

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

02-418

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

AGENDA:

SYNOPSIS -

AUGUST 5, 2002

As directed by the City Council at its July 8, 2002 meeting, the Community Development Department has reviewed a request to expand the boundaries of the 10-year residential tax abatement area in the Pioneer-Columbus/Southeast Urban Renewal area. The property requesting expansion is located at 2 Hartford Avenue, also known as the Old Washington School. The staff recommends expansion of the 10-year residential tax abatement area to include this property.

SUBJECT:

EXPANSION OF THE
PIONEER -
COLUMBUS/SOUTHEAST
10-YEAR RESIDENTIAL
TAX ABATEMENT AREA
TO INCLUDE THE OLD
WASHINGTON SCHOOL
SITE, 2 HARTFORD
AVENUE

FISCAL IMPACT -

Taxes will be generated each year from the land value, but the improvement value will be forthcoming when the property enters the tax rolls after abatement ends.

TYPE:

RECOMMENDATION -

RESOLUTION
ORDINANCE
RECEIVE/FILE

Approval.

SUBMITTED BY:

BACKGROUND -

JAMES M. GRANT
COMMUNITY
DEVELOPMENT
DIRECTOR

Frank Scaglione, owner of the property, made a request to the City Council that his property located at 2 Hartford Avenue be included in the Pioneer-Columbus/Southeast 10-year residential tax abatement area. The property was included in the original Pioneer-Columbus urban renewal area as set forth by the City Council by Roll Call No. 79-2907 on June 25, 1979.

The property is currently eligible for 5-year tax abatement on improvements over \$20,000 to the property.

The area is just outside the boundary for 10-year tax abatement and would be the only residentially zoned property added to the

10-year area with this amendment.

Old unused school sites, as well as other unused public buildings, present unique reuse problems and have high costs for retrofitting when adapting the building for other uses. The owner proposes to convert the school into apartments. In order to meet cash flow needs for renovating this building, the 5-year tax abatement option does not meet the needs of the developer while the 10-year tax abatement option does if the option was available and extended to this property.

The staff feels that this proposed project saves a unique old public building from demolition, puts the property back on the tax rolls, provides additional housing types in the City to meet the needs of its citizens, and saves architecturally significant structures for future generations.
