

Staff Report

**LINCOLN CORRIDOR REDEVELOPMENT PROJECT
UPDATE FOR DOWNTOWN GATEWAY FOCUS AREA**

March 27, 2018

BACKGROUND:

The City has been working for two years to develop, adopt, and implement the Lincoln Way Corridor Plan. The City Council identified the Downtown Gateway Focus Area as the first priority for implementation. The Downtown Gateway area is generally described as the area south of the railroad tracks and bounded by Grand Avenue to the west and Duff Avenue to the east. The City is in the process of reviewing new zoning standards for the area and staff has been in discussion with a variety of private development interests over the past 6 months. City Council specifically referred to staff in September 26, 2017 a request from a developer for staff to engage in a discussion on the feasibility of a redevelopment project on the north side of Lincoln Way between Clark Avenue and Kellogg Avenue.

The potential developer for this initial Gateway project is the Argent Group. Argent is about to proceed to acquire a number of properties needed to accomplish their proposed mixed-use redevelopment project. Since this first step requires a sizable investment, the developer would like to determine if there is general support for the concept that is being proposed and a willingness to provide a city financial incentive for the project before moving ahead with this project.

It should be noted that the current concept has been refined from the initial project depicted in September. The September concept included a broader development project that included a shared public/private parking structure north of the railroad with a pedestrian bridge connection to the redevelopment project south of the railroad tracks. **The current concept, however, now includes properties along Lincoln Way and does not contemplate including construction of a parking garage and bridge north of the railroad tracks.**

The current concept includes redevelopment of approximately 4 acres between Lincoln Way and Gilchrist at the corner of Clark Avenue. (Attachment A-Location Map) The development concept includes a centrally located outdoor courtyard/plaza area bordered by a mixed-use building and a boutique branded hotel. The hotel, residential, and commercial uses would be served by privately owned parking structures. The current Starbucks would be relocated to the Clark Avenue corner as a freestanding establishment. Attachment B includes massing diagrams and schematic building layouts

for the project. The following tables summarize the primary uses shown in Attachment B.

Mixed Use Building	
Ground Floor Retail	17,000 sq. ft
Ground level commercial plaza	25,000 sq. ft. with outdoor seating and video screen
2nd Floor Office/Flex space	undefined
Apartment units/bedrooms	187 Apartments totaling 550 beds
Residential Amenity Ground Floor	2,700 sq. ft.
Residential Amenity 2nd Floor	Outdoor pool deck

Hotel Building	
Ground Floor Retail	3,500 sq. ft.
Restaurant Bar area	undefined
Hotel Rooms	106

Starbucks	
Freestanding Drive-Through	2,500 sq. ft.

Development of the site will include access from Lincoln Way and Gilchrist. The number of driveways along Lincoln Way will be reduced from the current eight to two driveways. **Included in this proposal is the reconstruction of Lincoln Way to include parallel parking simliar to street frontages in Campustown.** Gilchrist frontage improvements will also occur to help create a more inviting approach to the project and connection to Kellogg Avenue.

Since the City owns a water well that is situated on the site of the proposed Mixed Use building, the developer will need to acquire the property and provide compensation for replacement of the well capacity as part of the redevelopment project.

STAFF COMMENTS:

The proposed development concept includes many elements identified within the Corridor Plan as important for the area. The project includes design features intended to make it a destination commercial area with the central plaza lined with commercial uses, a boutique hotel to diversify lodging options in the City and promote visitors to Downtown, frontage improvements to Lincoln Way, and new high amenity millennial housing apartments. In addition, the scale and elements of the project will establish a notable presence along Lincoln Way and set the tone for other redevelopment projects in the future.

