

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

**CITY COUNCIL COMMUNICATION 96-521  
DECEMBER 2, 1996 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
AIRPORT COMMERCE PARK SOUTH/ AIRPORT COMMERCE PARK WEST	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT STRICKER ECONOMIC DEVELOPMENT ADMINISTRATOR

**SYNOPSIS —**

On the December 2, 1996 Council agenda are two hearing items relating to the final approval of the Urban Renewal Plans, Urban Revitalization Plan amendments, TIF Ordinances and Urban Renewal Development Agreements for the Airport Commerce Park South and Airport Commerce Park West Project Areas.

The Council has taken several previous actions regarding Airport Commerce Park South and Airport Commerce Park West as summarized below:

On April 22, 1996, by Roll Call No. 96-1592, the Council directed the City Manager to prepare the Urban Renewal Plans, Urban Revitalization Plan amendments and development agreements for the Airport Commerce Park South and West, based on the recommended Guidelines and Principles for City Participation.

On October 21, 1996, by Roll Call Nos. 96-3556 and 96-3558, the Council set the date of hearing on the proposed Urban Renewal Plans for December 2, 1996. In addition, by Roll Call Nos. 96-3557 and 96-3559, Council set the date of hearing on the first amendment to the Airport Commerce Park West Urban Revitalization Area Plan and the 19th amendment to the City-Wide Urban Revitalization Area Plan for December 2, 1996.

On November 4, 1996, by Roll Call Nos. 96-3775 and 96-3776, the Council approved the form of the Urban Renewal Development Agreements with Airport Commerce Park, L.C. for development of Airport Commerce Park South and Airport Commerce Park West Urban Renewal Project Areas.

On November 18, 1996, by Roll Call Nos. 96-3853 and 96-3854, Council set the date of hearing on the proposed Urban Renewal Development Agreements for December 2, 1996.

On the agenda for December 2, 1996, are two separate hearings, one for the Airport Commerce Park West, and one for Airport Commerce Park South. The proposed roll calls:

1. Approve the Urban Renewal Plans and Tax Increment designation for Airport Commerce Park South and West;
2. Approve first and final reading of the Tax Increment ordinances;
3. Approve the Urban Revitalization (tax abatement) Plan amendments; and
4. Approve the development agreements between the City and the developer, Airport Commerce Park, L.C.

**FISCAL IMPACT —**

The total cost of TIF reimbursable public infrastructure improvements, including Fleur Drive improvements, in Airport Commerce Park South is estimated at \$4,065,000. The total cost of TIF reimbursable public infrastructure improvements in the Airport Commerce Park West is estimated at \$3,875,000. These cost estimates will serve as not to exceed caps for City reimbursement to the developer. The Financial Condition Reports for both of the Urban Renewal Plans project that these costs will be fully reimbursed after 11 years. After taking into account three-year 100 percent tax abatement and reimbursement of eligible costs with TIF, the Airport Commerce Park South is projected to provide approximately \$16.5 million (\$6.25 million - City share) in new property tax revenue to the taxing jurisdictions after 20 years. The Airport Commerce Park West is projected to provide approximately \$19.5 million (\$7.4 million - City share) in new property tax revenue to the taxing jurisdictions after 20 years. At full development, the Airport Commerce Park South is projected to attain over \$50,000,000 of new development and 1,710 - 2,850 new jobs. The Airport Commerce Park West is projected to reach over \$80,000,000 of new development, with 2,535 - 4,225 new jobs at full development.

**RECOMMENDATION —**

Approval.

**BACKGROUND —**

Urban Renewal Board Recommendation

At its meeting of October 15, 1996, the Urban Renewal Board reviewed the proposed Urban Renewal Plans for the Airport Commerce Park South and Airport Commerce Park West Urban Renewal Projects and recommended approval. At its October 29, 1996 meeting, the Board reviewed the proposed Urban Renewal Development Agreements for Airport Commerce Park South and West and recommended approval.