

Date..... January 7, 2008

RESOLUTION SETTING DATE OF HEARING ON THE 2008-1 OMNIBUS AMENDMENT TO THE CITY'S URBAN REVITALIZATION PLANS EXTENDING THE DURATION OF SUCH PLANS FOR THREE YEARS AND AMENDING THE ABATEMENT SCHEDULES AFTER TWO YEARS

WHEREAS, on June 15, 1987, by Roll Call No. 87-2630, the Des Moines City Council adopted a resolution, in accordance with the provisions of Section 404.2(1) of the Urban Revitalization Act, finding that the rehabilitation, conservation, redevelopment, or a combination thereof of the entire area then within the corporation boundaries of the City of Des Moines is necessary in the interest of the public health, safety, or welfare of the residents of the City and the area meets the criteria of Section 404.1 of the Code of Iowa; and,

WHEREAS, by Ordinance No. 11,026 passed July 6, 1987, as amended by Ordinance No. 11,065 passed September 21, 1987, the City Council designated the entire area within the corporate boundaries of the City of Des Moines as established on July 7, 1987, as the City-wide Urban Revitalization Area; and,

WHEREAS, on September 28, 1987, by Roll Call No. 87-4009, the Des Moines City Council adopted a resolution, in accordance with the provisions of Section 404.2(6) of the Act, approving the Urban Revitalization Plan for the City-wide Urban Revitalization Area, which plan (the " original City-wide Plan") has been repeatedly amended; and,

WHEREAS, on June 16, 1997, by Roll Call No. 97-2126, the City Council approved and adopted the Twenty-first Amendment to the original City-wide Plan, which adopted a restated plan (the "Restated City-wide Plan") which incorporated all prior amendments to the original City-wide Plan; and,

WHEREAS, at the times identified below and pursuant to the legislation identified below, the City has designated and adopted urban revitalization plans for eight additional urban revitalization areas within the territory annexed into the City subsequent to the designation of the City-wide Urban Revitalization Plan:

Ewing Park Urban Revitalization Area

Designation of Area 09/16/91 Ordinance No. 11,719
Plan Adopted 11/18/91 91-4889

Sunrise Estates Urban Revitalization Area

Designation of Area 01/04/93 Ordinance No. 11,923
Plan Adopted 01/04/93 01/04/93 93-72

(continued)

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Creekview Estates Urban Revitalization Area

Designation of Area 08/23/93 Ordinance No. 12,033
Plan Adopted 09/07/93 93-3344

4247 Beaver Avenue Urban Revitalization Area

Designation of Area 06/20/94 Ordinance No. 13,064
Plan Adopted 11/21/94 94-4459

Hickory Grove Urban Revitalization Area

Designation of Area 12/05/94 Ordinance No. 13,126
Plan Adopted 12/05/94 94-4624

Airport Business Park Urban Revitalization Area

Designation of Area 01/16/95 Ordinance No. 13,142
Plan Adopted 02/20/95 95-642
2nd Amendment 12/02/96 96-4040 (expanding area)

Airport Commerce Park West Urban Revitalization Area

Designation of Area 08/70/95 Ordinance No. 13,222
Plan Adopted 07/24/95 95-2860
1st Amendment 12/02/96 96-4021 (expanding area)

Leland Avenue Urban Revitalization Area

Designation of Area 12/18/95 Ordinance No. 13,285
Plan Adopted 12/18/95 95-4725

WHEREAS, on February 28, 2005, by Roll Call No. 05-478, the City Council adopted the 2005-1 Omnibus Amendment to the City's urban revitalization plans, extending the City-wide Tax Abatement Program until December 31, 2008, with an additional year for the completion of improvements commenced in 2008; and,

WHEREAS, the purpose of the proposed 2008-1 Omnibus Amendment to the Urban Revitalization Plans for the City of Des Moines is to amend each of the plans to extend the City-wide Tax Abatement Program for an additional three years until December 31, 2011, with an additional year for the completion of improvements commenced by December 31, 2011; and,

WHEREAS, a further purpose of the proposed 2008 Omnibus Amendment is to remove the downtown area from the Targeted Residential Development Area, effective for any improvements not commenced by December 31, 2010, and completed by December 31, 2011. Thereafter, improvements to residential property in the downtown area would be limited to the 5-year 100% schedule generally available City-wide rather than the special 10-year 100% abatement schedule now

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available for improvements to residential properties within the downtown and former CDBG Target Areas; and,