Due to the conceptual nature of the development as it has been presented to staff, it is imperative that as the concept evolves that it maintains consistency with the vision of

the Corridor Plan. **Points of emphasis for the final project approval include providing apartments types designed for wide appeal and not as student housing, configuring apartments primarily as smaller units (2 bedrooms or less), focusing commercial space along the plaza to create an active and interesting environment, establishing preferences for commercial uses unique to Ames as a destination draw to the area, providing second floor office, and incorporating high quality building design materials and architectural treatments.**

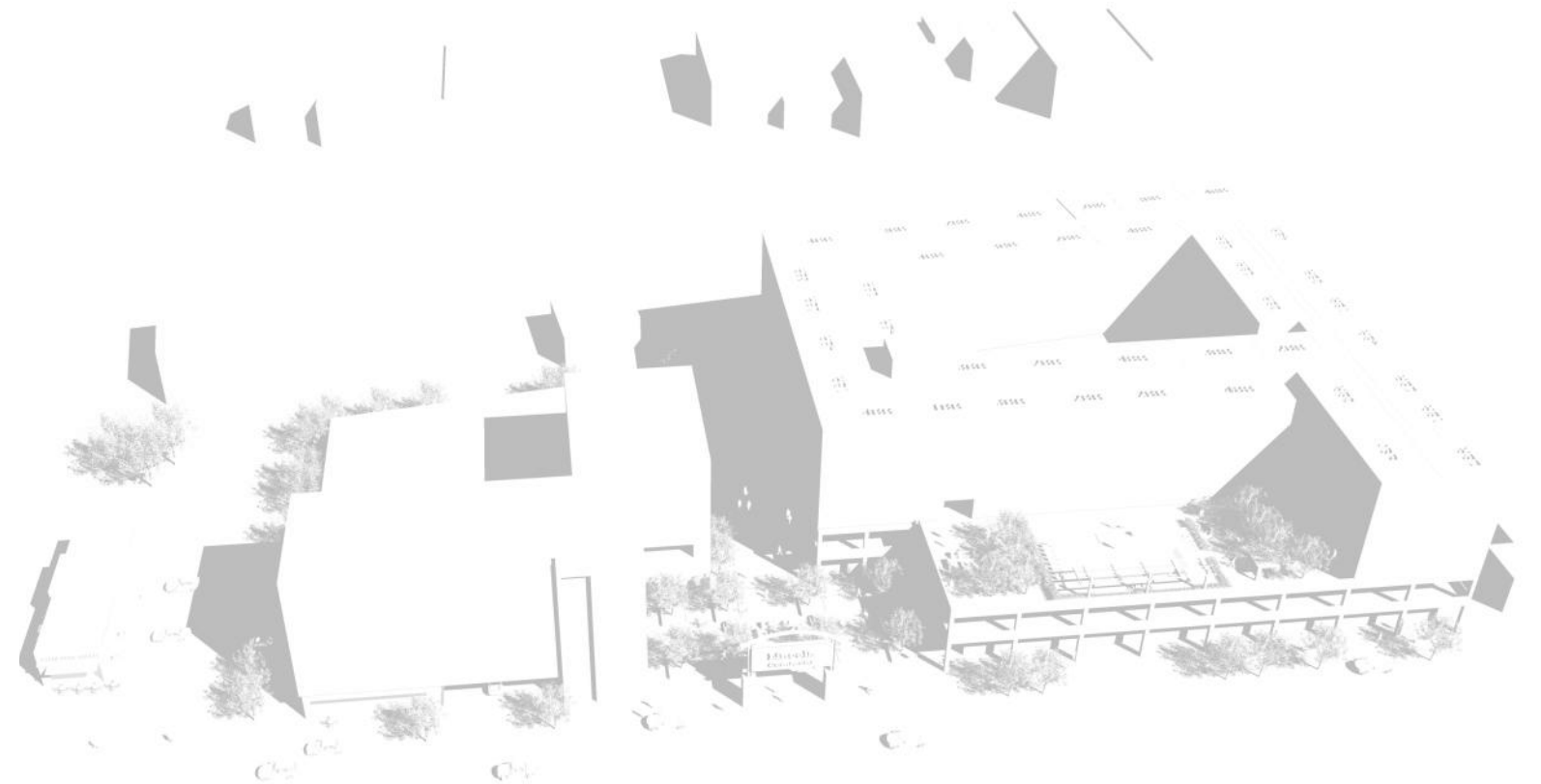
The developer realizes that a number of formal approval steps are needed before the project can receive final approval from the City Council. Before initiating the land acquisition phase of the project, the developer is seeking an indication that the Council embraces the project concept and is willing to provide a TIF incentive to assist in bringing this project to fruition.

With this level of preliminary support from the from Council, the developer will continue to refine details and prepare financial information. Ultimately, the City would need to complete the rezoning process and enter into a development agreement for the project to become a reality. The developer believes they can further develop their concept and its feasibility over the next two months.

