



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 1/23/06
050

Communication No.: 06-

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Richard Clark, Acting City Manager

SUBJECT—

Establishing boundaries for the Downtown Self Supported Municipal Improvement District (SSMID) Expansion.

SYNOPSIS—

After holding a public hearing on December 19, 2005 the City Council voted 7-0 to close the public hearing on the petition to expand the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID). Council requested that Staff meet with property owners and/or business owners who expressed opposition to the Downtown SSMID expansion during the public hearing and directed Staff to place an item to establish the boundaries for the Downtown SSMID expansion on the January 23, 2006 agenda. This action would approve the boundaries.

FISCAL IMPACT—

None

RECOMMENDATION—

Staff recommends that an Ordinance to expand the Downtown SSMID be prepared for consideration at the Council's February 6, 2006 meeting containing the described boundaries for the expanded District that was noticed and published for the public hearing held on December 19, 2005. This area would be changed to remove only properties within the existing Sherman Hill Historic Street Lighting SSMID and/ or are located north of the east/west alley in the block bounded by Woodland Avenue, High Street, 15th Street and 19th Street. (See Attachment B).

BACKGROUND—

On January 17 and 19, 2006, City Staff and representatives of the Downtown Community Alliance met with the property owners and/or business owners who expressed opposition to the Downtown SSMID expansion at the December 19, 2006 public hearing. These representatives included:

- Crescent Chevrolet (represented by Jim and Bill Jensen) owns numerous parcels in the vicinity of 17th Street and Ingersoll Avenue. Though the Jensens were previously opposed, after the meetings, they now support joining the Downtown SSMID expansion.
- Cape Cod Partners (represented by Steve Williams) owns property at 1721 High Street and opposes the Downtown SSMID expansion.
- Ben Silverstein of Scrap Processors Inc. is a business owner and tenant of property located at 306 SE 5th Street (property owned by Doris Chrenen) and opposes the Downtown SSMID expansion.
- James Marcovis owns property at 1801 Ingersoll Avenue and 1812 High Street and opposed the Downtown SSMID expansion on December 19, 2005 but has not indicated his position since the discussion meetings on January 17, 2006.

Per the letter from the Plan and Zoning Commission that was received and filed by the City Council on November 17, 2005 (see Attachment A), the petition to expand the "Downtown Des Moines Self-Supported Municipal Improvement District" meets the criteria as outlined in Chapter 386 of the Iowa Code for such districts. This includes petitions signed by 28.2% of the owners of taxable property in the expansion area who represent 51.15% of the total assessed value within the expansion area. The petition is valid and the expanded SSMID project continues to have merit.

Affected property owners were notified of the public hearing via certified mail and published notice in accordance with Chapter 386 and a public hearing was held and closed on December 19, 2005.

All properties within the expanded Downtown SSMID area are subject to all the rights and obligations currently in place for property in the Downtown SSMID District including the purposes of the SSMID for paying the administrative expenses of the SSMID or of paying maintenance expenses of public improvements or self-liquidating improvements. Pursuant to the terms of Ordinance No. 14,311 the specific purposes for the use of operation tax funds include:

- Enhanced maintenance and cleaning of public spaces;
- Services to enhance the safety of persons and property, including a "Goodwill Ambassador" security program;
- Development and management of activities for marketing, business retention and attraction;
- Capital or physical improvements; and
- Improvement of skywalk system, including maintenance, cleaning and security.

The petition clearly states that the expansion areas shall be subject to the existing levy of the SSMID operation tax (set at a maximum rate of \$2.00 per thousand dollars of assessed value). Pursuant to Ordinance No. 14,311, the operation tax will remain in effect for three more fiscal years beginning in July of 2006 and continuing through June of 2009.