WHEREAS, it is further anticipated that within the time allowed by this extension, the City will undertake a comprehensive review and rewrite of the commercial and industrial tax abatement components of the urban revitalization plans; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa that:

1. A public hearing on the proposed 2008-1 Omnibus Amendment to the City's Urban Revitalization Plans shall be held before this Council at 5:00 p.m. at its meeting on February 11, 2008.
2. The City Clerk is hereby authorized and directed to publish the notice of the public hearing, attached hereto as Exhibit "B" not less than 7 days nor more than 20 days prior to the date of hearing, in the manner provided in Section 362.3 and 404.2, Code of Iowa.
3. The proposed 2008-1 Omnibus Amendment to the City's Urban Revitalization Plans is hereby referred to the City Plan and Zoning Commission for review and recommendation regarding its conformance with the comprehensive plan.

(Council Communication No. 08- 006)

MOVED BY _____ to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown
Assistant City Attorney

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Exhibits:

"A" – 2008-1 Omnibus Amendment

"B" – Notice of Public Hearing

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

.....
Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

EXHIBIT "A"
**2008-1 OMNIBUS AMENDMENT TO THE
URBAN REVITALIZATION PLANS
OF THE
CITY OF DES MOINES, IOWA**

Constituting the following numbered amendment to the urban revitalization plans for the following urban revitalization areas within the City of Des Moines.

<u>Amendment</u>	<u>Urban Revitalization Area</u>
Twentieth	City-wide Urban Revitalization Area (to Restated Plan)
Fourth	Ewing Park Urban Revitalization Area
Fourth	Sunrise Estates Urban Revitalization Area
Fourth	Creekview Urban Revitalization Area
Fourth	4247 Beaver Avenue Urban Revitalization Area
Fourth	Hickory Grove Urban Revitalization Area
Fifth	Airport Business Park Urban Revitalization Area
Fourth	Airport Commerce Park West Urban Revitalization Area
Third	Leland Avenue Urban Revitalization Area

HISTORY

City-wide Urban Revitalization Area

The City Council approved the original Urban Revitalization Plan for the City-wide Urban Revitalization Area by Roll Call No. 87-4009 on September 28, 1987. The original City-wide Urban Revitalization Area was comprised of the entire area within the boundaries of the City of Des Moines on July 7, 1987. The original Urban Revitalization Plan for the City-wide Urban Revitalization Area was amended twenty-one times as identified below. The Twenty First Amendment to the Plan adopted a Restated Plan. This is the Twentieth Amendment to the Restated Plan.

Adoption and amendment of the original Citywide Urban Revitalization Plan

<u>Action</u>	<u>Date</u>	<u>Roll Call/Ordinance No.</u>
Designation of Area	07/06/87	Ordinance No. 11,026
Amendment of Area	09/21/87	Ordinance No. 11,065
"Original" Plan Adopted	09/28/87	87-4009
First Amendment	06/05/89	89-2438
Second Amendment	07/24/89	89-3209 (expanded area)
Third Amendment	01/15/90	90-191
Fourth Amendment	06/25/90	90-2793
Fifth Amendment	08/26/91	91-3664
Sixth Amendment	09/08/92	92-3497
Seventh Amendment	03/15/93	93-973
Eighth Amendment	03/15/93	93-971
Ninth Amendment	05/17/93	93-1868
Tenth Amendment	01/03/94	94-114
Eleventh Amendment	08/01/94	94-3024
Twelfth Amendment	11/07/94	94-4273
Fifteenth Amendment	12/19/94	94-4781
Fifteenth Amendment	02/20/95	95-644 (expanded area)
1995-1 Omnibus Amendment	03/06/95	95-869
Sixteenth Amendment	05/22/95	95-2087
Seventeenth Amendment	07/10/95	95-2659
Eighteenth Amendment	10/16/95	95-3949
Nineteenth Amendment	12-02-96	96-4031
Twentieth Amendment	06/02/97	97-1975 (expanded area)
Twenty-First Amendment	06-16-97	97-2126 (expanded area & adopted Restated Plan)

Amendments to the Restated Urban Revitalization Plan

<u>Action</u>	<u>Date</u>	<u>Roll Call</u>
First Amendment	02-23-98	98-549 (expanded area)
Second Amendment	05-18-98	98-1628
Third Amendment	10-19-98	98-3272
Fourth Amendment	03-15-99	99-747
Fifth Amendment	07-12-99	99-2221
Sixth Amendment	10-18-99	99-3258
Seventh Amendment	02-07-00	00-361
2000-1 Omnibus Amendment	02-07-00	00-364
Ninth Amendment	12-18-00	00-4680

