



54B

Date October 26, 2015

RESOLUTION OF NECESSITY FOR THE NORTHEAST GATEWAY REVITALIZATION URBAN RENEWAL AREA

WHEREAS, the proposed Northeast Gateway Revitalization Urban Renewal Area extends west to E. 7th Street, north to NE 52nd Avenue, east to Interstate 235, and south to Hull Avenue, as shown by the accompanying Map 1: Plan Boundary, and more specifically described in the accompanying Attachment A - Legal Description; and,

WHEREAS, for the reasons set forth in the accompanying report from the Planning Administrator, the proposed Northeast Gateway Revitalization Urban Renewal Area qualifies for designation as an urban renewal area on the basis that it is a blighted area, and on the basis that it is an economic development area appropriate for the development of commercial enterprises.

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

- 1. The following findings are hereby made and adopted:
a) The Northeast Gateway Revitalization Urban Renewal Area constitutes a blighted area, and an economic development area appropriate for commercial enterprises.
b) That the rehabilitation, conservation, redevelopment, development, or a combination thereof, of the Northeast Gateway Revitalization Urban Renewal Area is necessary in the interest of the public health, safety, and welfare of the residents of the City of Des Moines.
2. This roll call shall serve as the resolution of necessity as required by Iowa Code Section 403.4.

MOVED by _____ to adopt.

FORM APPROVED:

Roger K. Brown
Roger K. Brown
Assistant City Attorney

Attachments

- Map 1: Plan Boundary
Attachment A - Legal Description
Attachment B - Planning Administrator's Report

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Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, MOORE, and TOTAL.

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.

MOTION CARRIED APPROVED

Mayor

City Clerk

October 9, 2015

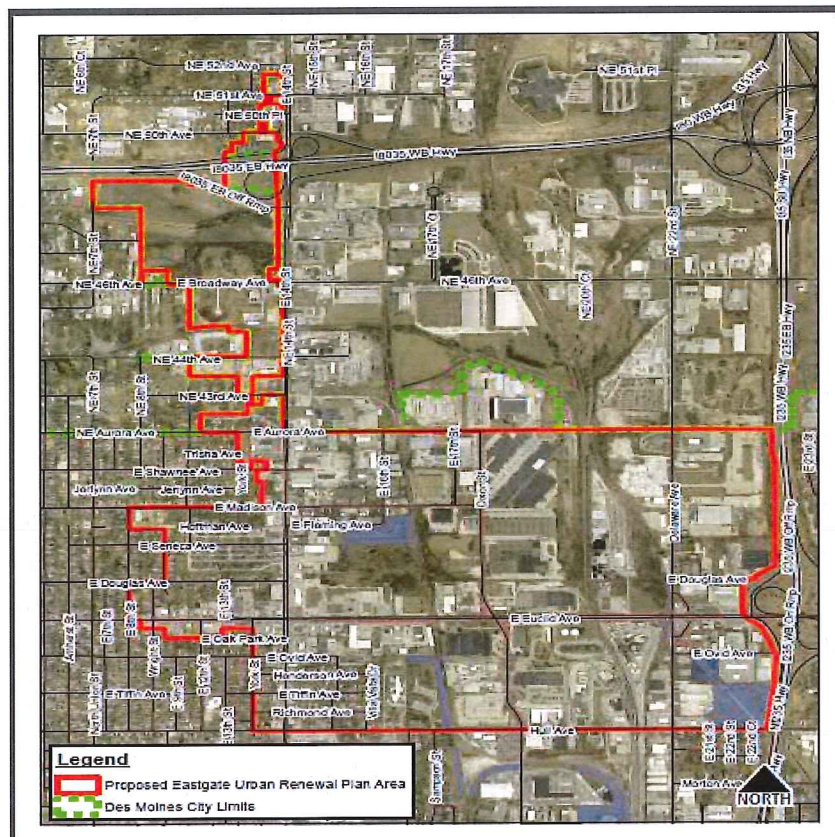
To the Honorable Mayor and City Council for the City of Des Moines:

RE: PLANNING ADMINISTRATOR'S REPORT ON DESIGNATION OF PROPOSED NORTHEAST GATEWAY REVITALIZATION URBAN RENEWAL PLAN AREA

The City of Des Moines is proposing to designate an urban renewal area with a tax increment finance district component, the Northeast Gateway Revitalization Urban Renewal Area, which will consist of the area located generally between NE 52nd Street and NE 7th Street in the NW section, Aurora Avenue and I-235 in the NE section, Hull Avenue and I-235 in the SE section, and Hull Avenue and East 8th Street in the SW section.

