

ITEM #:	<u>1</u>
DATE:	<u>03-07-24</u>
DEPT:	<u>P & H</u>

COUNCIL ACTION FORM

SUBJECT: CITY-WIDE URBAN REVITALIZATION AREA PLAN NOTIFICATION

BACKGROUND:

City Council directed staff on February 27th to proceed with establishing a Urban Revitalization Area (URA) Plan to encourage construction of additional housing within the City of Ames by offering a five-year partial property tax abatement incentive for owner-occupied residential housing units. At this meeting, the City Council ask staff to establish in the URA for the entire City if it is feasible under the requirements of Iowa Code 404. At that time, staff noted that April 9th would be the planned public hearing date. Staff has continued to review the public hearing requirements and findings required to approve a URA and believe the City can meet a finding in support creating additional housing city-wide rather than on in individual development area basis.

State law requires setting a date of public hearing for approval of a proposed URA Plan and includes prescribed notification requirements. **Defining the URA as the entire City does not change the notification requirements. The City must publish notice 30 days before the hearing in the Ames Tribune and it must provide mailed notification to all property owners within the proposed boundary of the URA 30 days prior to the hearing. Additionally, a URA requires mailed notification of occupants, but allows for City Council to waiver this requirement in some circumstances.**

City staff has created a property owner mailing list using Assessor records. After removing duplicate ownership records, there are just under 13,000 individual property owners of residential, commercial, and industrial properties in the City. The notification costs for a public hearing notice postcard mailed to these properties is estimated at up to \$8,500. **Creating an occupant mailing list is more challenging than an owner notification, because there is not a single database of commercial, industrial, residential tenants and occupants. Just based upon rental registration of properties, approximately 16,000 occupant notices plus commercial properties would be required. Staff believes that without a city-wide database of occupant information, that it is impracticable to provide mailed notice to each property occupant in the City. If the program was more targeted to specific areas, occupancy notification would be easier to verify and complete as has been traditionally done when establishing URAs.**

Staff requests that City Council approve waiving the mailed notice requirement under 404.2(3) due to an incomplete notification list. Additionally, the proposed URA Plan does not plan for displacement of tenants and has no measures for relocation where advanced notice would be beneficial at this time.

ALTERNATIVES:

1. Set the date of Public Hearing as April 9th for the city-wide Urban Renewal Area Plan, waive mailed public hearing notification requirements for occupants, and designate funding for the URA Plan in the amount of up to \$8,500 from City Council Contingency.
2. Set a date for a public hearing of April 24th or later, direct staff to investigate further how to create a reliable occupant notification mailing lists, and proceed with notification for a later date.

CITY MANAGER'S RECOMMENDED ACTION:

With City Council's direction from February 27th to establish the URA on a city-wide basis, staff has already committed to printing the property owner notifications as well as publishing notice in the newspaper. By holding the public hearing on the proposed plan as early as possible, the property tax incentive program will be in place for owner-occupied residential dwellings completed after approval of the plan. In order to take advantage of the houses currently being constructed, staff will be asking the City Council to approve on three reading the proposed Urban Revitalization Area and Plan on April 9th.

Staff believes continuing to work on notification of occupants in addition to property owners is not warranted at this time and desires to proceed with the planned published notice and owner mailed notices for a hearing on April 9th. Notification must be provided no later than March 9th to meet the minimum 30-day requirements of Iowa Code. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative 1, thereby setting the date of Public Hearing as April 9th for the city-wide Urban Renewal Area Plan, waiving mailed public hearing notification requirements for occupants, and designating funding for the URA Plan in the amount of up to \$8,500 from City Council Contingency.