It appears that the Argent development could serve as the catalyst project for the Downtown Gateway Focus Area. Therefore, staff believes it is worthwhile to continue to work with the developer to fashion a final project that is consistent with the priorities described in this report and Corridor Plan. If the Council ultimately agrees that the final concept results in a catalyst project, it would seem appropriate to consider the same incentive philosophy as was utilized in Campustown for the Kingland project.

LINCOLN WAY MIXED-USE | MASSING STUDY

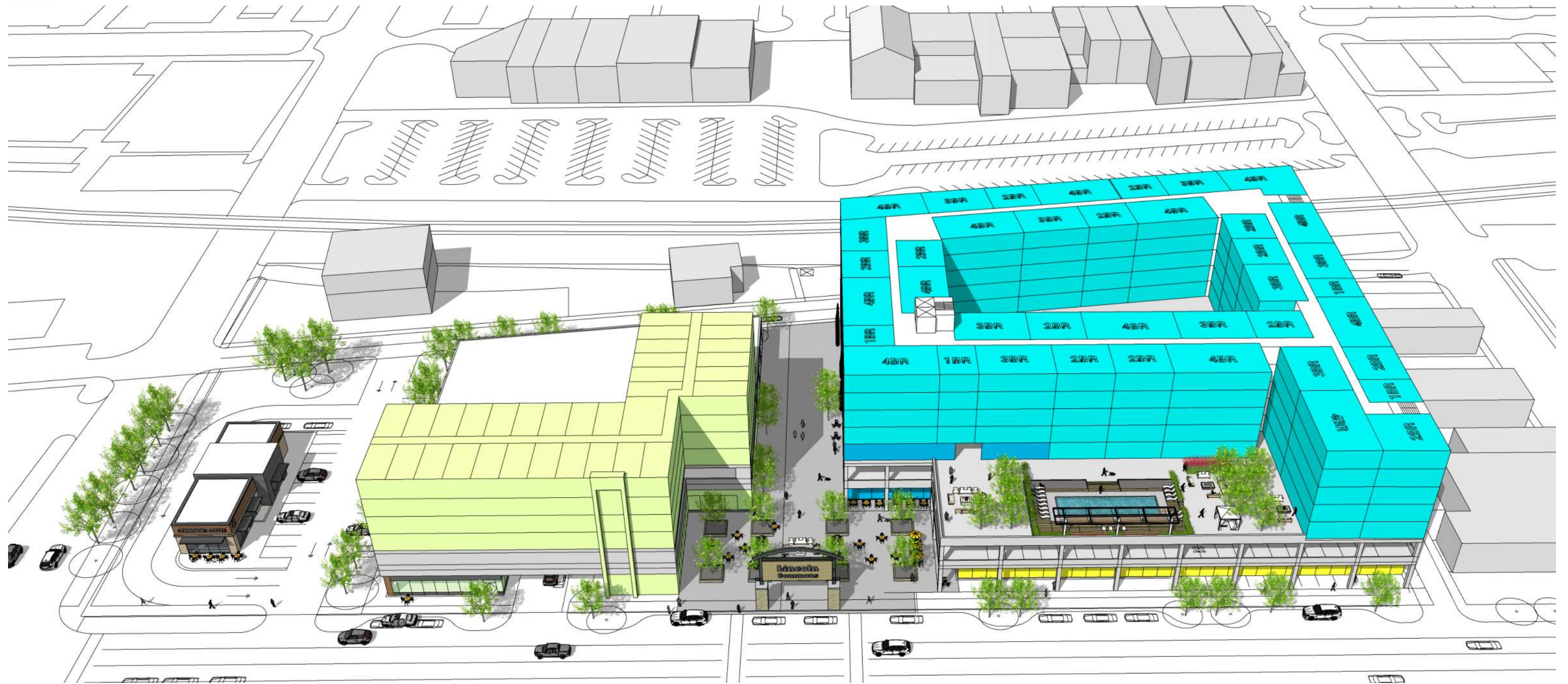
ARGENT GROUP / BAXTER CONSTRUCTION



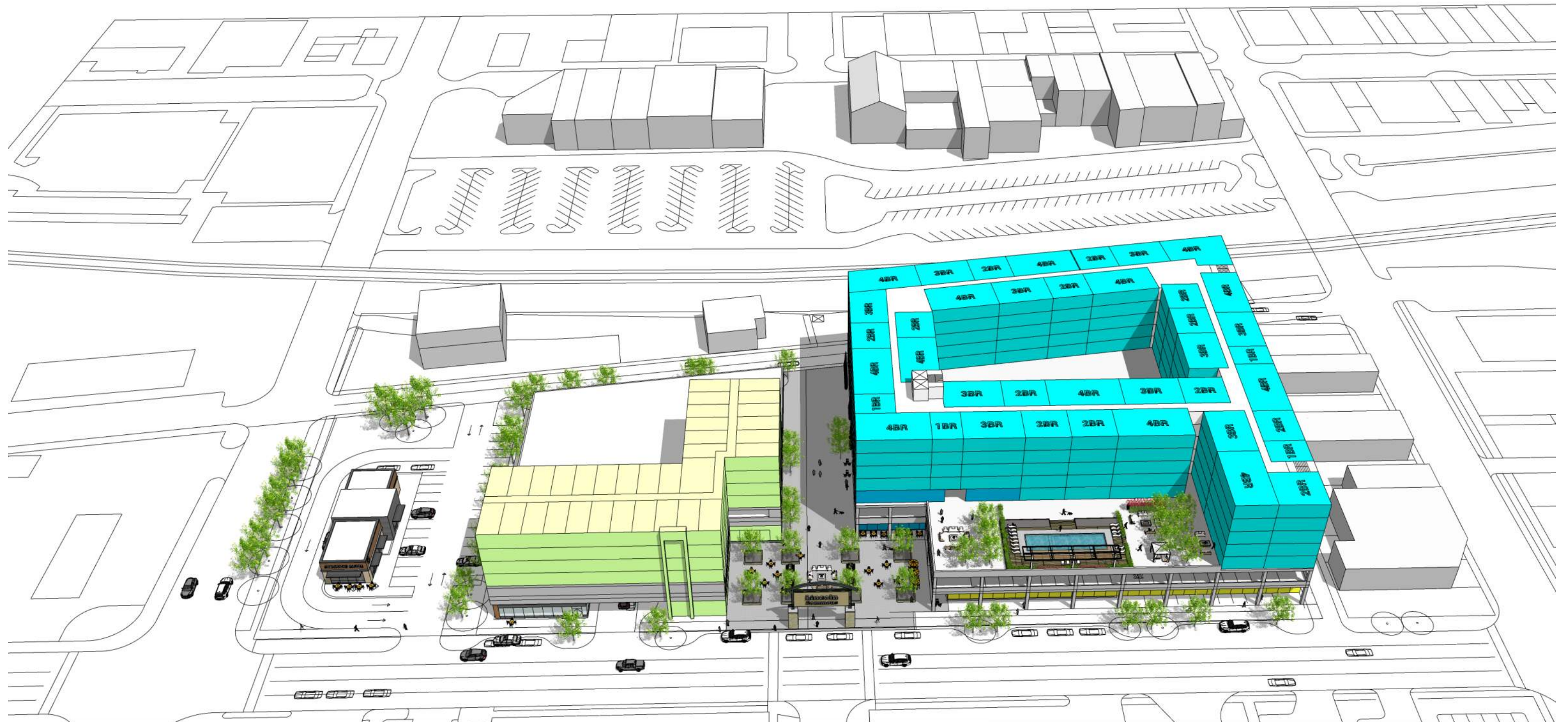
