

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 6, 2017
	Agenda Item No.	25
	Roll Call No.	<u>17-0191 17-0192</u>
	Communication No.	<u>17-069</u>
	Submitted by:	Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Set date of public hearing on the Northeast Gateway Revitalization Plan, Northeast Gateway 1 Urban Renewal Plan and the Northeast Gateway 2 Urban Renewal Plan.

SYNOPSIS:

Two (2) separate Urban Renewal Plans and Tax Increment Financing (TIF) Districts are being recommended as a best practice for the appropriate division of tax revenues within the plan area due to the presence of two (2) different school districts.

This roll call sets the date of public hearing on the proposed Northeast Gateway Revitalization Plan, the Northeast Gateway 1 Urban Renewal Plan, and the Northeast Gateway 2 Urban Renewal Plan for the March 20, 2017 City Council meeting and authorizes the required consultation meeting with representatives from Polk County, Saydel Public Schools, Des Moines Public Schools, Des Moines Area Community College and Des Moines Area Regional Transit in the interim. The Northeast Gateway Revitalization Plan area is generally located between NE 52nd Street and NE 7th Street in the NW section, Aurora Avenue and I-235 in the NE section, Hull Avenue and I-235 in the SE section, and Hull Avenue and East 8th Street in the SW section.

The proposed Northeast Gateway Revitalization Plan boundary is the same boundary as originally adopted by the Northeast Gateway Revitalization Urban Renewal Plan, but is proposed to be replaced by two (2) separate Urban Renewal Plans and Tax Increment Financing districts split by E. Aurora Avenue. The Northeast Gateway 1 Urban Renewal area will consist of everything within the original plan boundary that is located to the north of E. Aurora Avenue. The Northeast Gateway 2 Urban Renewal area will consist of everything within the original plan boundary that is located to the south of E. Aurora Avenue.

FISCAL IMPACT:

Amount: There is no direct fiscal impact associated with the approval of the Revitalization Plan or the Urban Renewal Plans. The activities and projects that may be assisted by the urban renewal plans and tax increment revenues will be subject to separate Council action.

Funding Source: N/A

ADDITIONAL INFORMATION:

- The Northeast Gateway Revitalization Area has been a priority redevelopment site for the City and the NE Des Moines neighborhoods for a number of years.
- City staff, along with our zoning consultants, have continued planning efforts for the redevelopment of the former Eastgate site. The City is also seeing development interest at the former Northridge Mall site. Both sites are identified as community nodes in the City's Comprehensive Plan.
- The tax increment for these areas will be prioritized for use on public infrastructure projects and land development activities that will facilitate private sector investment in commercial, industrial and mixed-use development, and allow new taxable valuation to be created for the City. It is planned that future development agreements for this area will be organized around this premise, with the goal of having the private sector upfront infrastructure costs where possible, with potential for a portion of such costs to be reimbursed from the resulting incremental taxes.
- Public-private partnerships will also be encouraged. There will be an ability to evaluate the financial condition of each proposed project, and its positive impact to the citizens of Des Moines in the form of business development, services and employment. All individual development agreements must be reviewed and approved by the City Council.

PREVIOUS COUNCIL ACTION(S):

Date: October 26, 2015

Roll Call Number: [15-1822](#), [15-1823](#), [15-1824](#), and [15-1825](#)

Action: Items regarding Northeast Gateway Revitalization Urban Renewal Area:

- (A) [Communication](#) from the Plan and Zoning Commission recommending that the Urban Renewal Plan is in conformance with the Des Moines 2020 Community Character Plan. Moved by Moore to receive and file. Motion Carried 7-0.
- (B) [Resolution](#) of Necessity. Moved by Moore to adopt. Motion Carried 7-0.
- (C) [Hearing](#) on the proposed Urban Renewal Plan. ([Council Communication No. 15-577](#)) Moved by Moore to adopt. Motion Carried 7-0.
- (D) [First](#) consideration of the ordinance authorizing the use of tax increment financing within the Northeast Gateway Revitalization Urban Renewal Area. Moved by Moore that this ordinance be considered and given first vote for passage; refer to the City Manager to arrange a meeting with the Highland Park Neighborhood Association. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: October 20, 2015

Resolution Number: N/A

Action: Motion by Catherine Dietz-Kilen to approve. Seconded by Dennis Reynolds Yes 8; No 0; Absent 2.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Taxing Entities Consultation Meeting – February 23, 2017
- Urban Design Review Board – March 14, 2017
- Council Public Hearing – March 20, 2017

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