

★ **Roll Call Number**

Agenda Item Number

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Date..... December 20, 2010

An Ordinance entitled, "AN ORDINANCE providing that general property taxes levied and collected each year on all property located within the Southside Economic Development District Urban Renewal Area in the City of Des Moines, County of Polk, State of Iowa, by and for the benefit of the State of Iowa, City of Des Moines, County of Polk, Des Moines Independent Community School District, Des Moines Area Community College, and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City of Des Moines in connection with said Urban Renewal Project",

which was considered and voted upon under Roll Call No. 10- 2021 of December 6, 2010; again presented.

MOVED by _____ that this ordinance be considered and given second vote for passage.

(Second of three required readings)


COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
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

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: December 6, 2010
	Agenda Item No. 38 Roll Call No. 10-2018 10-2019 10-2020 10-2021 Communication No. 10-730 Submitted by: Matt Anderson Economic Development Administrator

AGENDA HEADING:

Hearings on matters regarding the proposed Southside Economic Development District Urban Renewal Plan.

SYNOPSIS:

On the December 6 agenda are several roll calls relating to the creation of a new urban renewal and tax increment area for the Southside Economic Development District. The boundaries of this proposed urban renewal area are SW 9th Street, Army Post Road, SE 14th Street and County Line Road. A map of the proposed boundary is included in this communication.

The roll calls are:

1. Receive and file communication from the Plan and Zoning Commission finding the Urban Renewal Plan to be in conformance with the Des Moines 2020 Community Character Plan.
3. Resolution of Necessity finding the Southside Economic Development District Urban Renewal Area to be an economic development area appropriate for redevelopment for commercial use.
4. Resolution closing hearing on the proposed Southside Economic Development District Urban Renewal Plan and adopting same.
5. First reading of ordinance providing for the division of general property taxes levied and collected each year in the urban renewal area to allow for the use of tax increment financing.

FISCAL IMPACT:

The urban renewal plan and tax increment designation will extend for a period of twenty years following the initial TIF certification. The purpose of designating this area as an urban renewal area is to encourage new economic investment and business development. The concurrent TIF designation provides a funding source to assist public and private projects.

The urban renewal plan projections have been prepared using very conservative estimates of growth in valuation. The estimated net annual cash available to the City of Des Moines begins at about \$33,000 initially, and is anticipated to increase at a rate of 1.5% per year. Additional growth in this area would have the ability to increase this annual rate, which is based on the current valuation only.

ADDITIONAL INFORMATION:

City Council approved the creation of an urban renewal plan for the Southside Economic Development District in October 2009, with the goals of facilitating new private sector economic investment in the area, providing for the revitalization of a regional retail landscape, and providing for the enhancement of quality public amenities in Southeast Des Moines. Staff has proceeded with the creation of the urban renewal plan, meeting with city departments, area taxing entities and providing the plan for review to the Plan & Zoning Commission and Urban Design Review Board.

It is recommended that City Council approve the plan as presented to allow for the furtherance of the plan's goals and objectives.

PREVIOUS COUNCIL ACTION(S):

Date: November 8, 2010

Roll Call Number: 10-1839

Action: On proposed Urban Renewal Plan for the Southeast Economic Development District Urban Renewal Area, (12-6-10). (Council Communication No. 10-673) Moved by Hensley to adopt. Motion Carried 7-0.

Date: October 11, 2010

Roll Call Number: 10-1694

Action: Regarding proposed SE Economic Development District Urban Renewal Area and preparation of an urban renewal plan and creation of tax increment financing (TIF) district. (Council Communication No. 10-619) Moved by Meyer to receive and file, and to authorize the City Manager to prepare an urban renewal plan and related information and documents in general accordance with the Council Communication. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan & Zoning Commission

Date: December 2, 2010

Resolution Number: N/A

Action: At a public hearing held on December 2, 2010, the members recommended by a vote of 12-0 to find the proposed Southside Economic Development District Urban Renewal Area Plan is in conformance with the Des Moines' 2020 Community Character Plan.

Board: Urban Design Review Board

Date: November 16, 2010

Resolution Number: N/A

Action: Motion to approve the Southside Economic Development District Urban Renewal Plan with comments forwarded to City Council.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Second and third reading of the ordinance.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.

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ORDINANCE NO. _____

AN ORDINANCE providing that general property taxes levied and collected each year on all property located within the Southside Economic Development District Urban Renewal Area in the City of Des Moines, County of Polk, State of Iowa, by and for the benefit of the State of Iowa, City of Des Moines, County of Polk, Des Moines Independent Community School District, Des Moines Area Community College, and other taxing districts, be paid to a special fund for payment of principal and interest on loans, monies advanced to and indebtedness, including bonds issued or to be issued, incurred by the City of Des Moines in connection with said Urban Renewal Project.

