

★ **Roll Call Number**

**Agenda Item Number**

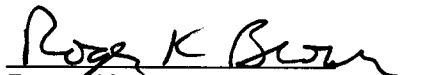
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Date September 14, 2009

COMMUNICATION from the City Plan and Zoning Commission advising that at a public hearing held on August 20, 2009, the members recommended by a vote of 9-0 to find the proposed Third Amendment to the Guthrie Avenue Industrial Park Urban Renewal Area Plan is in conformance with the Des Moines' 2020 Community Character Plan.

MOVED by \_\_\_\_\_ to receive and file.

FORM APPROVED:

  
Roger K. Brown  
Assistant City Attorney

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

Date \_\_\_\_\_ *total*

Agenda Item \_\_\_\_\_

Roll Call # \_\_\_\_\_

August 25, 2009

Honorable Mayor and City Council  
City of Des Moines, Iowa

**Members:**

Communication from the City Plan and Zoning Commission advising that at their meeting held August 20, 2009, the following action was taken:

**COMMISSION RECOMMENDATION:**

After public hearing, the members voted 9-0 as follows:

Commission Action:	Yes	Nays	Pass	Absent
Leisha Barcus				X
JoAnne Corigliano	X			
Shirley Daniels	X			
Jacqueline Easley	X			
Dann Flaherty	X			
Ted Irvine				X
Jeffrey Johannsen	X			
Greg Jones	X			
Frances Koontz				X
Jim Martin	X			
Brian Millard	X			
Mike Simonson	X			
Kent Sovern				X

**APPROVAL** of the proposed Third Amendment to the Guthrie Avenue Industrial Park Urban Renewal Area Plan is in conformance with the Des Moines' 2020 Community Character Plan.

**STAFF RECOMMENDATION TO THE P&Z COMMISSION**

Staff recommends approval of the proposed Third Amendment to the Guthrie Avenue Industrial Park Urban Renewal Area Plan is in conformance with the Des Moines' 2020 Community Character Plan.

**STAFF REPORT**

**I. GENERAL INFORMATION**

The Guthrie Avenue Business Park Urban Renewal Plan and tax increment finance designation (TIF) will currently terminate on September 29, 2009. The proposed Third Amendment to the Guthrie Avenue Industrial Park Urban Renewal Plan extends the urban renewal plan and tax increment finance (TIF) designation to September 30, 2019. The urban renewal plan and TIF designation will enable up to 65% of the annual cash available from the tax increment revenue to be used in the following 10 years to acquire the remaining 19 acres of property and prepare it for redevelopment.



CITY PLAN AND ZONING COMMISSION  
ARMORY BUILDING  
602 ROBERT D. RAY DRIVE  
DES MOINES, IOWA 50309 -1881  
(515) 283-4182

ALL-AMERICA CITY  
1949, 1976, 1981  
2003

lda

The Guthrie Avenue Business Park is designated as General Industrial on the Des Moines 2020 Community Character Plan Land Use Map. A sustainability goal of the 2020 Community Character Plan is to “promote economic growth and efficiency”. The plan states: “Industry is important to the City of Des Moines. It provides jobs, tax base and economic vitality. Des Moines will support the existing economic base by providing adequate land and infrastructure to make city sites attractive to industrial development that is willing to build quality development and provide a high density of jobs.” The policies of the plan “encourage a mixture of light manufacturing, office, warehousing and distribution jobs in designated Planned Industrial Parks that ensure design, pedestrian connections, and landscaping are part of an adopted overall plan for the development.”

**II. ADDITIONAL APPLICABLE INFORMATION**

In 1988, the Guthrie Avenue Industrial Park Development Area Urban Renewal Project was created for small- to medium-scale light industrial projects located in an area served by railroad directly west of I-235 and near the junction of Interstates 35 and 80. The area was characterized by numerous salvage yards and significant blighted and vacant space.

Redevelopment has been oriented to providing reasonably priced sites for sale to owner-operators of small- and mid-sized businesses. With the area’s proximity to the interstate system and its M-1 zoning, it has strong appeal to businesses that could have otherwise located outside of Des Moines. Its orientation to owner-operators of businesses serves a market niche not otherwise being addressed by the City. Significant new redevelopment includes Moss Distribution, Library Binding Services (now known as LBS), Central Wire and Iron and Nesbit Distribution (now known as Doll Distributing LLC).

The Guthrie Avenue Industrial Park urban renewal project has provided public funds, funded through tax increment financing as well as other federally-funded grants, to provide needed infrastructure and purchase property for redevelopment to leverage new private redevelopments. These new businesses have increased the area’s property assessments from about \$3 million in 1988 to over \$37 million today with approximately 700 jobs created or retained for the City of Des Moines.

The urban renewal plan provided for acquisition of almost all of the properties in this area due to their blighted or vacant condition or single-family use which is not appropriate in this M-zoned area.

As of today, about 2/3 of the properties in the urban renewal area have been purchased by the City and sold for private redevelopment; approximately 18.67 acres remain to be purchased and resold for redevelopment.

The Engineering Department has provided estimates for the acquisition and related activities totaling between \$5-6 million; the source of funding for these activities is tax increment funding.

**SUMMARY OF DISCUSSION**

Brian Millard asked what the current law is for extending TIF and why it does not apply to this site.

Andrea Hauer stated when this area was designated as an urban renewal area it was for slum and blight purposes. There is no limitation on the use of TIF in terms of the number of years if used toward slum and blight removal. She noted that the aerial photo of the area that the Commission was shown where the cars look neatly parked is actually a junk yard. Next to the junk yard is a concrete batch plant. The City’s intent is to work on acquiring those properties for redevelopment in the next 10 years.

Dann Flaherty asked if they are going to try to marshall some of those properties down there for redevelopment.

WLA

Andrea Hauer stated basically it is a 100% acquisition area. Acquisitions must be at arms length, they cannot be through condemnation.

**CHAIRPERSON OPENED THE PUBLIC HEARING**

*There was no one in the audience to speak in opposition.*

**CHAIRPERSON CLOSED THE PUBLIC HEARING**

*There was no discussion.*

**COMMISSION ACTION**

Greg Jones moved staff recommendation to approve the proposed Third Amendment to the Guthrie Avenue Industrial Park Urban Renewal Area Plan is in conformance with the Des Moines' 2020 Community Character Plan.

Motion passed 9-0

Respectfully submitted,

  
Erik Lundy, AICP  
Senior Planner

EML:clw

cc: File