

Downtown Urban Revitalization Program

Application Packet

Thank you for your interest in the Ames Downtown Urban Revitalization Program. The City of Ames Planning and Housing Department is available to assist you in completing your application. Please call (515) 239-5400 and someone can meet with you at your convenience to start the process and answer questions.

The purpose of the Downtown Urban Revitalization Program is to promote rehabilitation of downtown buildings to improve the Downtown Urban Revitalization Area (see Map). The rehabilitation is accomplished by having property owners invest in structures in Downtown. Projects are eligible to receive tax abatement on the improvements made to properties. Eligibility is achieved in two ways:

1) Design requirements, including receiving a façade grant in compliance with the Downtown Design Guidelines

The *Downtown Design Guidelines* define the visible improvements that qualify a project for tax abatement. The program encourages replacing all elements of the façade that do not comply with the *Guidelines* with elements that do comply. The program also encourages planning for needed improvements on all façades of a building, even if all cannot be carried out at one time. The program applies to buildings that contain non-residential uses or to the improvement of vacant buildings for retail use. It is hoped that the program activities will improve the downtown and enhance the entire community.

2) A compliant use

The building must have a compliant use. For a complete list, see the criteria beginning on page 5.

The “Application Packet” for the Downtown Urban Revitalization Program includes the following:

- Eligibility Criteria
- Application Process
- Application Form

The *Downtown Design Guidelines* are available from the Ames Planning and Housing Department and from its web site.

1. Eligibility Criteria.

- *The property must be located within the Downtown URA boundary.*
- *Building improvements must be completed, and the building must have a Certificate of Occupancy from the Ames Inspections Division.*
- *The minimum value of a building improvement must increase the actual value by 5% or more. Site improvements, e.g. parking lots, landscaping, etc. are not eligible for tax abatement as a building improvement is required.*

- *A property owner may choose either a 3-, 5-, or 10-year sliding schedule of tax abatement.*
- *The improvement must be maintained for the life of the tax abatement.*
- *SEE PAGE 5 FOR ADDITIONAL CRITERIA.*

2. Application Process.

- *Contact the Ames Planning and Housing Department to schedule a pre-application meeting to ensure that the requirements for a successful application are satisfied.*
- *Fill out all sections completely and return to the Department of Planning & Housing prior to beginning construction.*
- *The application must be received and construction begun prior to February 1 of the assessment year for which the exemption is first claimed, but not later than the year in which all improvements included in the project are first assessed.*
- *Once the application is reviewed, and is satisfactory, it will be forwarded to the City Council for formal action in February.*
- *If approved by the City Council, the City Clerk will forward the application to the City Assessor, who will review the application from the standpoint of the property value prior to the construction of the improvement. The City Assessor will again review the application once the improvement is completed to determine the Actual Value of the improvement for property tax purposes.*

Submit the completed *Downtown Urban Revitalization Program* Application Packet to the:

City of Ames
Department of Planning and Housing
Room 214, City Hall
515 Clark Avenue
Ames, Iowa 50010

Phone: 515-239-5400

Email: planning@cityofames.org

Downtown
Urban Revitalization Program
Application Form

1. **Property Address:** _____

2. **Property Identification Number (Geocode)** (if known): _____

3. **Legal Description** (attach, if lengthy): _____

4. **Description of Improvements** (attach, if lengthy): _____

Improvement costs: \$ _____

Beginning construction date: _____

Estimated or actual completion date: _____

Assessment year for which exemption is being claimed: _____

Exemption schedule (3, 5, or 10 years): _____

5. **Property Owner:** _____

Address: _____
(Street) (City) (State) (Zip)

(Phone) (Email)

Designed by: _____

Business: _____

Address: _____
(Street) (City) (State) (Zip)

(Phone) (Email)

I (We) certify that I (we) have submitted to the best of our knowledge all the required information to apply for approval of the Downtown Urban Revitalization Program and that the information is factual.