WHEREAS, the City Council of the City of Des Moines, Iowa, after public notice and hearing as prescribed by law and pursuant to Resolution passed and approved November ____, 2010, adopted an urban renewal plan titled "Southside Economic Development District Urban Renewal Plan" for an Urban Renewal Project within an Urban Renewal Area described as follows:

Beginning at a point at the intersection of the South line of Polk County, and the West right-of-way line of SW 9th Street; thence North along the West right-of-way line of SW 9th Street to its intersection with the North right-of-way line of Army Post Road; then east along the North right-of-way line of Army Post Road and continuing along the North right-of-way line of E. Army Post Road to its intersection with the East right-of-way line of SE 14th Street; thence South along the East right-of-way line of SE 14th Street to its intersection with the South line of Polk County; thence West along the South line of Polk County to its intersection with the West right-of-way line of SW 9th Street, being the Point of Beginning, all now include in the City of Des Moines, Polk County, Iowa.

WHEREAS, expenditures and indebtedness are anticipated to be incurred by the City of Des Moines, Iowa, in the future to finance said Urban Renewal Project; and

WHEREAS, the City Council of the City of Des Moines, Iowa, desires to provide for the division of revenue from taxation in the Urban Renewal Area as above described, in accordance with the provisions of Section 403.19 of the 2009 Code of Iowa, as amended.

NOW THEREFORE, BE IT ORDAINED, by the City Council of the City of Des Moines, Iowa, as follows:

Section 1. That the taxes levied on the taxable property in the Urban Renewal Area known as the Southside Economic Development District Urban Renewal Area, legally described in the preamble hereof, by and for the benefit of the State of Iowa, City of Des Moines, Iowa, County of Polk, Des Moines Independent Community School District, Des Moines Area Community College, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in this Ordinance provided.

Section 2. That portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts taxing property in said Urban Renewal Area upon the total sum of the assessed value of the taxable property in said Urban Renewal Area as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City of Des Moines certifies to the county auditor the amount of loans, advances, indebtedness, or bonds payable from the division of property tax revenue shall be allocated to and when collected be paid into the Fund into which all other property taxes are paid for the respective taxing district, as taxes by or for said taxing district.

Section 3. That portion of the taxes each year in excess of the base period taxes determined as provided in Section 2 of this Ordinance shall be allocated to and when collected be paid into a special tax increment fund hereby established, to pay the principal of and interest on loans, monies advanced to, indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under the authority of Sections 403.9 and 403.12 of the 2009 Code of Iowa, as amended, incurred by the City of Des Moines to finance or refinance in whole or in part the Southside Economic Development District Urban Renewal Project, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Iowa Code §298.2 and taxes for the payment of bonds and interest of each taxing district levying taxes on said Urban Renewal Area shall be collected against all taxable property within the Urban Renewal Area without any limitation as hereinabove provided.

Section 4. All taxes levied and collected upon the taxable property in said Southside Economic Development District Urban Renewal Area shall be paid into the funds of the taxing districts as taxes by or for said taxing districts in the same manner as all other property taxes unless or until the total assessed valuation of the taxable property in said Urban Renewal Area shall exceed the total assessed value of the taxable property in said Urban Renewal Area as of January 1 of the calendar year preceding the first calendar year in which the City of Des Moines certifies to the county auditor the amount of loans, advances, indebtedness, or bonds payable from the division of tax revenue pursuant to this Ordinance.

Section 5. At such time as the loans, advances, bonds and interest thereon and indebtedness of the City of Des Moines hereinabove in Section 3 referred to have been paid, all monies thereafter received from taxes upon the taxable property in the Urban Renewal Area known as the Southside Economic Development District Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

Section 6. The provisions of this Ordinance are intended and shall be construed so as to fully implement the provisions of Section 403.19 of the 2009 Code of Iowa, as amended, with respect to the division of taxes from property within the Urban Renewal Area as described above. In the event that any provision of this Ordinance shall be determined to be contrary to law it shall not affect other provisions or application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19 of the Code of Iowa with reference to said Urban Renewal Area and the territory therein.

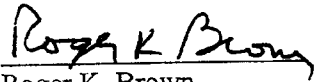
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ORDINANCE NO. _____

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Section 7: This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

FORM APPROVED:



Roger K. Brown
Assistant City Attorney
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