

**COUNCIL ACTION FORM**

**SUBJECT: TAX INCREMENT FINANCING (TIF) AND REPORTING RESOLUTIONS FOR ANNUAL URBAN RENEWAL REPORT AND CERTIFICATON AND ANNUAL APPROPRIATION OF KINGLAND TIF REBATE**

**BACKGROUND:**

The 2012 Iowa Urban Renewal and Tax Increment Financing (TIF) Reform bill included provisions for reporting, including the Annual Urban Renewal Report, which must be approved by the governing board and provided to the Iowa Department of Management to be made available to the public on an internet site.

This report includes uploading documents related to the urban renewal districts, such as the plan document and City Council action establishing the district, as well as financial information on TIF funds related to urban renewal districts. The due date for the report filing is December 1 of each year. The penalty for non-compliance is withholding certification of tax levies. The attached report includes financial information for the South Bell, ISU Research Park, and Campustown (Kingland) TIF districts. The attached Annual Urban Renewal Report is for the fiscal year ending June 30, 2017.

In addition to the state reporting, the City is required to certify TIF debt with the County Auditor for the upcoming fiscal year. The ISU Research Park and South Bell debt are both general obligation bonds approved by Council when issued, so no additional action is required. The Kingland TIF involves a rebate of incremental property taxes subject to annual appropriation by the City Council. A resolution is required for the annual appropriation for the collection and rebate of incremental taxes per the agreement with Kingland. Incremental taxes for the Kingland TIF are estimated at \$302,218 for the upcoming fiscal year.

**ALTERNATIVES:**

1. Approve the City's annual 2017 Urban Renewal Report and resolution appropriating the payment of a rebate of incremental taxes for the Campustown TIF district.
2. Do not approve the report and resolution and refer back to staff.

**MANAGER'S RECOMMENDED ACTION:**

In order for the City to comply with mandated reporting requirements and fulfill requirements under the development agreement with Kingland, it is necessary to submit

this report to the Iowa Department of Management by December 1 of this year and approve the appropriation of the tax increment rebate.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the City's annual 2017 Urban Renewal Report and resolution appropriating the payment of a rebate of incremental taxes for the Campustown TIF district.

**Levy Authority Summary**

Local Government Name: AMES  
 Local Government Number: 85G811

Active Urban Renewal Areas	U.R. #	# of Tif Taxing Districts
AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL	85012	1
AMES SOUTH BELL AVENUE URBAN RENEWAL	85021	2
AMES ISU RESEARCH PARK URBAN RENEWAL	85023	2
AMES CAMPUSTOWN URBAN RENEWAL	85024	1

**TIF Debt Outstanding: 4,203,472**

<b>TIF Sp. Rev. Fund Cash Balance as of 07-01-2016:</b>	<b>-407,378</b>	<b>0</b>	<b>Amount of 07-01-2016 Cash Balance Restricted for LMI</b>
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TIF Revenue:	241,161
TIF Sp. Revenue Fund Interest:	-3,541
Property Tax Replacement Claims	0
Asset Sales & Loan Repayments:	0
<b>Total Revenue:</b>	<b>237,620</b>

Rebate Expenditures:	195,468
Non-Rebate Expenditures:	423,276
Returned to County Treasurer:	0
<b>Total Expenditures:</b>	<b>618,744</b>

<b>TIF Sp. Rev. Fund Cash Balance as of 06-30-2017:</b>	<b>-788,502</b>	<b>0</b>	<b>Amount of 06-30-2017 Cash Balance Restricted for LMI</b>
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**Year-End Outstanding TIF Obligations, Net of TIF Special Revenue Fund Balance: 4,373,230**

**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL  
 UR Area Number: 85012

UR Area Creation Date: 11/1997

UR Area Purpose: Enhance the availability of sites to accommodate the construction of new industrial and commercial buildings and encourage and support development that will expand the tax base.