Signed by: _____ **Date:** _____
(Property Owner)

(Print Name)

(Applicant - if different than Property Owner) **Date:** _____

(Print Name)

URBAN REVITALIZATION DOWNTOWN CRITERIA

1. The property must be located within the Downtown URA boundary (see map below).
2. Building improvements must be completed, and the building must have a Certificate of Occupancy from the Ames Inspections Division.
3. The minimum value of a building improvement must increase the actual value by 5% or more. Site improvements, e.g. parking lots, landscaping, etc. are not eligible for tax abatement as a building improvement is required.

Note – A commercial use is required to have a minimum assessment agreement approved by the City Assessor and the City prior to receiving tax abatement per state law.

4. A property owner may choose either a 3-, 5-, or 10-year sliding schedule of tax abatement (see schedule below).

Note – Residential properties may have partial tax abatement rates different from commercial uses per requirements of state law.

5. The improvement must be maintained for the life of the tax abatement.

6. Use Eligibility

- a. *Existing Occupied Building* – All permitted uses within the DSC zoning district are eligible, including residential. All buildings that include nonconforming uses are ineligible.
- b. *Existing Vacant Building* – The ground floor must have a Retail Trade, Restaurant/Entertainment use, or small production facility (e.g. taproom, brewery, distillery, etc.) for the front half of the building. The remaining ground floor area and upper floors may have any of the following uses: retail trade, restaurant, entertainment, household living, or office.
- c. *Building New Construction or Addition (with or without a Parking Structure)* – Structure Parking improvements are eligible as an accessory use of a site when the primary building also includes commercial uses on the ground floor as defined for Existing Vacant Building or with City Council preapproval of layout plan for the location and size of commercial space at the ground floor.
- d. Ineligible uses include nonconforming uses to DSC zoning, institutional, group living, transportation, communication, utility, and miscellaneous uses defined within DSC zoning.

7. Ineligible Properties

- a. Government-owned properties.
- b. Properties identified as 1) a local or national historic resource/landmark or 2) properties having a contributing historic resource to a local or national district, where the building (or buildings) has been demolished within the past 10 years or otherwise modified* so that the building(s) are no longer eligible for listing as a historic resource. (Attachment E)

- * “Otherwise modified” includes alterations to character-defining features that negatively impact the historic integrity of the resource as identified at the time of the approval (either local or the National Register of Historic Places). A building damaged or destroyed by an accidental fire or weather may be pre-approved by City Council as eligible for tax abatement prior to making improvements to a site.

8. Design Requirements

At the time of filing of a complete tax abatement application for City approval, the new improvements must be in compliance with the following design requirements as determined by the City:

a. Existing Buildings:

- i. All front façades of an existing building are consistent with the Downtown Façade Design Guidelines.

-OR-

- ii. If there are no façade improvements:

- 1. No changes are required to the front façade for the improvements,
- 2. The building must have a front customer entry from the street at ground level, and
- 3. The improvements to the building have not substantially reduced the ground floor transparency of windows and doors by reducing openings, obscuring the windows or doors with other materials, or replacing the glass with reflective, opaque, translucent, spandrel or other types of glass, tinting or films that reduce transparency.

