsection, if such activities are part of a larger common plan of development that may or may not take place at the same time; or</li> <li>Land disturbing exceeding 25,000 square feet in area where the existing land is being redeveloped.</li> </ol>	<ol> <li>Any logging or agricultural activity which is consistent with an approved soil conservation plan or an approved timber management plan.</li> <li>Additions or modifications to existing single family structures.</li> </ol>

#### SUMMARY OF IOWA MUNICIPALITIES STORMWATER MANAGEMENT ORDINANCE APPLICABILITY AND EXCEPTIONS

Council Bluffs	<ol> <li>Development of one acre of more of land or less than one acre if proposed disturbance is part of a larger common plan of development that meets the one acre minimum.</li> </ol>	<ol> <li>Any logging or agricultural activity consistent with an approved soil conservation plan of a timber management plan.</li> <li>Additions of modifications to existing single family structures.</li> <li>Developments that do not disturb more than one acre of land provided they are not part of a larger common development plan.</li> <li>Repairs to any stormwater management implementations deemed necessary by the City.</li> </ol>
<u>Des Moines</u>	<ol> <li>Water Quality controls for 1.25" storm.</li> <li>Detention required on-site for any development site exceeding 10,000 square feet in area or for redevelopment sites when the disturbed area of impervious surfacing exceeds 10,000 square feet.</li> </ol>	<ol> <li>Currently the Neighborhood Pedestrian Commercia District (NPC) allows the stormwater release rate to be at the 5-year storm of the current conditions (instead of 100% grass) (this is anticipated to be eliminated with zoning code revisions taking place now for adoption in May 2018)</li> </ol>
<u>Iowa City</u>	1. Development which results in an aggregate gross area of three (3) acres or more of drainage from or to a single drainage area. The gross aggregate drainage area shall include streets and other dedicated lands.	<ol> <li>Excludes the central business district.</li> <li>Excludes the area designated as the new south side neighborhood.</li> </ol>
<u>Sioux City</u>	1. Construction activity creating 5,000 or more square feet of impervious surface.	<ol> <li>Logging or agricultural activity consistent with an approved soil conservation plan or a timber management plan.</li> <li>Additions or modifications to existing single-family structures.</li> <li>Developments that do not create more than 5,000 square feet of impervious surface, provided they are not part of a larger common development plan.</li> <li>Repairs to any storm water treatment practice deemed necessary by the City Engineer.</li> </ol>
<u>Waterloo</u>	<ol> <li>Land disturbing activity exceeding forty-three thousand five hundred sixty (43,560) square feet or more in area on land previously vacant of buildings or largely free of previous land disturbing activity; or</li> <li>Land disturbing activity creating five thousand (5,000) square feet or more in area of impervious surface; or</li> <li>Land disturbing activity that is smaller than the minimum area criteria set forth in this subsection, if such activities are part of a larger common plan of development that may or may not take place at the same time; or</li> <li>Construction of new parking and storage areas or the expansion, reconstruction or hard surfacing of existing parking lots or storage areas. The addition of granular material to the existing footprint of a granular surfaced parking lot or storage area shall not be considered reconstruction.</li> </ol>	<ol> <li>Development or redevelopment of property within the central business district, as defined in the current city of Waterloo zoning ordinance.</li> <li>Any additions or modifications to existing single- family dwellings provided that said additions and/or modifications do not create a dwelling with impervious surfaces greater than five thousand (5,000) square feet.</li> <li>Any logging activity consistent with an approved timber management plan.</li> <li>Any agricultural activity consistent with an approved soil conservation plan.</li> </ol>

**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.