

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

02-312

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

AGENDA:

JUNE 17, 2002

SYNOPSIS -

On the June 17, 2002 Council agenda is a roll call to approve the Second Amendment to the SE Agribusiness Urban Renewal Plan. This amendment designates acquisition and disposition parcels between SE 34th and SE 38th Streets north of Vandalia Road, and 16 acres west of SE 43rd Street north of Diamond Animal Health Inc. The Second Amendment also incorporates recommendations from the Agrimergent Technology Park Plan that the Council adopted in December 2001.

SUBJECT:

ADOPTION OF
SECOND
AMENDMENT TO SE
AGRIBUSINESS
URBAN RENEWAL
PLAN

FISCAL IMPACT -

The Second Amendment is the first stage of implementing the Agrimergent Technology Park Plan. Costs to assemble land and install infrastructure, such as storm sewer improvements, are estimated at \$4 million. About \$3 million of the expenditures will be funded with federal and state grants and general obligation bonds. Additional funds from Tax Increment Financing (TIF) funds may be used to construct additional improvements.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

RECOMMENDATION -

Approval.

SUBMITTED BY:

RICHARD CLARK
DEPUTY CITY
MANAGER

BACKGROUND -

In 1998, the Council adopted the SE Agribusiness Urban Renewal Plan to assist redeveloping an area in southeast Des Moines for agribusiness use. At that time, the City owned about 38 acres between SE 34th and SE 38th Streets north of Vandalia Road which were purchased in the early 1980s to relocate homeowners from this industrial area. These properties have been land-banked. Additional property is required to attract quality investment to the area. Agribusinesses and related companies will be targeted for this area that fit with the development strategy while offering long-term growth

potential.

On May 30, 2002, the City held a consultation meeting to discuss the Second Amendment. No written or oral comments were received. On June 6, 2002, the Plan and Zoning Commission recommended approval of the Second Amendment. On June 11, 2002, the Urban Development Board recommended approval (3-1); a quorum was not present. The City will continue to meet with neighborhood associations to discuss project progress.

Adoption of the Second Amendment is required before the City can conduct environmental testing, appraisals and extend Offers to Purchase to property owners.