 **DLR Group**

Architecture Engineering Planning Interiors

23 MARCH 2018



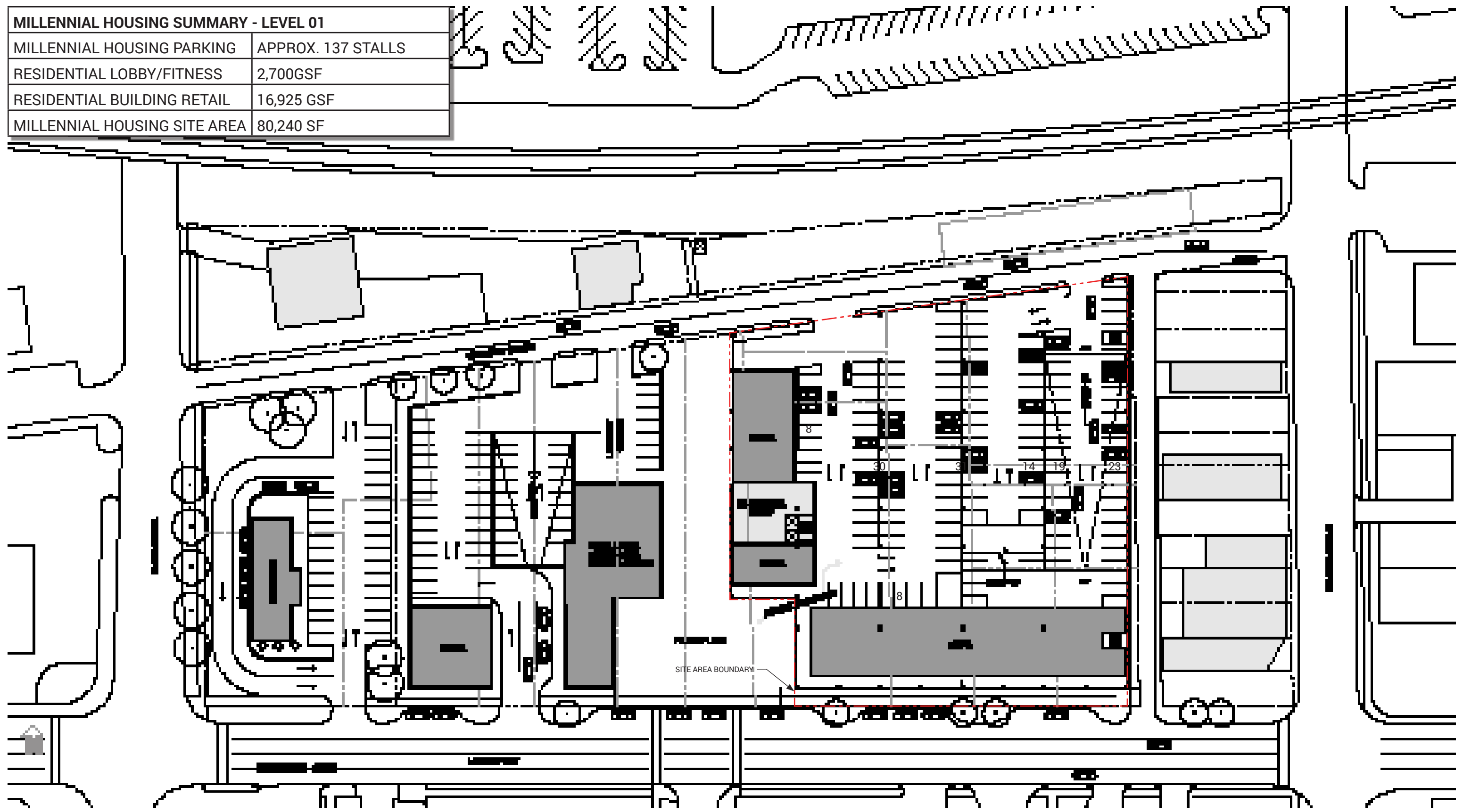








MILLENNIAL HOUSING SUMMARY - LEVEL 01	
MILLENNIAL HOUSING PARKING	APPROX. 137 STALLS
RESIDENTIAL LOBBY/FITNESS	2,700GSF
RESIDENTIAL BUILDING RETAIL	16,925 GSF
MILLENNIAL HOUSING SITE AREA	80,240 SF

