

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: October 23, 2017
	Agenda Item No. 50 Roll Call No. <u>17-1853</u> Communication No. <u>17-750</u> Submitted by: Phillip Delafield, Community Development Director

AGENDA HEADING:

Hearing on the third amendment to the Third Restated Urban Revitalization Plan for the Citywide Urban Revitalization Area and approving same.

SYNOPSIS:

The proposed amendment to the Third Restated Urban Revitalization Plan for the Citywide Urban Revitalization Area will:

- Delete the July 1, 2017, expiration date for the 3-year 100% abatement schedule for improvements to commercial property within the Riverpoint West Area
- Extend the December 31, 2020, expiration of the entire Plan by 5-years
- Replace Map 5 - Court Avenue Historic Area, with a new Map 5 that removes The Fifth site (currently occupied by the Fifth and Walnut Parking Garage) from the Court Avenue Historic Area
- Update all references to the City's comprehensive plan

FISCAL IMPACT:

Amount: Likely to increase the number of projects constructed that will be eligible for tax abatement.

Funding Source: N/A

ADDITIONAL INFORMATION:

- The value added by improvements to commercial property within the Downtown Overlay District is generally not eligible for tax abatement. A limited exception allows improvements to commercial property in the Riverpoint West Area to qualify for tax abatement, not exceeding 3-year 100%, if construction of the improvement was commenced by June 30, 2017. The Riverpoint West Area is bounded by SW 9th Street on the east, Martin Luther King Jr. Parkway on the north, and the Raccoon River on the south and west, and contains the Gray's Landing and Gray's Station projects. The current urban renewal agreements for the Gray's Landing and Gray's Station Projects both contemplate the extension of this limited exception. The proposed amendment brings the Citywide tax abatement program into conformance with those agreements.

- The Citywide tax abatement program under the Third Restated Citywide Urban Revitalization Plan is currently scheduled to expire on December 31, 2020, with one (1) additional year for the completion of projects commenced prior to that date. The proposed amendment extends the Citywide tax abatement program for an additional 5-years.
- A further purpose of the proposed amendment is to remove the site of the former Fifth and Walnut Parking Garage from the boundaries of the tax abatement subarea known as the Court Avenue Historic Area. That subarea as amended is shown by the accompanying map. This amendment is required to allow "The Fifth", a mixed-use project by 5th and Walnut Parking, LLC, represented by Justin Mandelbaum, to be constructed in conformance with the Urban Renewal Agreement for Sale of Land for Private Redevelopment and the Preliminary Plan approved by the City Council on April 3, 2017, by Roll Call No. 17-0631. That agreement provides for the sale and redevelopment of the site of the former Fifth and Walnut Parking Garage with:
 - A residential building fronting on Walnut Street with a minimum height of 25 stories (39 stories now proposed) with at least 200 dwelling units and with a hotel with at least 84 lodging rooms (117 rooms now proposed)
 - An 11-story parking garage fronting on 5th Street with approximately 694 parking spaces
 - A proposed 5-story movie theater and office building fronting on Court Avenue.
- The design of The Fifth is required to be consistent with the Preliminary Plan. It must also conform to a Conceptual Development Plan, which is now being prepared and is subject to City Council approval. It is anticipated that the design of the movie theater fronting on Court Avenue will generally conform to the special design standards applicable within the Court Avenue Historic Area, but the residential building and parking garage will not conform to those standards. The Urban Design Review Board considered the preliminary design of The Fifth at its regular meeting on September 26, 2017, and voted 8-0 in support of a motion to recommend that The Fifth be exempted from the special Court Avenue Historic Area design standards.



- A further purpose of the amendment is to replace all references to the former Des Moines 2020 Community Character Plan, with the recently adopted PlanDSM: Creating Our Tomorrow plan.

PREVIOUS COUNCIL ACTION(S):

Date: December 7, 2015

Roll Call Number: [15-2080](#)

Action: [On](#) the Second Amendment to the Third Restated City-wide Urban Revitalization Plan to amend the Construction and Sustainability Design Standards. ([Council Communication No. 16-401](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: September 26, 2017

Resolution Number: N/A

Action: Preliminary Review of the Conceptual Development Plan for The Fifth, a mixed-use project by 5th and Walnut Parking, LLC, represented by Justin Mandelbaum for the redevelopment of the site of the former Fifth and Walnut Parking Garage. The Urban Design Review Board voted 8-0 in support of a motion to recommend that The Fifth be exempted from the special Court Avenue Historic Area design standards.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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