

**COUNCIL ACTION FORM**

**SUBJECT: TAX INCREMENT FINANCING AGREEMENT FOR SMALL LOT INDUSTRIAL DEVELOPMENT SUBDIVISION LOCATED AT 2105 & 2421 DAYTON AVENUE**

**BACKGROUND:**

In April, the City Council reviewed draft terms for development agreement providing a tax increment financing (TIF) incentive for the development of a small lot industrial subdivision represented by Chuck Winkleblack. Based upon the terms from the spring of 2022 and recent changes to a 10-lot proposal, City Council directed staff to draft a Development Agreement with Dayton Avenue Development LLC for a new 10 lot Industrial Subdivision proposed at 2105 & 2421 Dayton Avenue. **The reason for the TIF agreement is to rebate the developer for the costs of installing public infrastructure to provide for a subdivision that will have half of its lots designed for small industrial businesses on lots less than 3 acres in size and a commitment to build speculative industrial buildings.**

The Developer has now prepared and submitted a Preliminary Plat for consideration and approval as a separate agenda item. In conjunction with the Preliminary Plat, staff and the developer have agreed to terms of the TIF Development Agreement, which is attached to this report (Attachment A). The terms are consistent with the direction of City Council from April. Notably, the value of the incentive was undetermined in April. The developer and staff projected a costs of up to \$2.6 million. The TIF request is approximately \$2.968 million with the final project, which includes additional costs related to a concrete street compared to an asphalt industrial street.

The Developer has agreed to install all water, sanitary sewer, public storm sewer, street paving and associated improvements to City standards within the next year along with obtaining approval of a final plat. The Developer will provide 5 small lots and 5 large lots and agrees to the design standards for all buildings in the subdivision included with the TIF Development Agreement.

The public improvements to be financed with the TIF rebate do not include any costs related to potential connection fees for the existing 12-inch water main. The 12-inch water line was constructed by the developer of the Eagle's Loft as part of a 1995 Utility service agreement. The 1995 agreement was unique in that it allowed for the annexation and development of the land for the daycare with utilities located approximately ½ mile to the south. The 1995 agreement included a provision where the City Council could establish a connection district to reimburse the developer. However, the connection district was not

created and the connection district can no longer be created as stated within the development agreement.

As a result, the Eagle's Loft developer is not able to recoup some of the water line construction cost as intended at the time of the 1995 agreement. In the event City Council were able to legally reimburse the developer and desires to do so, those costs would be charged to the North Dayton Subdivision developer or the City would have to identify another means of reimbursing the Eagle's Loft developer.

In order to clarify this situation, the City Council would need to direct staff to investigate this issue further and see if the Eagle's Loft developer has records of the actual costs incurred related to the 1995 agreement. Given the uncertainty of the City's legal options, cost for reimbursing the Eagle's Loft developer has not been included in this TIF development agreement.

## **DEVELOPMENT AGREEMENT SUMMARY**

**Conditions Precedent:** The agreement is being approved based upon two subsequent actions occurring. The agreement is nonbinding to either party if the developer chooses not to final plat or if the City does not establish an Urban Renewal Area to collect TIF.

### **Developer Obligations**

1. **Subdivision and Platting:**
  - a. Developer will be responsible for preparing all plans for the subdivision and related improvements at its cost according to all City standards.
  - b. Developer will final plat the entire subdivision by July 1, 2023.
  - c. The subdivision will include at least 5 small lots (less than 3 acres)
2. **Infrastructure:**
  - a. Developer must construct all infrastructure within the subdivision and along Dayton Avenue to City standards (The City will not construct any infrastructure for the project)
  - b. Developer will be responsible for the extension of high-speed internet infrastructure (e.g. fiber) to serve the lots within the subdivision.
3. **Speculative Buildings On Lots Less Than Three Acres:**
  - a. Minimum speculative building size of 10,000 square feet.
  - b. Minimum speculative building shell valuation of \$500,000.
  - c. Developer will construct an initial speculative building to a "shell condition" completed by November 30, 2023.
  - d. Developer will construct subsequent speculative buildings within 18 months after the occupancy or leasing of the previous speculative building.
  - e. Penalties for failure to construct speculative buildings in a timely manner equal of \$15,000 for the first building and \$20,000 for any subsequent building.

4. Development:
  - a. Prohibitions on primary uses within the subdivision for outdoor storage, mini-storage, dead storage and salvage uses.
  - b. Design requirements for all buildings, included with the agreement.
  
5. Valuation and Taxes:
  - a. Minimum improvement value on each of the lots greater than three acres of \$350,000 per acre (exclusive of land value)
  - b. Allow for qualified uses to receive industrial tax abatement on lots over 5 acres
  - c. Limit agriculture classification of vacant lots to lots greater than 5 acres held by the developer, all other lots or third parties may not apply for the exemption.
  - d. Covenants designed to limit holding land for speculative purposes and actively marketing land.
  - e. Developer will limit sale prices for all lots to a price ceiling of \$2.50 per square foot (\$108,900 per acre) with a 5% allowance for an annual increase.