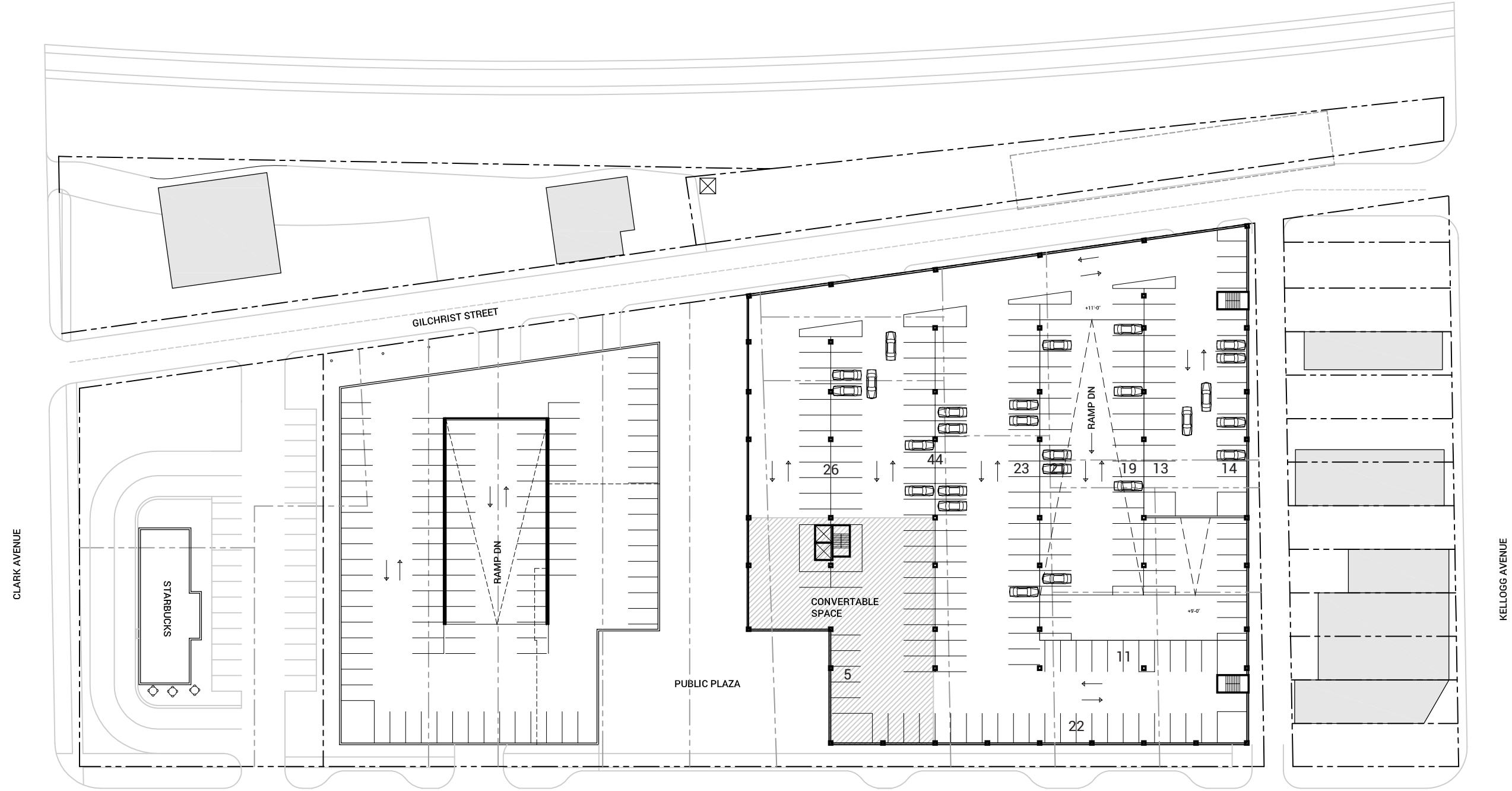


STARBUCKS

HOTEL BUILDING

MILLENNIAL HOUSING

SUMMARY - LEVEL 02
MILLENNIAL HOUSING PARKING **APPROX. 198 STALLS**

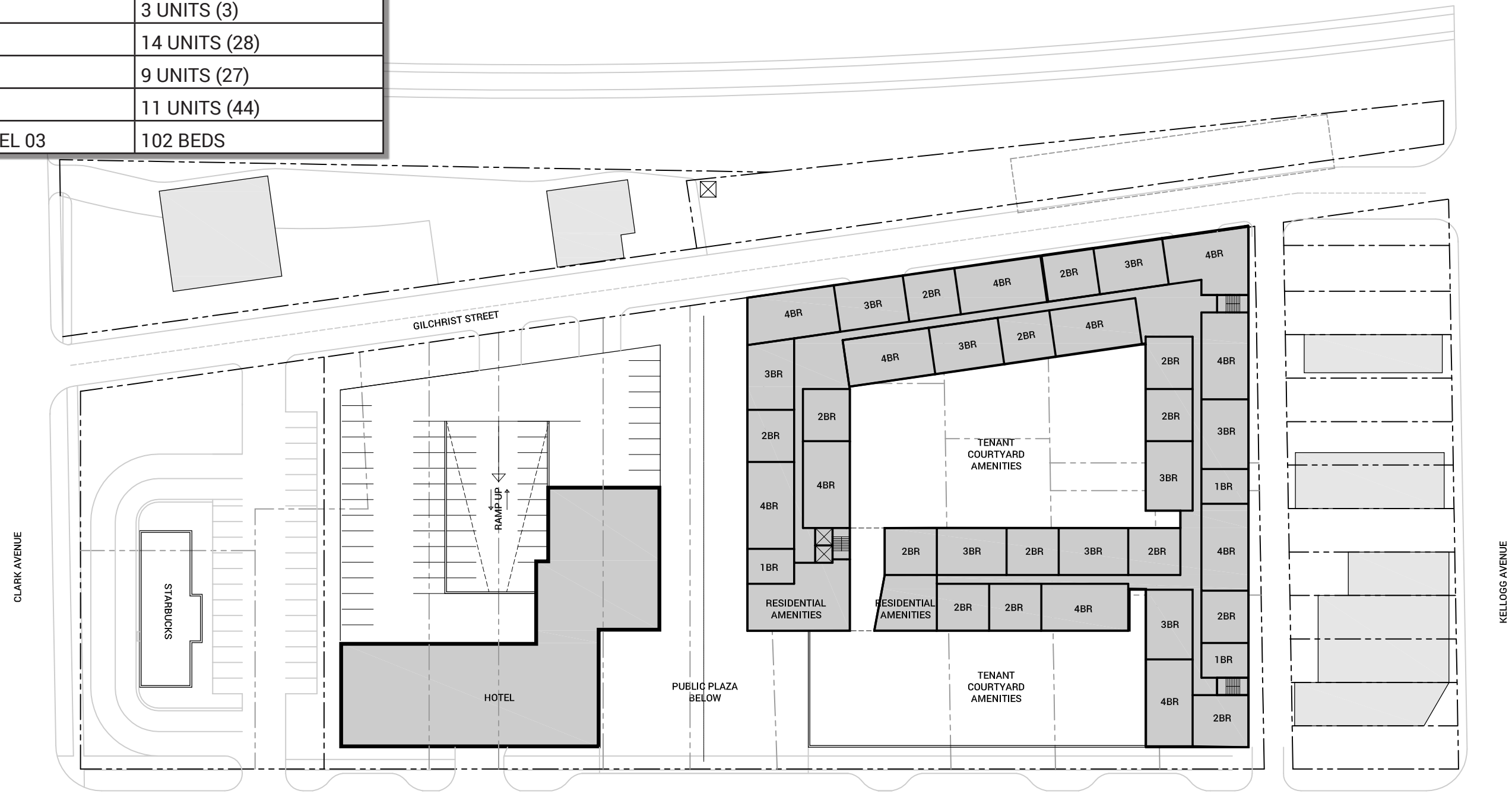


STARBUCKS

HOTEL BUILDING

MILLENNIAL HOUSING

SUMMARY - LEVEL 03	
AMENITY SPACE	3,050 GSF
MILLENNIAL HOUSING	44,460 GSF
1BR	3 UNITS (3)
2BR	14 UNITS (28)
3BR	9 UNITS (27)
4BR	11 UNITS (44)
TOTAL BEDS - LEVEL 03	102 BEDS



