



Agenda Item:

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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 08/08/05
Agenda Item Type: Resolution

Communication No.: 05-442
Roll Call No.:

Submitted by: Larry Hulse, Community Development Director

SUBJECT—

Set a date of public hearing on city support for State designation of three Cultural and Entertainment Districts including Roosevelt (42nd and Chamberlain), East Village, and Court Avenue.

SYNOPSIS—

Set date of public hearing for support of designation as a Cultural and Entertainment District by the Iowa Department of Cultural Affairs for the following three districts: Roosevelt Cultural and Entertainment District, the Court Avenue Cultural and Entertainment District, and Historic East Village Cultural and Entertainment District. The designation will bring availability of additional historic tax credits for rehabilitation of historic buildings as well as ways to market the district and interstate signage.

FISCAL IMPACT—

The administrative rules promulgated by the Iowa Department of Cultural Affairs for designation of Cultural and Entertainment districts require that the city adopt a resolution that endorses the submission of the application and agrees to participate in the development and financial support of said Cultural and Entertainment District for ten years. City Staff believes the existing city incentives for development and financial contributions to the areas satisfies the criteria of financial support for the Cultural and Entertainment District.

RECOMMENDATION—

Set a date of Public Hearing for city support of each district for the August 22, 2005 City Council meeting.

BACKGROUND—

A Cultural and Entertainment District designation was established by the State Legislature in 2004 and is administered through the Iowa Department of Cultural Affairs. It is defined as a recognized, mixed-use area of the city in which a high concentration of cultural facilities serves as the anchor. The arts and culture, as well as historic structures, serve as the center of revitalization efforts. The goal is to attract residents and tourists who support adjacent businesses such as restaurants, lodging, retail and entertainment.

Benefits of Cultural and Entertainment District Designation

The principal benefit of designation at this time is additional historic tax credits for rehabilitation of historic structures. The State Legislature made an annual allocation of \$4 million of Historic Rehabilitation Tax Credits until the year 2015 for properties listed on the National Register of Historic Places located within Cultural and Entertainment Districts. The State Historic Rehabilitation Tax Credit is equal to 25% of the cost of the renovation of the property. For the state as a whole there has been an annual cap of \$2.4 million of State Historic Rehabilitation Tax Credits statewide. Because of this cap, the 25% tax credit has been allocated out for at least the next 10 years. The additional allocation of tax credits within the Cultural and Entertainment Districts will be useful in renovating historic buildings in the Court Avenue and East Village Cultural and Entertainment Districts. At the current time, there are no taxable buildings located within the Roosevelt Cultural and Entertainment District that could take advantage of the Historic Rehabilitation Tax Credits.

If designated, each district is also entitled to a sign on the Interstate and a special mention on state maps. In addition, there are various marketing efforts for Cultural and Entertainment Districts that are proposed.

City's Role in Cultural and Entertainment District

The government body must agree to participate in the development and financial support of the Cultural and Economic District for a period of at least ten years. The financial support can take many forms including financial incentives for businesses, tax abatement, public improvements such as bike paths, or zoning improvements. In addition, the City agrees to appoint a representative to the governing group of the Cultural and Entertainment District.

The State Historic Society of Iowa has requested that the City hold a public hearing prior approving a resolution for support. The public hearing will be held August 22, 2005.

Roosevelt Cultural and Entertainment District: 41st Street to Polk Boulevard, I-235 to Chamberlain and Crocker. Merchants and business owners from the Roosevelt shopping area have established a Roosevelt Cultural and Entertainment District Board and intend to submit an application to the State Historic Society of Iowa for designation as a Cultural and Entertainment District. The Cultural District Board as configured has representatives from the City, Roosevelt High School, Hubbell Elementary School, and the Des Moines Playhouse. In addition, representatives of adjacent neighborhood organizations have also attended the meetings and are sending letters of support for the designation.

The Roosevelt area is eligible to be a cultural and entertainment district because of the presence of numerous artist businesses, galleries, and the Des Moines Community Playhouse. Roosevelt High School is listed on the National Register of Historic Place. In addition, the area around Roosevelt is one of the most interconnected in the city with easy access to pedestrian bridges over the freeway, bike paths, and walkable neighborhoods.

The City has recently worked with property owners on rezoning this area to Neighborhood Pedestrian Commercial (NPC) zoning for the Shops at Roosevelt and a Planned Unit Development (PUD) Classification for the Des Moines Community Playhouse. These zoning designations help preserve the historic character of the area and accommodate needed parking and loading accessibility. SBA loans are available for businesses in the area. The Roosevelt Board is considering working with the City on establishing a Self Supporting Improvement District for improvements to the area.

East Village Cultural and Entertainment District: Des Moines River to E. 14th Street, Des Moines Street to Vine Street. The Historic East Village Organization intends to submit an application for Cultural and Entertainment District designation for the East Village area. Historic East Village has an existing board that plans a variety of art shows, Friday Night Music Events and street fairs. A city representative is on the board of the Historic East Village and can coordinate the city's involvement in individual projects and overall management of the district.

The East Village area is eligible to be a cultural and entertainment district because of the presence of numerous artist businesses, galleries, and museums. The East Village is well known for its artist's community as well as new housing opportunities and renovated government buildings. The boundary will also incorporate some of the Principal River Walk Project that provides links to all of the downtown area and will complement the cultural activities in Historic East Village.

The East Village has numerous buildings listed on the National Register of Historic Places and other buildings that have been determined eligible for listing in the Register. These buildings could utilize the special allocation of State Historic Tax Credits for renovation.

Court Avenue Cultural and Entertainment District: Des Moines River to 8th Street, Raccoon River to both sides of Locust Street. The Court Avenue Business Association intends to submit an application for Cultural and Entertainment District for the area that includes Court Avenue and surrounding warehouses and cultural enterprises. The Court Avenue Business Association has been in existence for many years. The existing board plans a variety of music festivals and special activities related to the arts and entertainment. A city representative attends meetings of the Court Avenue Business Association and can coordinate the City's involvement in individual projects and overall management of the district.

The Court Avenue area has long been known as the Des Moines Entertainment District because of its concentration of artist businesses on 4th Street, gathering of restaurants and music events, and Principal Baseball Park. Court Avenue Cultural and Entertainment District is the site of the birthplace of Des Moines and has a unique cabin that has recently been restored by the City's Park Department in cooperation with the Polk County Historic Society. The boundary will also incorporate some of the Principal River Walk Project that provides links to all of the downtown area and will complement the cultural activities in Court Avenue.

The Court Avenue Cultural and Entertainment District has numerous buildings listed on the National Register of Historic Places and other buildings that have been determined eligible for listing in the Register. These buildings could utilize the special allocation of State Historic Tax Credits for renovation.