#### **City Obligations:**

In return for the Developer's obligations, the City will provide a TIF incentive for project as follows:

- a. Establish an Urban Renewal Area (URA) to allow for Tax Increment Financing (TIF)
- b. Provide the developer with an annual economic grant in the form of a Developer Rebate equal to the TIF generated within the URA equal to the total cost of water, sewer, road and other public infrastructure. The rebate will be based upon actual improvements that occur within the development.
- c. The TIF rebate total will not to exceed \$2,968,264, subject to staff verification of actual costs of infrastructure.
- d. Rebate payments for period of January 1, 2023 through December 1, 2035 totaling \$2,968,264, whichever occurs first.
- e. TIF reimbursement is subject to annual appropriation by City Council.  
**(Note: This annual appropriation is different than previously discussed with the City Council. The developer is now in support of the annual appropriation clause which benefits the City in that the rebate amount will not count against the City's debt limit.)**

#### **ALTERNATIVES**

1. The City Council can approve a Development Agreement with Dayton Avenue Development LLC that includes a TIF rebate payments not to exceed \$2,968,264 or the period ending December 1, 2035 , whichever occurs first, for 10 lots in the

North Dayton Avenue Industrial Park Subdivision, and direct staff to prepare a draft urban renewal plan for the North Dayton Subdivision for City Council review by November 8<sup>th</sup>.

2. The City Council can choose to not approve a Tax Increment Financing Development Agreement with Dayton Avenue Development LLC for an amount not to exceed \$2,968,264 for 10 lots in the North Dayton Avenue Industrial Park Subdivision if it finds the Agreement does not support the goal of providing economic development opportunities for small industrial businesses or does not agree with the financial reimbursement amount.
3. The City Council refer this item back to staff to continue to work with the Developer to make further changes to the Agreement.

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

Staff believes that the proposed agreement meets the intent of City Council to provide for economic development for smaller sized industrial businesses and provides for the necessary financial reimbursements to the developer for construction of the qualifying Public Improvements. This agreement represents the opportunity to continue to expand the City's industrial tax base in the long term and staff views the reimbursement to the Developer as appropriate to meet the City Councils goals.

Since the meeting in April, the developer has moved forward with final designs for the subdivision consistent with the terms of the agreement. The cost of improvements is estimated by the developer based upon bids from contractors and reviewed with City staff. The \$2.9 million value includes a 5% contingency for the developer. The developer will be reimbursed for actual costs not to exceed the \$2.968 million. The developer has also agreed since the April meeting to include the annual appropriation clause in the agreement, which then does not require the City to account for the \$2.968 million against the City's debt limit.

**Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 which is to approve the Tax Increment Finance (TIF) Development Agreement.**



**DEVELOPMENT AGREEMENT  
FOR NORTH DAYTON AVENUE INDUSTRIAL PARK**

**THIS DEVELOPMENT AGREEMENT** (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the CITY OF AMES, IOWA (hereinafter the “**City**”) and DAYTON AVENUE DEVELOPMENT, LLC (hereinafter the “**Developer**”) (the City, Developer or other Buyers are sometimes collectively referred to herein as the “**Parties**”).

**WHEREAS**, the Developer responded to a Request for Proposal to develop as small lot industrial subdivision to further economic development goals of the City of Ames; and,

**WHEREAS**, Developer’s proposal for the following property (hereinafter the “**Property**”) locally known as 2105 & 2421 Dayton Avenue, Ames, Iowa (Parcels No. 05-36-200-405 & 05-36-200-210) and legally described as:

The Southeast Quarter (SE<sup>1</sup>/<sub>4</sub>) of the Northeast Quarter (NE<sup>1</sup>/<sub>4</sub>) of Section Thirty-six (36); the Northeast Quarter (NE <sup>1</sup>/<sub>4</sub>) of the Northeast Quarter (NE<sup>1</sup>/<sub>4</sub>), of Section Thirty-six (36) **except** the North 1 rod and **except** A part of the NE<sup>1</sup>/<sub>4</sub> of the NE<sup>1</sup>/<sub>4</sub> of Sec. 36-T84-R24W of the 5<sup>th</sup> P.M., Story County, Iowa, described as follows: Beginning at a point on the east line, 16.5 feet south of the NE Corner of said NE<sup>1</sup>/<sub>4</sub> of the NE<sup>1</sup>/<sub>4</sub>; thence N88°41’W 925.0 feet, parallel and 16.5 feet distant from the north line of said NE<sup>1</sup>/<sub>4</sub> of the NE<sup>1</sup>/<sub>4</sub>, thence South 275.0 feet, thence S88°41’E 925.0 feet to the east line of said NE<sup>1</sup>/<sub>4</sub> of the NE<sup>1</sup>/<sub>4</sub>; thence North 275.0 feet to the point of beginning.

included improvement and subdivision of approximately 73 acres of land and the construction of speculative buildings (hereinafter the “**Project**”); and,

**WHEREAS**, the Developer desires that the City facilitate the Project with certain tax increment financing incentives for the construction of Public Improvements to serve the Project; and,

**WHEREAS**, the City has a policy of encouraging projects of economic development that have the potential for providing substantial increases in permanent employment opportunities, added revenue support for government services, and expansion of the property tax base.