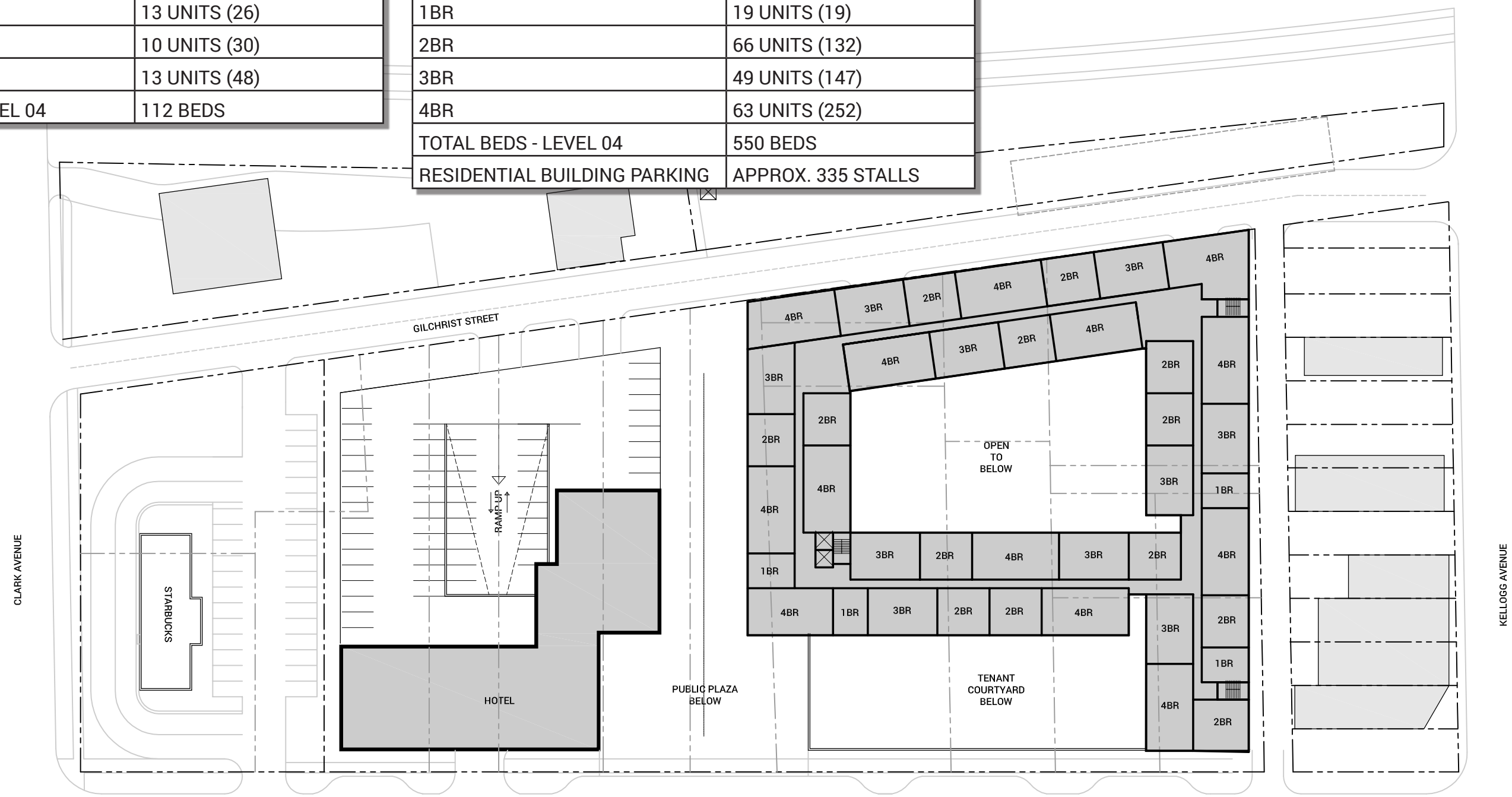
STARBUCKS

HOTEL BUILDING

MILLENNIAL HOUSING

SUMMARY - LEVEL 04 (05-07 SIMILAR)	
MILLENNIAL HOUSING	48,812 GSF
1BR	4 UNITS (4)
2BR	13 UNITS (26)
3BR	10 UNITS (30)
4BR	13 UNITS (48)
TOTAL BEDS - LEVEL 04	112 BEDS

GRAND TOTALS - RESIDENTIAL BUILDING	
MILLENNIAL HOUSING	239,708 GSF
AMENITY SPACE/LOBBY	10,050 GSF
1BR	19 UNITS (19)
2BR	66 UNITS (132)
3BR	49 UNITS (147)
4BR	63 UNITS (252)
TOTAL BEDS - LEVEL 04	550 BEDS
RESIDENTIAL BUILDING PARKING	APPROX. 335 STALLS



STARBUCKS

HOTEL BUILDING

MILLENNIAL HOUSING