Tenth Amendment	07-23-01	01-2329
Eleventh Amendment	09-24-01	01-2932
Twelfth Amendment	06-03-02	02-1447
Thirteenth Amendment	10-21-02	02-2546
Fourteenth Amendment	02-09-04	04-315
Fifteenth Amendment	02-28-05	05-476
Sixteenth Amendment	02-28-05	05-478
Seventeenth Amendment	04-24-06	06-847
Eighteenth Amendment	08-07-06	06-1599
Nineteenth Amendment	09-10-07	07-1762

Other City of Des Moines Urban Revitalization Areas

Areas annexed into the City of Des Moines after the creation of the City-wide Urban Revitalization Area and before 1997 have not been added to that urban revitalization area. Instead, separate urban revitalization areas have been designated within the annexation areas were deemed appropriate by the City Council. The separate urban revitalization plans for these areas were adopted and amended as identified in the following table.

Ewing Park Urban Revitalization Area

Designation of Area	09/16/91	Ordinance No. 11,719
Plan Adopted	11/18/91	91-4889
(1st) 1995-1 Omnibus	03/06/95	95-869
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

Sunrise Estates Urban Revitalization Area

Designation of Area	01/04/93	Ordinance No. 11,923
Plan Adopted	01/04/93	01/04/93 93-72
(1st)1995-1 Omnibus	03-06-95	95-869
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

Creekview Estates Urban Revitalization Area

Designation of Area	08/23/93	Ordinance No. 12,033
Plan Adopted	09/07/93	93-3344
(1st) 1995-1 Omnibus	03/06/95	95-869
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

4247 Beaver Avenue Urban Revitalization Area

Designation of Area	06/20/94	Ordinance No. 13,064
Plan Adopted	11/21/94	94-4459
(1st)1995-1 Omnibus	03-06-95	95-869
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

Hickory Grove Urban Revitalization Area

Designation of Area	12/05/94	Ordinance No. 13,126
Plan Adopted	12/05/94	94-4624
(1st) 1995-1 Omnibus	03-06-95	95-869
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

Airport Business Park Urban Revitalization Area

Designation of Area	01/16/95	Ordinance No. 13,142
Plan Adopted	02/20/95	95-642
(1st) 1995-1 Omnibus	03/06/95	95-869
2nd Amendment	12/02/96	96-4040 (expanding area)
(3rd) 2000-1 Omnibus	02/07/00	00-361
(4th) 2005-1 Omnibus	02/28/05	05-478

Airport Commerce Park West Urban Revitalization Area

Designation of Area	08/70/95	Ordinance No. 13,222
Plan Adopted	07/24/95	95-2860
1st Amendment	12/02/96	96-4021 (expanding area)
(2nd) 2000-1 Omnibus	02/07/00	00-361
(3rd) 2005-1 Omnibus	02/28/05	05-478

Leland Avenue Urban Revitalization Area

Designation of Area	12/18/95	Ordinance No. 13,285
Plan Adopted	12/18/95	95-4725
(1st) 2000-1 Omnibus	02/07/00	00-361
(2nd) 2005-1 Omnibus	02/28/05	05-478

PURPOSE OF 2008-1 OMNIBUS AMENDMENT

The purpose of the 2008-1 Omnibus Amendment to the urban revitalization plans for the several urban revitalization areas within the City of Des Moines, Iowa, is to extend the term of all such plans and to provide a uniform termination date for such plans. The current urban revitalization plans generally limit tax abatement to the value added by improvements commenced prior to December 31, 2008, and completed by December 31, 2009. The 2008-1 Omnibus Amendment is intended to amend the urban revitalization plans for all the urban revitalization areas within the City to extend the availability of tax abatement to the value added by improvements commenced by December 31, 2011, and completed by December 31, 2012.

A further purpose of the proposed 2008 Omnibus Amendment is to terminate the special 10-year 100% abatement schedule now available only for improvements to residential properties within the Targeted Residential Development Area around the downtown area, effective for any improvements not commenced by December 31, 2010, and completed by December 31, 2011.

It is further anticipated that within the time allowed by this extension, the City will undertake a comprehensive review and rewrite of the commercial and industrial tax abatement components of the urban revitalization plans.