**NOW, THEREFORE**, in consideration of these premises and of the mutual promises hereinafter set out, the Parties hereto agree, and covenant as follows:

- I. **CONDITIONS PRECEDENT**. Notwithstanding anything to the contrary contained in this Agreement, City and Developer acknowledge and agree that the effectiveness of this Agreement shall be subject to the following conditions precedent:
  - a. Developer must prepare for the Property subdivision plans and submit a complete application for a Final Plat (Major Subdivision) approval

consistent with the state law and the Ames Municipal Code no later than June 30, 2023.

- b. The Ames City Council, within its complete and sole discretion, creates an Urban Renewal Area (URA) and Plan for the Property that includes tax increment financing no later than February 1, 2023.

If either of the above stated **Conditions Precedent** are not satisfied this Agreement shall be null and void and of no further force or effect.

## **II. DEVELOPER OBLIGATIONS**

**1. DESIGN & CONSTRUCTION.** The Developer shall be responsible for the design of the Project, including the design and construction of all public infrastructure improvements within the development and frontage improvements serving the development, all according to City specifications.

**2. PLATTING.** Preparation and submission to the City of all documents and drawings required to create a final plat of subdivision of the Property (as depicted on the preliminary plat attached hereto as Exhibit “A”, (the “**Subdivision**”) in accordance with applicable laws and ordinances shall be the responsibility of the Developer. Additionally, the following conditions shall apply to the Subdivision:

a. The Subdivision shall substantially conform to Exhibit A and at a minimum consist of 5 lots equal to or less than 3 acres in size (a “Small Lot”) and 5 lots less than 11 acres in size.

b. Subject to the requirements set forth herein, Developer shall not be eligible for a TIF rebate payment until such time as the full Subdivision is final platted and the public improvements accepted by the Ames Public Works Director.

c. Developer shall dedicate all rights-of-way and easements required by the City for the development of the Subdivision at no cost to the City.

**3. FIRST SPECULATIVE BUILDING.** The Developer shall complete construction of a building (the “**First Speculative Building**”) to a “shell condition” on a Small Lot within the Subdivision in accordance with the regulations of the City, not later than November 30<sup>th</sup>, 2023.

**4. VALUE AND SIZE, FIRST SPECULATIVE BUILDING.** The First Speculative Building in a shell condition shall have an assessed taxable value, exclusive of land, of not less than \$500,000; and shall have not less than 10,000 square feet of floor area.

**5. SUBSEQUENT SPECULATIVE BUILDINGS.** Not later than eighteen (18) months after the construction and occupancy of the First Speculative Building, or not later than eighteen (18) months after the First Speculative Building is no longer speculative in nature, whichever occurs first, the Developer shall complete the construction of a second building to the same terms of the First Speculative Building (Sections 5 & 6).

Thereafter, not later than eighteen (18) months after the construction and occupancy of a Subsequent Speculative Building, or not later than eighteen (18) months after a Subsequent Speculative Building is no longer speculative in nature, whichever occurs first, the next speculative buildings shall be constructed to the same terms of the First Speculative Building.

a. The construction of all subsequent speculative buildings shall follow the 18-month schedule described above until such time as all of the Small Lots are developed.

b. A Small Lot acquired by a bona-fide Third-Party that is not the Developer is exempt from the Subsequent Speculative Building schedule and associated requirements. A bona-fide Third Party is a person or entity which is completely independent from the Developer and each member thereof in reference to ownership or management control, or both. The City shall be entitled to documentation, upon its request, to verify the legal status and ownership of any party claiming to be exempt as a bona-fide Third Party.

**6. SPECULATIVE BUILDING.** Notwithstanding anything in this Agreement to the contrary, for purposes of this Agreement, the term “**Speculative Building**” shall mean a building, whether completed or under construction, which is open and available for sale or lease and actively marketed for such purposes. Furthermore, the phrase “no longer speculative in nature” shall mean that the First Speculative Building, Second Speculative Building, or any Subsequent Speculative Building whether completed or under construction, is no longer open and available for sale or lease or is not actively marketed for such purposes.

