


COUNCIL COMMUNICATION

	Number: 24-139	Meeting: April 1, 2024
	Agenda Item: 25	Roll Call: 24-0500
	Submitted by: Cody Christensen, Development Services Director	

AGENDA HEADING:

Ratifying the selection of two (2) new Special Investment Districts (SIDs) as recommended by the Invest DSM Board of Directors and authorizing City Staff to provide technical support and staff assistance for planning and implementation work.

SYNOPSIS:

Recommend ratification of the recommendations made by Invest DSM Board of Directors to adopt two (2) new SIDs, including Union Park and North of Grand/Woodland Heights areas, for subsequent planning and revitalization work. Authorize the City to provide needed technical support and staff assistance for such planning and implementation work.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- On June 25, 2018, following a year-long evaluation of the Neighborhood Revitalization Program, Des Moines City Council received and filed a report from czbLLC entitled Neighborhood Revitalization Planning Program Review. The City Council directed staff to redesign the Neighborhood Revitalization Program based on recommendations outlined in a report and selected four (4) pilot areas called SIDs, including Drake, Franklin, Highland Park-Oak Park, and Columbus Park areas. The plans for these areas were completed in early 2019.
- In 2019, the City Council approved the creation of Invest DSM, Inc., an independent non-profit 501c3 corporation, to coordinate the implementation of City-adopted SID plans. The City Council approved a Chapter 28E Agreement between the City, Polk County, and Invest DSM, Inc. to facilitate the amount and use of funding to be provided by the City and County to Invest DSM from August 1, 2019, until July 31, 2022, for operating expenses and program and project activities associated with implementation of the revitalization plans.
- Since early 2020, Invest DSM, Inc. has worked steadily and substantively in the four (4) SIDs, developing programs that respond to market needs, in partnerships with the City and a wide variety of neighborhood stakeholders. Invest DSM, Inc. continues to further its mission of ‘providing holistic and innovative solutions that strengthen neighborhoods...through strategic investments in real estate and partnerships to improve quality of life.’

- A new and updated Chapter 28E Agreement was approved by the City Council on February 21, 2022, between the City, Polk County, and Invest DSM, Inc. This agreement continues use of funding based on terms laid out in the agreement along with planning for new SIDs designated by the Invest DSM, Inc. Board of Directors and approved by the Des Moines City Council.
- On July 17, 2023, the City Council received and filed a report from czbLLC entitled “Status Report on Neighborhood Revitalization Efforts, 2018 – 2023.” The study was conducted to assess the efficacy of Invest DSM, Inc.’s early work and ongoing planning efforts by the City. It also includes a set of recommendations resulting from these findings.
- Based on these recommendations and analysis of existing neighborhood health metrics, including property conditions, demographics, resident capacity, and other city data, City staff and Invest DSM, Inc. explored various areas for consideration as potential new SIDs.
- Two (2) new areas were identified that align with and further the goal of the City’s middle market revitalization strategy and Invest DSM, Inc.’s overarching principles. These areas were reviewed and approved by the Invest DSM, Inc. Board at its March 5, 2024 meeting. Invest DSM, Inc. Board has forwarded its recommendation to the City Council for ratification.

1. Union Park SID Proposed Area

Arthur Avenue (north) to Washington Avenue (south); Saylor Road/Pennsylvania Avenue (west) to East 14th Street (east)

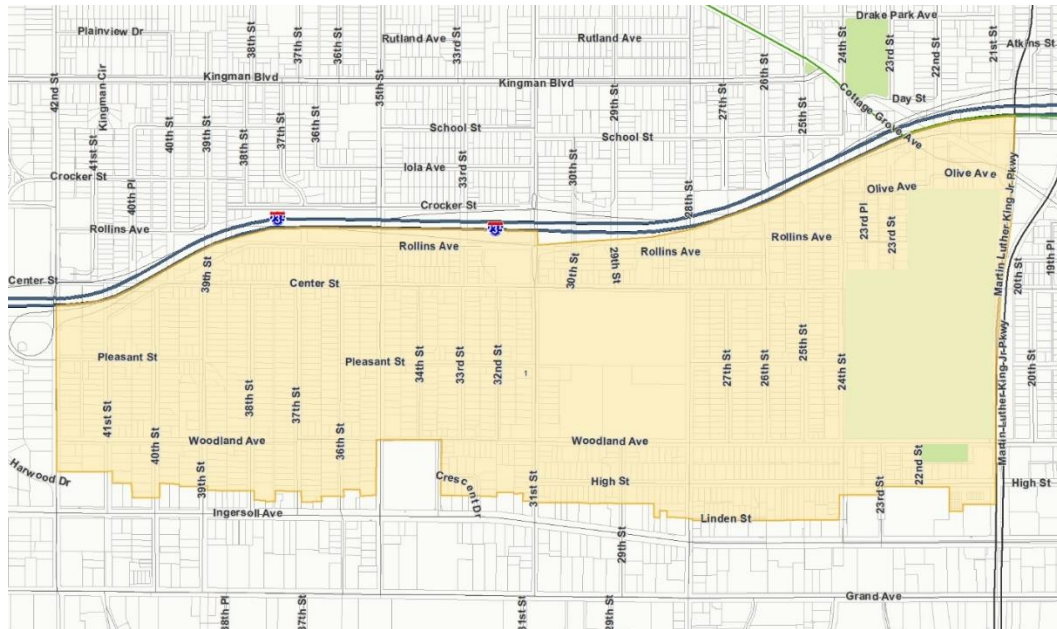


- 885 Parcels
 - Approx. 8% vacant
 - 91 Rental Certificates (11%)
- Residential Property Conditions
 - 7% - Good or Excellent
 - 30% - Poor or Very Poor
 - 63% - Average

- No City Block Challenge participation; Strong participation in other initiatives
- Median Income Approx. \$55k
- Assets: Union Park, Birdland Marina investment

2. North of Grand / Woodland Heights SID Proposed Area

I-235 (north) to Ingersoll Avenue (south); 42nd Street (west) to Martin Luther King, Jr. Parkway (east)



- 1,437 Parcels; 1,738 housing units
 - 10% vacant
 - 183 Rental Certificates (13% of parcels)
 - Residential Property Conditions
 - 24% - Good or Excellent
 - 14% - Poor or Very Poor
 - 62% - Average
 - Strong City Block Challenge participation
 - Median Income Approx. \$49k
 - Assets: Ingersoll/The Avenues momentum, three (3) schools, Scottish Rite, Woodland Cemetery
- Planning and development of revitalization plans for the new SIDs is anticipated to begin in spring 2024, with plan approvals in spring 2025 and implementation from spring 2025 – 2035. The exact boundaries for the two (2) new SIDs will be determined during the planning phase.

PREVIOUS COUNCIL ACTION(S):

Date: July 17, 2023

Roll Call Number: [23-1012](#)

Action: [Receive](#) and file report regarding Status of Neighborhood Revitalization Efforts prepared by czbLLC. ([Council Communication No. 23-350](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Date: February 21, 2022

Roll Call Number: [22-0244](#)

Action: [28E](#) Agreement between the City, Polk County and Invest DSM, Inc. ([Council Communication No. 22-067](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

Date: September 14, 2020

Roll Call Number: [20-1451](#)

Action: [First](#) Amendment to initial operating contract with Invest DSM, Inc. ([Council Communication No. 20-412](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Future actions on project planning, policy work and implementation decisions.

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