



August 12, 2022

Dear Mayor and Council:

In exploring potential projects that will help strengthen Downtown, we discovered a couple of issues with existing programs that, if addressed, will promote investment in the area.

They are:

As currently written, to qualify for tax abatement on downtown projects, a project must first qualify to receive a façade grant. Projects that provide a meaningful investment in downtown in a building that does not need façade improvements would therefore be excluded from the program. While the overall façade program is beneficial, we would like to see the tax abatement program decoupled from the façade grant program so that tax abatement is available in both cases.

Comparing two sample scenarios, a \$1 million dollar investment that qualifies to receive a \$15,000 façade grant will be eligible to have the entire project abated. However, a \$1 million dollar investment that does not qualify to receive a façade grant is not eligible for any abatement. We would like to see investment incentivized more globally and not be tied to a relatively small and narrowly defined program.

Secondly, under the current façade grant program, abatement is limited to a three-year, 100% abatement schedule. This is not consistent with the Campustown redevelopment abatement program, which allows 3-, 5-, and 10-year schedules. We would ask that the same 5- and 10-year schedules be added to the Downtown program.

We are excited about what is currently happening Downtown and believe these two changes will encourage future investment to strengthen it as a thriving, energetic district.

Thank you for your consideration!

Sincerely,

A handwritten signature in black ink, appearing to read 'Dylan Kline', written in a cursive style.

Dylan Kline  
Director of Business Development  
Ames Economic Development Commission