



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 02/28/05
05-076

Agenda Item Type: Resolution

Communication No.:

Roll Call No.: 05-

Submitted by: Richard Clark, Deputy City Manager

SUBJECT—

Approval of tax abatement for “Airport Crossroads” area.

SYNOPSIS—

This action will extend commercial tax abatement to an undeveloped area known as the “Airport Crossroads” development that is located on the west side of Fleur Drive and directly north of County Line Road.

FISCAL IMPACT—

The current property assessment for this 39 acres parcel is \$16,000; provision of limited commercial tax abatement will enhance the developability of the property and building taxable assessment values. No tax increment financing will be provided.

RECOMMENDATION—

Approval

BACKGROUND—

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History

Fleur Properties, L.C. (Michael and Evie Barnes, partners, 615 Park St. Suite 300, Des Moines) have requested that commercial tax abatement be made available for their property, known as the “Airport Crossroads” located on the west side of Fleur Drive and directly north of County Line Road (Map attached).

On November 22, 2004, by Roll Call No. 04-2525, the Council directed staff to draft the necessary documents to permit commercial tax abatement for this area, subject to similar use limitations imposed on tax abatement for the adjacent Airport Commerce Park South and Airport Business Park tax abatement areas.

On January 24, 2005, by Roll Call No. 05-170, the Council set the date of public hearing for the Council’s February 28, 2005 meeting the extension of the tax abatement to this area. The Plan & Zoning Commission met on February 17, 2005 and found this expansion to be in conformance with the City’s 2020 Comprehensive Land Use {Plan.

Planning

The City’s adopted long-range land use plan shows the Barnes’ property (as well as the adjacent properties south of relocated Army Post Rd. extending to County Line Rd.) for use as planned business parks. The planned business park district (PBP) is intended to encourage large-scale quality development of vacant or underutilized tracts of land pursuant to a unified building and site plan incorporating a comprehensive design.

Terms of Tax Abatement

The Barnes’ have executed a covenant that will require property development to be consistent with the adjacent Planned Business Park use covenants which are:

- Using only the 3-year/100% tax abatement schedule.
- Restricting (by recorded covenant) the permitted land uses to offices, research, education and development facilities, light manufacturing and assembly, warehousing, hotels and motels and certain support service uses such as day care centers, health clubs, medical/dental and similar -type offices. Other more retail-type uses such as convenience stores, gasoline service stations and restaurants, including drive-up facilities, would not be permitted.

Staff is recommending approval of the tax abatement request because it will geographically “square” out provision of abatement and allows the City to have some control on what occurs in this newly developing area.

No further extension of commercial tax abatement in this area is recommended until completion of the development study of the Highway 5 bypass area in Warren County that will provide a clearer picture of future development needs. This is anticipated to be completed in late 2005.