2008-1 OMNIBUS AMENDMENT

1. **Amendment to the Urban Revitalization Plan for the City-wide Urban Revitalization Area.**

- A. Section H(2) of the Urban Revitalization Plan for the City-wide Urban Revitalization Area is hereby amended to read as follows:

H. APPLICABILITY OF PLAN

2. **Time Frame.** Tax abatement under the revitalization plan shall be available for qualified improvements added during the period beginning on the effective date of designation of the City-wide Urban Revitalization Area on July. 7, 1987 through December 31, 2011. Tax abatement under the revitalization plan shall also be available for qualified improvements added on or before December 31, 2012, which are part of a building project on a single subdivided lot or unsubdivided parcel of property under unified ownership, provided, that the following conditions are met:

- a. Necessary building permits for the project are obtained prior to or on December 31, 2011, and
- b. Construction on the project has commenced prior to or on December 31, 2011,

For purposes of determining commencement of construction, the following definitions apply:

- "Commencement of new construction of a building" means the first placement of permanent construction materials which are to become part of a building on a building site, such as the pouring of slabs or footings, or any work beyond the stage of excavation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets, walkways or utility connections; nor does it include excavation for a basement, footings, piers or foundations or the erection of temporary forms.
- "Commencement of rehabilitation of or additions to an existing building" means, with respect to each individual improvement project involving rehabilitation of or additions to an existing building, (a) the first placement of permanent construction materials which are to become a physical portion of the rehabilitation or addition, or (b) the first alteration of any wall, ceiling, floor or other structural part of the existing building.

Notwithstanding anything stated in this section, if the City Council determines at any time that the desired level of revitalization has been attained or economic conditions are such that the continuation of the exemption granted would cease to be of benefit to the City, the City

Council may repeal the ordinance establishing the revitalization areas, pursuant to Section 404.7, Code of Iowa.

- B. Section J(5) of the Urban Revitalization Plan for the City-wide Urban Revitalization Area is hereby amended to read as follows:

J. TAX ABATEMENT SCHEDULE

5. All qualified real estate within the Targeted Residential Development Area as set forth in Appendix F and shown on May 7 – “Targeted Residential Development Area”, assessed as residential property or assessed as commercial property, if the commercial property consists of three or more separate living quarters with a least seventy-five percent of the space used for residential purposes is eligible to receive an exemption from taxation on the actual value added by the improvements. The exemption is for a period of ten years. PROVIDED HOWEVER, that this schedule shall only be available for: i) qualified improvements added on or before December 31, 2010; and, ii) qualified improvements which are added on or before December 31, 2011, which are part of a building project on a single subdivided lot or unsubdivided parcel of property under unified ownership, provided, that the following conditions are met:
- a. Necessary building permits for the project are obtained prior to or on December 31, 2010, and
 - b. Construction on the project has commenced prior to or on December 31, 2010,

2. **Amendment to all other urban revitalization plans.**

The termination provisions in the urban revitalization plans for each of the urban revitalization areas within the City, excepting only the City-wide Urban Revitalization Area, are hereby amended to state as follows:

Time Frame Tax abatement under the revitalization plan shall be available for qualified improvements added during the period beginning on the effective date of designation of the urban revitalization area which is the subject of this revitalization plan, through December 31, 2011. Tax abatement under the revitalization plan shall also be available for qualified improvements added on or before December 31, 2012, which are part of a building project on a single subdivided lot or unsubdivided parcel of property under unified ownership, provided, that the following conditions are met:

- a. Necessary building permits for the project are obtained prior to or on December 31, 2011, and
- b. Construction on the project has commenced prior to or on December 31, 2011.

For purposes of determining commencement of construction, the following definitions apply:

- "Commencement of new construction of a building" means the first placement of permanent construction materials which are to become part of a building on a building site, such as the pouring of slabs or footings, or any work beyond the stage of excavation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets, walkways or utility connections; nor does it include excavation for a basement, footings, piers or foundations or the erection of temporary forms.

- "Commencement of rehabilitation of or additions to an existing building" means, with respect to each individual improvement project involving rehabilitation of or additions to an existing building, (a) the first placement of permanent construction materials which are to become a physical portion of the rehabilitation or addition, or (b) the first alteration of any wall, ceiling, floor or other structural part of the existing building.

Notwithstanding anything stated in this section, if the City Council determines at any time that the desired level of revitalization has been attained or economic conditions are such that the continuation' of the exemption granted would cease to be of benefit to the City, the City Council may repeal the ordinance establishing the revitalization areas, pursuant to Section 404.7, Code of Iowa.

3. Conflicting Provisions Superseded.

This Amendment shall supersede any conflicting provisions contained within the adopted urban revitalization plans for all the designated urban revitalization areas within the City of Des Moines, Iowa.