

**CITY COUNCIL  
COMMUNICATION:**

**03-117**

**AGENDA:**

MARCH 10, 2003

**SUBJECT:**

DENIAL OF A TAX  
ABATEMENT  
APPLICATION FOR  
2002 — 1511 HIGH  
STREET

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

JAMES M. GRANT  
COMMUNITY  
DEVELOPMENT  
DIRECTOR

**ITEM** \_\_\_\_\_

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

**SYNOPSIS —**

Attached to the roll call is one tax abatement application for 2002 for 1511 High Street (A Dong Restaurant). This application is located in an approved commercial abatement area in the City; however, the building does not meet the requirements for eligible improvements. Eligible improvements must meet the criteria defined in the Restated Urban Revitalization Plan in Section H 1(c)(viii). The section states that "at least 70% of the total floor space of the facility be devoted to the display of merchandise for retail sales." The structure located at 1511 High Street does not meet this requirement as restaurants are not considered retail establishments and does not have items to display for retail sales. Therefore, staff recommends denial of tax abatement for this property.

**FISCAL IMPACT —**

None.

**RECOMMENDATION —**

Approval.

**BACKGROUND —**

The City Council first enacted tax abatement programs for the City on September 28, 1987, by Roll Call No. 87-4009. A Dong Restaurant, 1511 High Street, is requesting tax abatement for improvements made to their property during 2002. However, the property does not meet the required criteria for amount of floor space required for the display of retail merchandise as it is a restaurant and therefore, not eligible to receive tax abatement. When this area was designated as a neighborhood retail area, the specific concern from the Plan and Zoning Commission and the City Council was that restaurants should not be able to get tax abatement. The area was designed for the attraction of retail establishments that sold products like office supplies, clothing, cars, and other similar items. This application for abatement is recommended for denial.