Tax Districts within this Urban Renewal Area	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL TIF INCREM	85526	85126	0

**Urban Renewal Area Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

<b>TIF Sp. Rev. Fund Cash Balance as of 07-01-2016:</b>	<b>0</b>	<b>0</b>	<b>Amount of 07-01-2016 Cash Balance Restricted for LMI</b>						
TIF Revenue:	0								
TIF Sp. Revenue Fund Interest:	0								
Property Tax Replacement Claims	0								
Asset Sales & Loan Repayments:	0								
<b>Total Revenue:</b>	<b>0</b>								
Rebate Expenditures:	0								
Non-Rebate Expenditures:	0								
Returned to County Treasurer:	0								
<b>Total Expenditures:</b>	<b>0</b>								
<b>TIF Sp. Rev. Fund Cash Balance as of 06-30-2017:</b>	<b>0</b>	<b>0</b>	<b>Amount of 06-30-2017 Cash Balance Restricted for LMI</b>						

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Sum of Private Investment Made Within This Urban Renewal Area  
during FY 2017

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL (85012)  
 TIF Taxing District Name: AMES CITY/AMES SCH/AMES COMMUNITY DEVELOPMENT PARK URBAN RENEWAL TIF INCREM  
 TIF Taxing District Inc. Number: 85126  
 TIF Taxing District Base Year: 1997  
 FY TIF Revenue First Received: 2000  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2020

UR Designation	
Slum	No
Blighted	No
Economic Development	11/1997

**TIF Taxing District Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	43,167	0	0	0	0

FY 2017 TIF Revenue Received: 0

**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES SOUTH BELL AVENUE URBAN RENEWAL  
 UR Area Number: 85021

UR Area Creation Date: 01/2009

UR Area Purpose: To expand the available inventory of fully serviced industrial land within Ames.

Tax Districts within this Urban Renewal Area	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/SOUTH BELL AVENUE URBAN RENEWL TIF INCREM	85586	85186	2,030,484
AMES CITY AG/AMES SCH/SOUTH BELL AVENUE URBAN RENEWAL TIF INCREM	85587	85187	0

**Urban Renewal Area Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	2,833,200	0	0	0	2,833,200	0	2,833,200
Taxable	0	0	2,549,880	0	0	0	2,549,880	0	2,549,880
Homestead Credits									0

**TIF Sp. Rev. Fund Cash Balance as of 07-01-2016:** -317,763      **0**      **Amount of 07-01-2016 Cash Balance Restricted for LMI**

TIF Revenue: 44,992  
 TIF Sp. Revenue Fund Interest: -3,320  
 Property Tax Replacement Claims: 0  
 Asset Sales & Loan Repayments: 0  
**Total Revenue: 41,672**

Rebate Expenditures: 0  
 Non-Rebate Expenditures: 118,076  
 Returned to County Treasurer: 0  
**Total Expenditures: 118,076**

**TIF Sp. Rev. Fund Cash Balance as of 06-30-2017:** -394,167      **0**      **Amount of 06-30-2017 Cash Balance Restricted for LMI**

## Projects For AMES SOUTH BELL AVENUE URBAN RENEWAL

### South Bell Infrastructure

Description:	Public Infrastructure for South Bell Area
Classification:	Roads, Bridges & Utilities
Physically Complete:	Yes
Payments Complete:	No



## Debts/Obligations For AMES SOUTH BELL AVENUE URBAN RENEWAL

### 2009B GO Bonds

Debt/Obligation Type:	Gen. Obligation Bonds/Notes
Principal:	543,120
Interest:	54,722
Total:	597,842
Annual Appropriation?:	No
Date Incurred:	10/29/2009
FY of Last Payment:	2021

## **Non-Rebates For AMES SOUTH BELL AVENUE URBAN RENEWAL**

TIF Expenditure Amount:	118,076
Tied To Debt:	2009B GO Bonds
Tied To Project:	South Bell Infrastructure

**TIF Taxing District Data Collection**

Local Government Name:	AMES (85G811)	
Urban Renewal Area:	AMES SOUTH BELL AVENUE URBAN RENEWAL (85021)	
TIF Taxing District Name:	AMES CITY/AMES SCH/SOUTH BELL AVENUE URBAN RENEWL TIF INCREM	
TIF Taxing District Inc. Number:	85186	
TIF Taxing District Base Year:	2008	
FY TIF Revenue First Received:	2010	
Subject to a Statutory end date?	Yes	
Fiscal year this TIF Taxing District statutorily ends:	2030	

UR Designation	
Slum	No
Blighted	No
Economic Development	01/2009

TIF Taxing District Value by Class - 1/1/2015 for FY 2017

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	2,833,200	0	0	0	2,833,200	0	2,833,200
Taxable	0	0	2,549,880	0	0	0	2,549,880	0	2,549,880
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	14,531	2,549,880	2,030,484	519,396	11,509