The purpose of this urban renewal plan is to enhance private development within this area through provision of infrastructure and related public improvements, and economic development financial assistance that will be financed, in part, with the tax increment revenues generated in the urban renewal area, and to respond to conditions of blight.

The urban renewal area to be created and known as the Northeast Gateway Revitalization Urban Renewal Area contains approximately 1084.44 acres. A map is shown below.



BOUNDARY DESCRIPTION

The boundary for this area includes existing commercial and industrial uses, publically owned property including a major regional stormwater detention facility, several partially improved properties, and medium density residential uses. The area is generally located between NE 52nd Street and NE 7th Street in the NW section, Aurora Avenue and I-235 in the NE section, Hull Avenue and I-235 in the SE section, and Hull Avenue and East 8th Street in the SW section.

The legal description for the urban renewal area can be found as attachment “B” of the urban renewal plan.

BASIS FOR URBAN RENEWAL

In the State of Iowa, a city may designate an urban renewal area by following the requirements specified in Chapter 403, Code of Iowa, which requires the area to contain one or more of the following conditions:

- Slum and /or blighted conditions
- Economic development area due to its appropriateness for commercial or industrial enterprises, for public improvements related to housing and residential development, or construction of housing and residential development for low and moderate income families, including single and multifamily housing

In accordance with the Code of Iowa, it is determined that the Northeast Gateway Revitalization Urban Renewal Area qualifies as an economic development area due to its appropriateness for the development of commercial enterprises by attracting new private commercial development while retaining and expanding the existing commercial tax base and employment opportunities, and as an area with blighted conditions.

CONFORMANCE WITH COMPREHENSIVE PLAN

The Northeast Gateway Revitalization Urban Renewal Plan proposes reinvestment in and enhancement of an important commercial and business area of Des Moines, promoting revitalization and regeneration of the area’s economy. It is recognized that there will be updates and amendments to the Des Moines 2020 Community Character Plan, in conjunction with this Urban Renewal Plan. These updates and amendments will provide zoning and land use classifications, as well as standards and regulations consistent with City of Des Moines intentions for this area.

PLANNING RATIONALE

The proposed Northeast Gateway Revitalization Urban Renewal Area is approximately 1084.44 acres in size and is located along or in close proximity to two State highways, East Euclid Avenue and NE 14th Street, as well as I-235 and I-35/I-80. The area consists of commercial and industrial businesses as well as publically owned property and medium density residential uses. A key site within the Urban Renewal Area is the former Eastgate Plaza Shopping Center site at NE 14th Street and East Euclid Avenue. Historically, this site provided a strong retail base for NE Des Moines, and also the larger region. Changes in the regional retail economy has affected the retail pull factor for this part of NE Des Moines, which has resulted in difficulty attracting new tenant investment. Increased regional retail competition, compounded with real and perceived challenges in developing property in this area, has resulted in slow build out of vacant sites and repopulation of vacant buildings.

Vacant and deteriorated commercial buildings are located within the proposed Urban Renewal Plan boundary, as well as properties that are assessed in poor or below normal condition.

There is a need to respond to these factors and conditions with targeted planning efforts and the strategic use of economic development tools, to maximize the area's ability to continue to be regionally competitive and create growth in valuation for the City of Des Moines. The current conditions and potential opportunities for new investment provide substantial basis for developing an urban renewal plan for this area. In addition, there has been significant input from the residential and business communities of NE Des Moines for the ability to maximize available resources and tools to bring revitalization and new valuation to this area.

It is appropriate to designate the Northeast Gateway Revitalization area as an Urban Renewal Area based on its economic development potential and existing blight conditions, and the need to facilitate and guide new investment and revitalization. The creation of this Urban Renewal Area will allow for the use of tax increment financing to assist with infrastructure improvements and economic development financial assistance as needed. This will result in new business opportunities and employment, benefit the area, and provide increased tax base for the City of Des Moines.

SUMMARY

The proposed Northeast Gateway Revitalization Urban Renewal Area has significant existing challenges, including building vacancies, underutilized and vacant parcels, low building valuations, and the need for further infrastructure improvements including traffic control. As an area that can provide retail and business services to Northeast Des Moines as well as the larger region, every effort should be made to plan and guide the

highest level of quality and value in new development for this area. The adoption of this plan and the implementation of its goals and objectives will begin to provide the framework, guidelines and incentives needed for this to occur.

A handwritten signature in black ink, appearing to read "Michael G. Ludwig", written over a horizontal line.

Michael G. Ludwig

Planning Administrator

Map 1: Plan Boundary Northeast Gateway Revitalization Urban Renewal Area