**7. LAND PRICE CEILING.** The Developer, or Developer’s successors and assigns, may not transfer any of the lots within the Subdivision, or any portion thereof, for a price greater than the price per acre of \$108,900, plus an increase of five percent (5%) per acre (\$5,445) on July 1 of each year beginning July 1, 2024 (the “**Price Ceiling**”). It is the understanding of the Parties that when title to a lot within the Subdivision is in the name of a Third-Party (a “**Third Party Lot**”), the Developer shall not be liable, in any way, for any sale of a Third-Party Lot at a price more than the Price Ceiling.

**8. TAX ABATEMENT.** The Developer, and any lot owner of record, as the case may be, shall not apply for the industrial property tax exemption provided by Ames Municipal Code Sections 24.8 to 24.13 pursuant to Chapter 427B of the Code of Iowa, or for any other tax exemption that may be or become available to the Developer or lot owner of record, except as follows:

a. The Developer, and any lot owner of record, may apply for the industrial property tax exemption on any lot equal to or greater than 5 acres in size.

**9. AGRICULTURAL CLASSIFICATION.** In order to minimize speculative land holdings and spur immediate economic development activities, the Developer and Developer’s successors and assigns shall not seek an Agricultural Classification for any lots except for those lots greater than 5 acres in size; however, the right to seek an Agricultural Classification shall be personal to the Developer and not the successors and assigns of the Developer.



**10. USE RESTRICTIONS.** Developer, and Developer's successors and assigns, agree to prohibit the development of principal uses involving outdoor storage, mini-storage, dead storage, salvage and commercial parking on any lot within this Subdivision.

**11. MINIMUM ASSESSMENT.** Developer agrees to enter into a Minimum Assessment Agreement with the City and City Assessor for all lots exceeding 3 acres that authorizes the City Assessor to establish an assessment on buildings that are constructed on said lots at a taxable value of, at least, \$350,000 per acre of the lot. This minimum assessment requirement will terminate once the Developer Rebate schedule ends. The Developer agrees to file individual assessment agreements for building improvements with the Story County Assessor. Each agreement must be recorded prior to any Site Development Plan approval by the City of Ames.

**12. BUILDING QUALITY.** In order to assure that the buildings constructed on the lots within the Subdivision are of a superior quality, the Developer agrees to the design guidelines attached hereto as Exhibit "B" and by this reference incorporated herein.

**13. TIMELINE FOR CONSTRUCTING BUILDINGS.** The intent of the Project is for purchasers of the lots within the Subdivision to make improvements promptly and not to hold the property in an undeveloped state or to delay making improvements. Therefore, the purchaser of any lot within the Subdivision shall complete construction of all building improvements within eighteen (18) months of taking title to a lot. If the construction of all building improvements does not begin within one (1) year of taking title to the lot, then the purchasers shall make the lot available for sale to any willing buyer, including the developer, in accordance with the land price ceiling.

**14. PENALTIES FOR FAILURE TO CONSTRUCT.** Failure to construct speculative buildings according to the agreed upon timeline in this agreement shall result in a penalty of \$15,000 for the first building delay and an additional \$15,000 penalty for every 12 months thereafter. If additional speculative buildings fail to meet the timelines set forth in this Agreement, Developer shall be subject to a penalty of \$20,000 for each additional building delay and an additional \$20,000 penalty for every 12 months thereafter. Developer shall timely pay said penalty to the City within 30 days of notice of violation of this section. A failure to timely pay a penalty imposed on a Lot shall constitute a lien against every unimproved lot owned by the Developer within the Subdivision.

**15. PAYMENTS IN LIEU OF TAXES.** With respect to any lot within the Subdivision that may be exempt from property taxes or may from time-to-time become exempt from property taxes pursuant to section 427.1 of the Code of Iowa (or any other provision of the laws of the State of Iowa), the Developer, or the lot owner of record, as the case may be, shall make to the City for its own purposes an annual payment in lieu of property taxes, on the dates when property taxes are due, in such amount as shall then be equal to the amount that would have been payable as property taxes if the property, with or without improvements, was not exempt as aforesaid. This obligation to make payments in lieu of taxes shall terminate once the Developer Rebate schedule ends.

**16. DEVELOPMENT OF LOTS.** The Developer agrees and acknowledges that the City will not approve a site development plan for any lot in the Subdivision that does not propose to construct a building in accordance with the terms of this Agreement.

**17. HIGH-SPEED INTERNET.** The installation of high-speed internet infrastructure (download rates exceeding 100 mbps and upload speeds exceeding 20 mbps) is required at the time of development of the subdivision and shall be at the sole responsibility and expense of the Developer. Proof of installation of high-speed internet to the subdivision shall be provided prior to the City authorization of the first TIF rebate payment.

**18. WITHHOLDING OF PERMITS FOR NON-COMPLIANCE.** Developer agrees that the City may withhold future City approvals or permits related to any property within the subdivision that does not comply with terms of this agreement or the covenants. The City will not withhold future approvals or permits for other lots within the subdivision that are not the subject of a determination of noncompliance.