FY 2017 TIF Revenue Received: 44,992

**TIF Taxing District Data Collection**

Local Government Name:	AMES (85G811)	
Urban Renewal Area:	AMES SOUTH BELL AVENUE URBAN RENEWAL (85021)	
TIF Taxing District Name:	AMES CITY AG/AMES SCH/SOUTH BELL AVENUE URBAN RENEWAL TIF INCREM	
TIF Taxing District Inc. Number:	85187	
TIF Taxing District Base Year:	2008	
FY TIF Revenue First Received:	2011	
Subject to a Statutory end date?	Yes	
Fiscal year this TIF Taxing District statutorily ends:	2031	

UR Designation	
Slum	No
Blighted	No
Economic Development	01/2009

TIF Taxing District Value by Class - 1/1/2015 for FY 2017

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	0	0	0	0	0

FY 2017 TIF Revenue Received: 0

**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES ISU RESEARCH PARK URBAN RENEWAL  
 UR Area Number: 85023

UR Area Creation Date: 11/2014

UR Area Purpose: To promote economic development for Iowa State University Research Park by extending public infrastructure.

**Tax Districts within this Urban Renewal Area**

	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/ISU RESEARCH PARK URBAN RENEWAL TIF INCREM	85628	85228	0
AMES CITY AG/AMES SCH/ISU RESEARCH PARK URBAN RENEWAL TIF INCREM	85629	85229	0

**Urban Renewal Area Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	1,238,500	25,888,400	0	0	-3,704	27,123,196	0	27,123,196
Taxable	0	688,928	23,299,560	0	0	-3,704	23,984,784	0	23,984,784
Homestead Credits									4

**TIF Sp. Rev. Fund Cash Balance as of 07-01-2016:** **-80,484** **0** **Amount of 07-01-2016 Cash Balance Restricted for LMI**

TIF Revenue:	0
TIF Sp. Revenue Fund Interest:	-957
Property Tax Replacement Claims	0
Asset Sales & Loan Repayments:	0
<b>Total Revenue:</b>	<b>-957</b>

Rebate Expenditures:	0
Non-Rebate Expenditures:	305,200
Returned to County Treasurer:	0
<b>Total Expenditures:</b>	<b>305,200</b>

**TIF Sp. Rev. Fund Cash Balance as of 06-30-2017:** **-386,641** **0** **Amount of 06-30-2017 Cash Balance Restricted for LMI**

## Projects For AMES ISU RESEARCH PARK URBAN RENEWAL

### ISURP Infrastructure Extension

Description:	Extension of public infrastructure to serve ISURP
Classification:	Roads, Bridges & Utilities
Physically Complete:	Yes
Payments Complete:	Yes

## Debts/Obligations For AMES ISU RESEARCH PARK URBAN RENEWAL

### General Obligation Series 2015A

Debt/Obligation Type:	Gen. Obligation Bonds/Notes
Principal:	2,725,000
Interest:	680,613
Total:	3,405,613
Annual Appropriation?:	No
Date Incurred:	11/13/2015
FY of Last Payment:	2027

## **Non-Rebates For AMES ISU RESEARCH PARK URBAN RENEWAL**

TIF Expenditure Amount:	305,200
Tied To Debt:	General Obligation Series 2015A
Tied To Project:	ISURP Infrastructure Extension

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES ISU RESEARCH PARK URBAN RENEWAL (85023)  
 TIF Taxing District Name: AMES CITY/AMES SCH/ISU RESEARCH PARK URBAN RENEWAL TIF INCREM  
 TIF Taxing District Inc. Number: 85228  
 TIF Taxing District Base Year: 2014  
 FY TIF Revenue First Received: 2017  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2037

UR Designation	
Slum	No
Blighted	No
Economic Development	11/2013

TIF Taxing District Value by Class - 1/1/2015 for FY 2017

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	1,238,500	25,888,400	0	0	-3,704	27,123,196	0	27,123,196
Taxable	0	688,928	23,299,560	0	0	-3,704	23,984,784	0	23,984,784
Homestead Credits									4

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	26,612,700	514,200	0	514,200	11,394