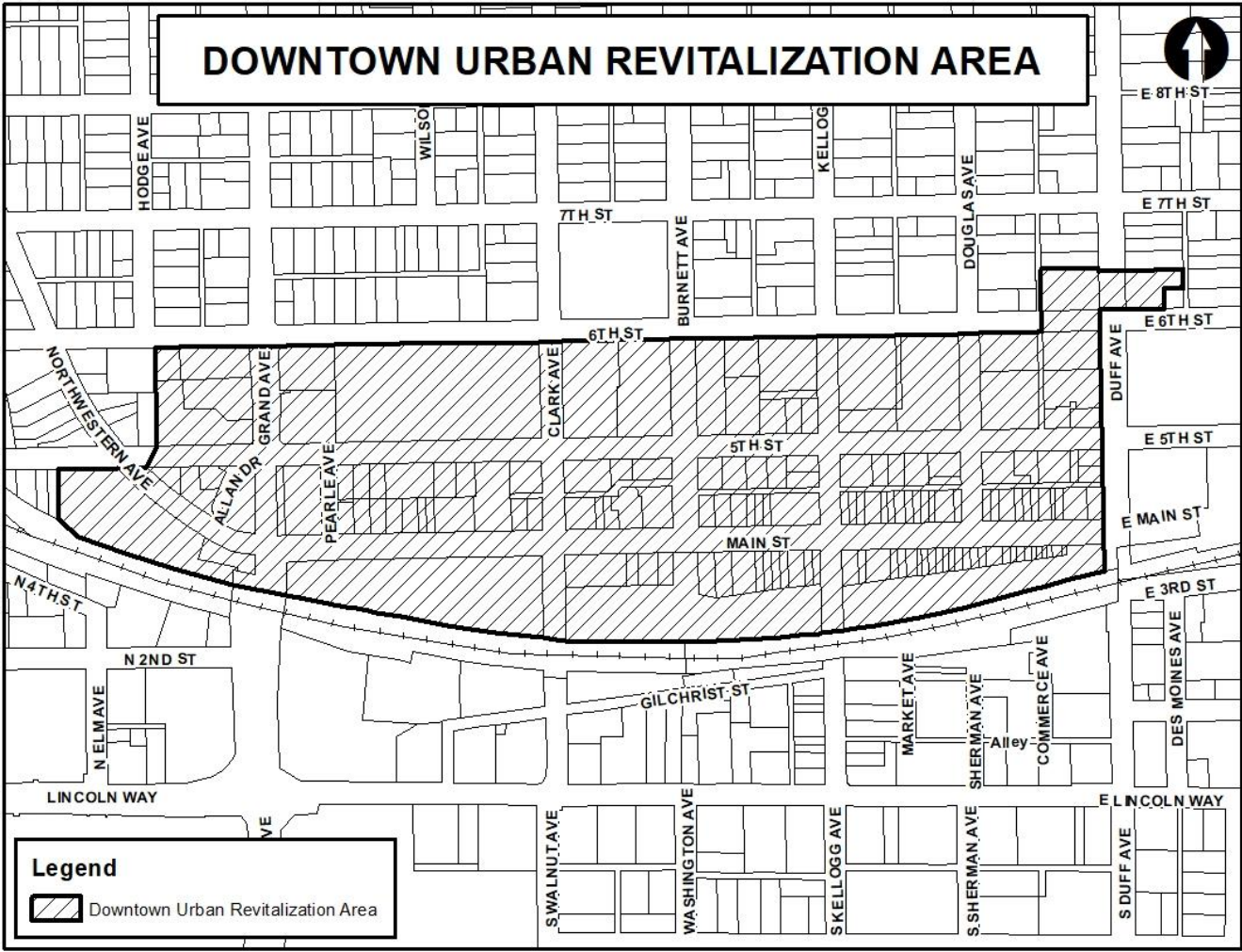
- b. New construction, including additions, shall conform to the Downtown Design Guidelines for facades.

9. Energy Audit Prior to Commencing Project

If an existing building is proposed to undergo improvements to qualify for tax abatement, the applicant must complete a building energy audit prior to commencing the project. The energy audit reviews current energy use and makes recommendations for energy efficiency improvements. An audit conducted by Ames Electric complies with this requirement, as does an independent audit completed to the ASHRAE Level 1 standard with recommendations on energy efficiency improvements.

The energy audit requirement applies for any project improvements that require a building, fire, or trade permit issued after July 1, 2024. The audit must be completed within the two years preceding the initiating the project improvements qualifying for property tax abatement.

The applicant and building are not required to apply any of the suggestions in the audit, but the audit must be submitted to the City as a part of the URA application for final approval.



URA Tax Exemption Schedule for 3, 5, and 10 Years

All qualified real estate located in the designated Urban Revitalization Area is eligible to receive a partial exemption from taxation on the Actual Value added by the improvements as specified by the schedules below. Any qualified real estate may elect one of the three schedules.

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.