### **III. CITY'S OBLIGATIONS**

**1. URBAN RENEWAL AREA & TIF DISTRICT.** The City will institute proceedings for the establishment of the North Dayton Urban Renewal Area and a Tax Increment Finance District coterminous with the boundaries of the Project (the "**North Dayton URA**"), pursuant to Chapter 403 of the Code of Iowa, concurrent with the consideration of the Subdivision. The Developer acknowledges that this Agreement is contingent upon City Council consideration and approval of the North Dayton URA and TIF District and that the City Council may not, in its sole discretion, approve the North Dayton URA and TIF District.

**2. TIF PROCEEDS.** In recognition of the Developers Obligations set out above the City agrees to make developer rebate payments as an economic development incentive for the development of the Project from incremental property taxes generated within the North Dayton URA. The Developer shall receive the TIF rebate payment in each fiscal year during the term of this agreement, pursuant to Chapters 15A and 203 of the Code of Iowa, provided, however that the aggregate total amount of the payments shall not exceed, \$2,968,264.00, and all payments shall be subject to annual appropriation by the City Council.

**3. TIF DEVELOPER REBATE PAYMENTS.** Payments will be made on December 1 and June 1 of each fiscal year, beginning in the first fiscal year for which the City receives incremental property tax revenues with respect to an increase in the taxable valuation of the property over the valuation shown on the tax rolls as of January 1, 2023, and continuing until December 1, 2035, or until such earlier date upon which total payments equal to \$2,968,264.00 have been made. The payments shall not constitute general obligation debt of the City but shall be made solely and only from Incremental Property Tax Revenues paid that are attributable to the properties within the North Dayton URA that are received by the City from the Story County Treasurer. For example, if an increase in taxable valuation of the Property is placed on the Story County tax rolls as of January 1, 2024, the first payment will be made on December 1, 2025.

**4. SUBSTANTIATION REQUIRED FOR DEVELOPER REBATE PAYMENTS.** Notwithstanding anything to the contrary, the total of all rebate payments to be made by the City, as contemplated by paragraph 3 above, shall not exceed actual expenses incurred by the Developer, including its successors and assigns, under any circumstances. Developer shall provide the City with invoices,

receipts, and other substantiation to prove Developer's actual costs as may be requested by the City. Eligible expenses for rebate payments shall be limited to the following public infrastructure items: water main, sanitary sewer, storm sewer, street paving, sidewalks and shared use paths, and electrical conduits. If the actual total of Developer's eligible expenditures is lower than the \$2,968,264.00 as set forth in Exhibit "C" attached hereto, the City shall not be obligated to provide rebate payments in excess of the actual expenses.

**5. ANNUAL APPROPRIATION.** Each rebate payment shall be subject to annual appropriation by the City Council prior to its statutory deadline of certifying debt (i.e., December 1<sup>st</sup> of each year) during the term of this agreement. The City Council shall consider the question of obligating for appropriation to the funding of the rebate payments due in the next succeeding fiscal year, an amount of Incremental Property Tax Revenues to be collected in such following fiscal year equal to the City's estimate of the amount of Incremental Property tax revenues that could be collected in such year. Each such estimate shall be based on then current consolidated property tax levy and most recent incremental valuation of the property.

To the extent that the City Council decides to obligate funds for appropriation to the rebate payments, the City agrees to certify to the Story County Auditor by December 1 of each year during the terms of this Agreement an amount equal to the most recently determined appropriated amount.

**6. PROJECT APPROVALS.** The City agrees to not unreasonably withhold or delay approval of the Final Plat or subsequent Minor Site Development Plans except as outlined in this agreement and for consistency with applicable criteria of the Ames Municipal Code.

#### **IV. ADMINISTRATIVE PROVISIONS**

1. This Agreement may not be amended or assigned by either party without the express permission of the other party. However, the City hereby consents to Developer's proposed written Assignment of TIF rebate payments to a lender, as security, without further action on the part of the City.

2. Any and all provisions of this Agreement may be amended, cancelled or extended by the mutual agreement of the Parties in writing.

3. This Agreement, and all promises and covenants herein expressed, shall be a covenant running with the Subdivision, and shall be binding on the Developer, its successors and assigns, and upon the grantees of the Developer's rights in said Subdivision, including mortgagees.

4. This Agreement, and all Exhibits hereto, shall constitute a covenant and run with the land and shall be binding upon the Developer, its successors and assigns. Covenants herein may be extended by an interested party, the owner of any lot within the Subdivision or by the City of Ames, for an additional period of twenty-one years by filing a verified claim, in the manner provided by the Code of Iowa.

5. This Agreement shall be deemed to be a contract under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with the laws of the State of Iowa.

