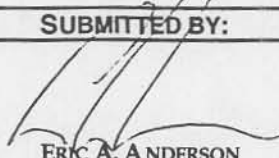


**OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-001  
JANUARY 2, 1996 AGENDA**

SUBJECT:	TYPE:	PREPARED BY:	SUBMITTED BY:
HEARING ON 30TH AMENDMENT— CAPITOL-CENTER URBAN RENEWAL PLAN	◆ RESOLUTION ORDINANCE	ANDREA HAUER ECONOMIC DEVELOPMENT	 ERIC A. ANDERSON CITY MANAGER

**SYNOPSIS —**

The proposed 30th Amendment to the Capitol-Center (CCI) Urban Renewal Plan will permit the City to financially assist in the development of a public plaza at the northeast corner of Fifth and Locust Streets. The amendment revises and clarifies the language regarding the public improvements that will be undertaken as urban renewal activities, and also updates the map relating to public improvements.

In addition, changes in the Code of Iowa now direct that a financial condition report be provided as part of the plan amendment process. A *Financial Condition Report* for the Capitol-Center Development Area Urban Renewal project has been created for inclusion as part of this amendment.

**FISCAL IMPACT —**

The anticipated cost to the City for its portion of the public plaza that is located at the northeast corner of Locust and Fifth Streets is \$14,000; Council has previously approved this commitment through a 28E Agreement with the School District.

A combination of sponsors including the School District, private businesses, parents, and others have already contributed about \$75,000 to the capital construction costs for this project. Another \$20,000 will be spent for the construction of the play structures.

In addition, the amendment also contains a financial condition report which provides general details on the overall financial condition of the urban renewal area with regard to Tax Increment Financing (TIF)/urban renewal-related debt and anticipated property tax revenues.

**RECOMMENDATION —**

Approval of the 30th Amendment.

**BACKGROUND —**

A recent change in the Code of Iowa, Chapter 403 (Urban Renewal), requires cities to undertake consultation with other governmental entities receiving property tax revenues from an urban renewal area that utilizes tax increment financing when an urban renewal plan is created or amended.

The consultation with the other governmental entities—Polk County, the Des Moines Independent School District, and Des Moines Area Community College—was scheduled for December 7, 1995.

Representatives from Polk County and the Des Moines Area Community College did not attend; both verbally indicated no opposition to the proposed amendment. John Phoenix, president of the Des Moines Independent School Board, attended this meeting as did several interested citizens. No opposition was voiced to the amendment; however, a discussion was held on the overall uses of tax increment financing and its impact on the property tax revenues received by the City, School District, and Polk County.

The Urban Renewal Board, at its November 28, 1995, meeting, recommended approval of the proposed 30th Amendment; however, it noted its reluctance to recommend additional expenditures, given the City's current financial condition.