

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 96-539
DECEMBER 16, 1996 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
AIRPORT AREA TIF DISTRICTS	◆ RESOLUTION ORDINANCE RECEIVE/FILE	SCOTT A. STRICKER ECONOMIC DEVELOPMENT ADMINISTRATOR

SYNOPSIS —

On December 2, 1996, the City Council adopted the Urban Renewal Plans and TIF Ordinances for the Airport Business Park, Airport Commerce Park South, and Airport Commerce Park West. Pursuant to State Code, a TIF District's frozen base assessed valuation is as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City submits to the County Auditor the amount of loans, advances, indebtedness, or bonds which qualify for payment from the division of property tax revenue, (tax increment). In the preparation and planning of the three Airport area TIF Districts, approved by Council on December 2, the City incurred certain TIF-eligible expenses. Submitting these expenses to the County Auditor prior to December 31, 1996 will establish the *frozen base* assessed valuation date as January 1, 1995. Establishing the frozen base date also initiates the 20-year term for the TIF District.

The TIF eligible expenses, advanced through the City's General Fund, incurred within the Airport Business Park pertain to engineering, surveying and planning activities in an amount of \$30,568. The TIF advances for expenses incurred in the Airport Commerce Park South are in the amount of \$33,510 and pertain to the engineering design work for the Fleur Drive improvements south of Army Post Road. The City cash advances for the Airport Commerce Park West amount to \$2,000 for planning and related activities.

FISCAL IMPACT —

The primary purpose of notifying the County Auditor of the TIF-eligible expenses advanced by the City is to establish the frozen base assessed valuation date for the three Airport area TIF Districts. The City will not receive TIF revenue toward the advances until FY1998-99. This is because the Urban Renewal Plans and TIF designations were adopted after the State Code-mandated December 1st deadline for submittal of TIF needs for FY1997-98.

RECOMMENDATION —

Notify the County Auditor of the City's tax increment cash advances in the amount of \$30,568 for the Airport Business Park, \$33,510 for the Airport Commerce Park South, and \$2,000 for the Airport Commerce Park West.