6. The parties acknowledge and agree that this Agreement is being executed without review or approval of specific engineered construction plans or site development plans for development of the Site. The parties acknowledge and agree that it is not possible to anticipate all the infrastructure requirements the Developer may be required to complete to properly develop the site. Therefore, the parties agree that all work done by or on behalf of the Developer with respect to, but not limited to, public streets, sidewalks, bike paths, building design, construction and utilities, both on-site and off-site, shall be made in compliance with the Iowa Code, SUDAS and all other federal, state and local laws and policies of general application, including but not limited to subdivision and zoning codes, whether or not such requirements are specifically stated in this Agreement.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be signed by their authorized representatives as of the date first above written.

**DAYTON AVENUE DEVELOPMENT LLC**

Dated October \_\_\_\_\_, 2022.

By:

\_\_\_\_\_  
Charles E. Winkleblack, Manager

**STATE OF IOWA, COUNTY OF STORY, SS.:**

This instrument was acknowledged before me on October \_\_\_\_\_, 2022, by Charles E. Winkleblack, as Manager of Dayton Avenue Development LLC.

\_\_\_\_\_  
**NOTARY PUBLIC**

Passed and approved on \_\_\_\_\_, 2022, by Resolution No. 22-\_\_\_\_\_ adopted by the City Council of the City of Ames, Iowa.

**CITY OF AMES, IOWA**

By:

\_\_\_\_\_  
**John A. Haila, Mayor**

Attest:

\_\_\_\_\_  
**Renee Hall, City Clerk**

**STATE OF IOWA, COUNTY OF STORY, SS.:**

This instrument was acknowledged before me on \_\_\_\_\_, 2022, by John A. Haila and Renee Hall, as Mayor and City Clerk, respectively, of the City of Ames, Iowa.

\_\_\_\_\_  
**NOTARY PUBLIC**

*Exhibit A- Preliminary Plat*

## *Exhibit B*

### Design Guidelines for North Dayton Industrial Park Subdivision

1. All buildings and improvements shall be of new construction only. No pre-existing buildings shall be permitted to be moved onto a lot, nor shall any trailer, mobile home, or other similar structure be placed upon any lot, excepting those used on a temporary basis by a contractor during construction.

#### 2. Design Requirements

A. All buildings must have exterior surfaces of steel, architectural metal panels, brick, wood trim, split face block, stone, glass, exterior insulation, and finish systems (EIFS) or precast wall panels or a combination thereof. Corrugated steel or similar ridged metal panel finishes are prohibited on the front façade for more than 50% of the facade.

B. Buildings constructed in the subdivision shall be oriented with the front entrance facing the street the building is addressed upon. Each building shall have an identifiable front entrance area distinguished in materials and relief from the primary building materials of the front façade. A front entrance area will typically include at least 30 linear feet that includes features such as doors, windows, materials, parapets, overhangs, etc.

3. Not less than 15% of the total area of a lot shall be used for landscaping and lawn purposes or other decorative open space.

4. No outdoor storage, as defined in Chapter 29 of the Ames Municipal Code, may be placed within a front yard for all street frontages; however, for corner lots with two street frontages the restriction only applies to one front yard, and for lots with three or more street frontages the restriction only applies to two fronts.

5. The principal uses of Outdoor Storage, other storage uses, including private or public storage of furniture, files, raw materials, or other unused or seldom used goods and items for an indefinite period of time, Mini-Storage and Salvage shall be prohibited in the North Dayton Industrial Park Subdivision.

6. Equipment. Trash cans, garbage cans and storage piles, where permitted. Shall be kept screened from view by adequate planting or fencing to conceal them from the view of other lots in the Subdivision. All rubbish, trash, or garbage shall be regularly removed and shall not be permitted to accumulate.

7. All drive access points shall be approved by the City of Ames Planning and Housing and Public Works Departments. The City of Ames may limit or restrict access points on some lots to line up driveways and corresponding driveways or streets on the opposite side of the street frontage. No access to Dayton Avenue is permitted.

*Exhibit C*

Estimated Cost Breakdown of Eligible Items

\*Only Internal Subdivision Public Items in Yellow Shade Included in TIF Rebate

\*All Dayton Widening Items Included in TIF Rebate

North Dayton Development LLC  
 NORTH DAYTON INDUSTRIAL PARK  
 OPINION OF PROBABLE COSTS  
 Friday, September 16, 2022

