

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	June 11, 2012
	Agenda Item No.	27
	Roll Call No.	<u>12-0888</u>
	Communication No.	<u>12-304</u>
	Submitted by:	Phillip Delafield, Community Development Director

AGENDA HEADING:

Set date of hearing on July 9, 2012 for adoption of the Ingersoll-Grand Commercial Urban Renewal Plan.

SYNOPSIS:

The resolution sets July 9, 2012, as the date of the public hearing by the Council on the Ingersoll-Grand Commercial Urban Renewal Plan. The purpose of this plan is to provide resources to redevelop and revitalize this area that has served as an important corridor and as a stable regional commercial area. This Plan provides an ability to enhance private investment for the benefit of the City of Des Moines. The creation of an Urban Renewal/TIF Plan is recommended to assist with public infrastructure improvements, facilitate economic development, and create a future resource to assist development projects in this area.

FISCAL IMPACT:

Amount: Although not determinable at this time, the creation of an Urban Renewal/TIF Plan is expected to result in higher net assessed valuations that will ultimately support funding of City infrastructure projects and economic development activities within the Ingersoll-Grand Commercial Area.

Funding Source: Tax increment revenue generated by increased assessed valuations.

ADDITIONAL INFORMATION:

The creation of an urban renewal area and TIF plan for economic development for the Ingersoll-Grand Commercial Area can provide a source of funding for public and private improvements. Public improvements would typically include sanitary sewer, storm sewer and street infrastructure, streetscape improvements, green infrastructure and sidewalk/trail amenities. Private improvements would typically include the construction of utilities and recreational amenities, and new buildings and facilities for commercial use, generating new taxable valuation and jobs for the community.

The base assessment value of the proposed TIF area will be determined using January 1, 2011 property valuations. Annual tax increment revenues for this area will be estimated using an anticipated increase in value of 1% annually. The amounts generated from the increment revenues may also serve to leverage other sources of funding to finance improvements within the area. The allocation of tax

increment revenues is ultimately determined by City Council through separate council actions.

Several variables have prompted evaluation of the Ingersoll-Grand Commercial Area for the creation of an economic development oriented urban renewal area. In 2004, the Ingersoll Business Association in cooperation with the City, worked with RDG Planning and Design to prepare the Ingersoll Area Improvement Plan for the Ingersoll Corridor. This report stated that neighborhood residents wanted to maintain a vibrant business community in the area. However, that document suggested that the overall physical environment could be improved through provision of parking at certain locations, the addition of improved lighting and signage, and installation of streetscape and pedestrian elements such as wider sidewalks, planters, trees, benches, and bike parking. Construction of a pilot segment of Ingersoll Avenue streetscape commenced in 2008. The overall plan contemplated the streetscape theme extending from downtown to 42nd Street.

In 2011, the Des Moines Area Regional Transit Authority (DART) in furtherance of the DART Forward 2035 Transit Services Plan began conducting a Bus Rapid Transit (BRT) study looking at five alternative routes. A selected route for further study, know as Route 60, included the Ingersoll Avenue and University Avenue corridors from downtown to 42nd Street. This would include developed fixed stops along Ingersoll spaced further apart than standard transit service. Development of this program has looked at funding sources from the Federal Transit Administration under the “Very Small Starts” which funds BRT projects under \$50 million in total cost.

Further analysis of needs and opportunities has been provided in the Ingersoll and Grand Avenue Revitalization Strategy which was received on May 21, 2012. This was an independent effort of the Restoration Ingersoll group in cooperation with the adjoining recognized neighborhood associations, the West Side Chamber of Commerce, Ingersoll Business Association, Downtown Community Alliance, Des Moines Area Regional Transit, and City of Des Moines Community Development. This strategy considered a slightly larger geographic area within its scope than proposed in this Urban Renewal/TIF Plan. But, this Urban Renewal/TIF Plan is a potential economic development tool identified within the strategy to serve the same general area.

The ability to realize the potential of this area to promote development and reinvestment for the City of Des Moines will be greatly assisted by the creation of meaningful economic development tools. An Urban Renewal/TIF plan will allow for public and private projects to assist in achieving the greatest possible benefit to citizens and businesses.

PREVIOUS COUNCIL ACTION(S):

Date: May 21, 2012

Roll Call Number: [12-0819](#)

Action: [Receipt](#) of Ingersoll and Grand Avenue Revitalization [Strategy](#) as presented by the Ingersoll and Grand Avenue Planning Committee. Moved by Hensley to receive, file and refer the attached report to the City Manager for review and recommendation. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Upon Council receipt of the proposed Urban Renewal Plan and TIF district, the Council will direct these documents to the Urban Design Review Board on June 19, 2012, Plan & Zoning Commission on June 21, 2012, and to the tax consultation entities as required by law on June 20, 2012.

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