FY 2017 TIF Revenue Received: 0

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES ISU RESEARCH PARK URBAN RENEWAL (85023)  
 TIF Taxing District Name: AMES CITY AG/AMES SCH/ISU RESEARCH PARK URBAN RENEWAL TIF INCREM  
 TIF Taxing District Inc. Number: 85229  
 TIF Taxing District Base Year: 2014  
 FY TIF Revenue First Received:  
 Subject to a Statutory end date? No

UR Designation	
Slum	No
Blighted	No
Economic Development	No

TIF Taxing District Value by Class - 1/1/2015 for FY 2017

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	0	0	0	0	0	0	0
Taxable	0	0	0	0	0	0	0	0	0
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	474,600	0	0	0	0

FY 2017 TIF Revenue Received: 0



**Urban Renewal Area Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES CAMPUSTOWN URBAN RENEWAL  
 UR Area Number: 85024

UR Area Creation Date: 11/2013

UR Area Purpose: The development of property improvements for retail and office uses within the Urban Renewal Area.

**Tax Districts within this Urban Renewal Area**

	Base No.	Increment No.	Increment Value Used
AMES CITY/AMES SCH/CAMPUSTOWN URBAN RENEWALTIF INCREM	85630	85230	8,853,001

**Urban Renewal Area Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	13,675,300	0	0	0	13,675,300	0	13,675,300
Taxable	0	0	12,307,770	0	0	0	12,307,770	0	12,307,770
Homestead Credits									0

**TIF Sp. Rev. Fund Cash Balance as of 07-01-2016:** -9,131      **0**      **Amount of 07-01-2016 Cash Balance Restricted for LMI**

TIF Revenue: 196,169  
 TIF Sp. Revenue Fund Interest: 736  
 Property Tax Replacement Claims: 0  
 Asset Sales & Loan Repayments: 0  
**Total Revenue: 196,905**

Rebate Expenditures: 195,468  
 Non-Rebate Expenditures: 0  
 Returned to County Treasurer: 0  
**Total Expenditures: 195,468**

**TIF Sp. Rev. Fund Cash Balance as of 06-30-2017:** -7,694      **0**      **Amount of 06-30-2017 Cash Balance Restricted for LMI**

## Projects For AMES CAMPUSTOWN URBAN RENEWAL

### Campustown Kingland Building

Description:	Office and Retail Development
Classification:	Commercial - office properties
Physically Complete:	Yes
Payments Complete:	Yes

## Debts/Obligations For AMES CAMPUSTOWN URBAN RENEWAL

### Campustown Urban Renewal

Debt/Obligation Type:	Rebates
Principal:	200,017
Interest:	0
Total:	200,017
Annual Appropriation?:	Yes
Date Incurred:	11/10/2015
FY of Last Payment:	2017

## Rebates For AMES CAMPUSTOWN URBAN RENEWAL

### Kingland Building

TIF Expenditure Amount:	195,468
Rebate Paid To:	Kingland Systems
Tied To Debt:	Campustown Urban Renewal
Tied To Project:	Campustown Kingland Building
Projected Final FY of Rebate:	2017

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Sum of Private Investment Made Within This Urban Renewal Area  
during FY 2017

**TIF Taxing District Data Collection**

Local Government Name: AMES (85G811)  
 Urban Renewal Area: AMES CAMPUSTOWN URBAN RENEWAL (85024)  
 TIF Taxing District Name: AMES CITY/AMES SCH/CAMPUSTOWN URBAN RENEWALTIF INCREM  
 TIF Taxing District Inc. Number: 85230  
 TIF Taxing District Base Year: 2014  
 FY TIF Revenue First Received: 2017  
 Subject to a Statutory end date? Yes  
 Fiscal year this TIF Taxing District statutorily ends: 2037

	UR Designation
Slum	No
Blighted	No
Economic Development	11/2013

**TIF Taxing District Value by Class - 1/1/2015 for FY 2017**

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	0	13,675,300	0	0	0	13,675,300	0	13,675,300
Taxable	0	0	12,307,770	0	0	0	12,307,770	0	12,307,770
Homestead Credits									0

	Frozen Base Value	Max Increment Value	Increment Used	Increment Not Used	Increment Revenue Not Used
Fiscal Year 2017	3,467,200	10,208,100	8,853,001	1,355,099	30,027

FY 2017 TIF Revenue Received: 196,169