Item No.	Description	Unit	Price	Quantity	Extension
1	CLEARING AND GRUBBING	UNIT	\$ 6,000.00	1.00	\$ 6,000.00
2	TOPSOIL, (DEVELOPMENT AREA)	CY	\$ 2.20	64321.00	\$ 141,506.20
3	EXCAVATION, (DEVELOPMENT AREA)	CY	\$ 3.30	165426.00	\$ 545,905.80
4	SUBGRADE PREPARATION - BAILEY AVE	SY	\$ 2.00	9994.00	\$ 19,988.00
5	SUBBASE, 6" - BAILEY AVE	SY	\$ 11.00	9994.00	\$ 109,934.00
6	SANITARY SEWER GRAVITY MAIN, TRENCHED, PVC, 12"	LF	\$ 73.00	2823.00	\$ 206,079.00
7	SANITARY SEWER SERVICE STUB	EA	\$ 2,600.00	10.00	\$ 26,000.00
8	STORM SEWER, TRENCHED, 15" RCP	LF	\$ 42.00	1823.00	\$ 76,566.00
9	STORM SEWER, TRENCHED, 18" RCP	LF	\$ 46.00	32.00	\$ 1,472.00
10	STORM SEWER, TRENCHED, 24" RCP	LF	\$ 63.00	137.00	\$ 8,631.00
11	STORM SEWER, TRENCHED, 30" RCP	LF	\$ 79.00	68.00	\$ 5,372.00
12	STORM SEWER, TRENCHED, 36" RCP	LF	\$ 102.00	466.00	\$ 47,532.00
13	STORM SEWER, TRENCHED, 48" RCP	LF	\$ 180.00	1101.00	\$ 198,180.00
14	PIPE APRON, 15 INCH	EA	\$ 3,900.00	1.00	\$ 3,900.00
15	PIPE APRON, 24 INCH	EA	\$ 4,200.00	1.00	\$ 4,200.00
16	PIPE APRON, 30 INCH	EA	\$ 5,100.00	1.00	\$ 5,100.00
17	PIPE APRON, 48 INCH	EA	\$ 7,900.00	2.00	\$ 15,800.00
18	SUBDRAIN, 6" PERFORATED	LF	\$ 18.00	292.00	\$ 5,256.00
19	SUBDRAIN CLEANOUT, 6"	EA	\$ 700.00	1.00	\$ 700.00
20	SUBDRAIN OUTLET, 6"	EA	\$ 700.00	1.00	\$ 700.00
21	OUTLET STRUCTURE INLET PIPE, PVC 4"	LF	\$ 50.00	20.00	\$ 1,000.00
22	WATER MAIN, TRENCHED, 8 INCH	LF	\$ 40.00	2425.00	\$ 97,000.00
23	WATER MAIN FITTINGS	LB	\$ 20.00	230.00	\$ 4,600.00
24	WATER SERVICE STUB 6"	EA	\$ 3,800.00	10.00	\$ 38,000.00
25	VALVE, 8 INCH	EA	\$ 2,500.00	3.00	\$ 7,500.00
26	TAPPING VALVE ASSEMBLY	EA	\$ 6,200.00	2.00	\$ 12,400.00
27	FIRE HYDRANT ASSEMBLY	EA	\$ 6,900.00	9.00	\$ 62,100.00
28	SANITARY MANHOLE, SW-301, 48 INCH	EA	\$ 7,100.00	11.00	\$ 78,100.00
29	STORM MANHOLE, SW-401, 72 INCH	EA	\$ 7,900.00	3.00	\$ 23,700.00
30	STORM MANHOLE, SW-401, 48 INCH	EA	\$ 5,000.00	1.00	\$ 5,000.00
31	INTAKE, SW-501	EA	\$ 3,500.00	12.00	\$ 42,000.00
32	INTAKE, SW-503	EA	\$ 6,500.00	1.00	\$ 6,500.00
33	INTAKE, SW-505	EA	\$ 6,800.00	3.00	\$ 20,400.00
34	INTAKE, SW-506	EA	\$ 8,800.00	1.00	\$ 8,800.00
35	INTAKE, SW-512, 24"	EA	\$ 2,500.00	1.00	\$ 2,500.00
36	INTAKE, SW-506 MODIFIED	EA	\$ 19,800.00	4.00	\$ 79,200.00
37	INTAKE, SW-513, MODIFIED, POND OUTLET 48" X 48"	EA	\$ 5,900.00	1.00	\$ 5,900.00
38	INTAKE, SW-513, MODIFIED, POND OUTLET 72" X 72"	EA	\$ 16,500.00	1.00	\$ 16,500.00



39	CONNECTION TO EXISTING MANHOLE, SANITARY	EA	\$ 1,500.00	1.00	\$ 1,500.00
40	PAVEMENT, PCC, 8" - BAILEY	SY	\$ 66.00	8863.00	\$ 584,958.00
41	SIDEWALK, PCC, 5"	SY	\$ 50.00	1315.00	\$ 65,750.00
42	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING, (WETLAND SEED)	AC	\$ 3,200.00	1.50	\$ 4,800.00
43	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING, (LOW-GROW GRASS)	AC	\$ 3,200.00	3.75	\$ 12,000.00
44	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING, (TYPE IV SEED)	AC	\$ 1,500.00	49.50	\$ 74,250.00
45	STREET TREES	EA	\$ 300.00	97.00	\$ 29,100.00
46	RIP RAP, CLASS E	TON	\$ 80.00	1092.00	\$ 87,360.00
47	SILT FENCE OR SILT FENCE DITCH CHECK	LF	\$ 4.00	4415.00	\$ 17,660.00
48	STABILIZED CONSTRUCTION ENTRANCE	SY	\$ 10.00	245.00	\$ 2,450.00
49	INLET PROTECTION DEVICE	EA	\$ 200.00	31.00	\$ 6,200.00
50	MOBILIZATION - CONSTRUCT	LS	\$ 25,000.00	1.00	\$ 25,000.00
51	MOBILIZATION - AMES TRENCHING	LS	\$ 10,000.00	1.00	\$ 10,000.00
52	STREET LIGHTS	LS	\$ 82,000.00	1.00	\$ 82,000.00
53	STREET LIGHT CONDUIT	LF	\$ 4.00	2400.00	\$ 9,600.00
54	ELECTRIAL PRIMARY CONDUIT	LF	\$ 4.00	2870.00	\$ 11,480.00
55	MAILBOXES	EA	\$ 1,500.00	1.00	\$ 1,500.00
56	MAILBOX PAD	LS	\$ 1,000.00	1.00	\$ 1,000.00
57	5% contingency based on \$1,957,458.80				\$ 97,872.00
					\$ -
	Total of items eligible for TIF rebate			\$2,203,330.00	

**SUBTOTAL: \$ 3,064,502.00**

**DAYTON WIDENING**

Item No.	Description	Unit	Price	Quantity	Extension
A1	TOPSOIL,(DAYTON WIDENING)	CY	\$ 2.20	1431.00	\$ 3,148.20
A2	EXCAVATION, (DAYTON WIDENING)	CY	\$ 3.30	9553.00	\$ 31,524.90
A3	SUBGRADE PREPARATION - DAYTON WIDENING	SY	\$ 3.80	6620.00	\$ 25,156.00
A4	GRANULAR SHOULDER - DAYTON WIDENING	SY	\$ 27.00	2180.00	\$ 58,860.00
A5	STORM SEWER, TRENCHED, 15" RCP	LF	\$ 42.00	79.00	\$ 3,318.00
A6	STORM SEWER, TRENCHED, 18" ARCP	LF	\$ 86.00	79.00	\$ 6,794.00
A7	REMOVAL OF DRAIN TILE	LF	\$ 5.00	688.00	\$ 3,440.00
A8	PIPE APRON, 15 INCH	EA	\$ 3,900.00	2.00	\$ 7,800.00
A9	PIPE APRON, 18 INCH ARCH	EA	\$ 4,700.00	2.00	\$ 9,400.00
A10	MANHOLE ADJUSTMENT, MAJOR	EA	\$ 1,800.00	1.00	\$ 1,800.00
A11	PAVEMENT, HMA 12" - DAYTON WIDENING	TON	\$ 110.00	2930.00	\$ 322,300.00
A12	REMOVAL OF PAVEMENT	SY	\$ 50.00	417.00	\$ 20,850.00
A13	SHARED USE PATH, 5" PCC, (DAYTON WIDENING)	SY	\$ 42.00	2370.00	\$ 99,540.00
A14	SHARED USE PATH, 6" PCC, (DAYTON WIDENING)	SY	\$ 50.00	82.00	\$ 4,100.00
A15	DETECTABLE WARNING, (DAYTON WIDENING)	SF	\$ 40.00	80.00	\$ 3,200.00
A16	TRAFFIC CONTROL (IADOT TC - 216), (DAYTON WIDENING)	LS	\$ 25,000.00	1.00	\$ 25,000.00

A17	PAINTED PAVEMENT MARKINGS, SOLVENT/WATERBORNE, (DAYTON WIDENING)	STA	\$ 50.00	165.13	\$ 8,256.50
A18	PAINTED SYMBOLS AND LEGENDS, (DAYTON WIDENING)	EA	\$ 1,000.00	12.00	\$ 12,000.00
A19	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING, (TYPE III SEED), (DAYTON WIDENING)	AC	\$ 2,500.00	1.50	\$ 3,750.00
A20	SILT FENCE OR SILT FENCE DITCH CHECK, (DAYTON WIDENING)	LF	\$ 4.00	890.00	\$ 3,560.00
A21	MOBILIZATION - DAYTON WIDENING - MANATTS	LS	\$ 15,000.00	1.00	\$ 15,000.00
A22	5% contingency based on \$668,797				\$ 33,439.00
					\$ -
<b>TOTAL OPINION OF IMPROVEMENT COST</b>				<b>SUBTOTAL: \$ 702,236.60</b>	

TIF rebate for infrastructure	\$2,203,330
TIF rebate for Dayton Road Widening	\$702,236
Total TIF rebate	\$2,905,566
Price increases for 2023???	

Additonal Items Added Late:

**6" Water Line for Fire Protection \$26,280.00**

**Sanitary Sewer Line Addition to North Property Line \$36,418.00**

**Grand Total TIF Rebate \$2,968,264.00**