

Date March 20, 2017

COMMUNICATION FROM THE CITY PLAN AND ZONING COMMISSION  
REGARDING THE PROPOSED NORTHEAST GATEWAY 1 URBAN RENEWAL  
PLAN AND NORTHEAST GATEWAY 2 URBAN RENEWAL PLAN

WHEREAS, Section 403.5(2) of the Iowa Urban Renewal Law provides that every new urban renewal plan shall be referred to the planning commission of the municipality for review and recommendation as to the plan's conformity with the general plan for the development of the municipality as a whole; and,

WHEREAS, the City Plan and Zoning Commission has advised that at a public hearing held March 2, 2017, the members voted 12-0 in support of a motion to recommend that the Northeast Gateway 1 Urban Renewal Plan and Northeast Gateway 2 Urban Renewal Plan are in conformance with the PlanDSM: Creating Our Tomorrow Plan, which is the City's general plan for the development of the City as a whole.

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

APPROVED AS TO FORM:

Roger K Brown  
Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
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



March 9, 2017

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 March 2, 2017, the following action was taken regarding a City Council initiated request for a determination as to whether the following proposed Urban Renewal Plans are in substantial conformance with the PlanDSM: Creating Our Tomorrow Plan:

- A) Urban Renewal Plan for the Northeast Gateway 1 Urban Renewal Area, generally located south of Interstate 80, between East 7th Street and East 14th Street and north of East Aurora Avenue.
- B) Urban Renewal Plan for the Northeast Gateway 2 Urban Renewal Area, generally located south of East Aurora Avenue, west of Interstate 235, north of Hull Avenue and west of East 8th Street

**COMMISSION RECOMMENDATION:**

After public hearing, the members voted 12-0 as follows:

<u>Commission Action:</u>	<u>Yes</u>	<u>Nays</u>	<u>Pass</u>	<u>Absent</u>
Francis Boggus	X			
Dory Briles	X			
JoAnne Corigliano	X			
David Courard-Hauri				X
Jacqueline Easley	X			
Jann Freed	X			
John "Jack" Hilmes	X			
Lisa Howard	X			
Carolyn Jenison	X			
Greg Jones				X
William Page	X			
Mike Simonson	X			
Rocky Sposato	X			
Steve Wallace	X			
Greg Wattier				X

**APPROVAL** of Part A) the proposed Northeast Gateway 1 Urban Renewal Plan is in conformance with the PlanDSM Creating Our Tomorrow Plan and approval of Part B) the proposed Northeast Gateway 2 Urban Renewal Plan is in conformance with the PlanDSM Creating Our Tomorrow Plan.

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

Part A) Staff recommends that the Commission find the proposed Northeast Gateway 1 Urban Renewal Plan in conformance with the PlanDSM Creating Our Tomorrow Plan.

Part B) Staff recommends that the Commission find the proposed Northeast Gateway 2 Urban Renewal Plan in conformance with the PlanDSM Creating Our Tomorrow Plan.

## **STAFF REPORT TO THE PLANNING COMMISSION**

### **I. APPLICABLE INFORMATION**

Included in the Commission packet are draft versions of the Northeast Gateway Revitalization Plan, the Northeast Gateway 1 Urban Renewal Plan (URP) and the Northeast Gateway 2 Urban Renewal Plan (URP). Each of the URP documents contain an Appendix B with the correlating Financial Conditions Report. The overall area includes properties generally between East 7th Street, Northeast 52nd Avenue, Interstate 235, and Hull Avenue. On February 6, 2017, the City Council referred the draft URPs to the Plan and Zoning Commission for a determination as to whether they are in conformance with the PlanDSM Creating Our Tomorrow Plan.

Significant opportunities to revitalize economic viability and promote future private investment exist in the Northeast Gateway Revitalization Urban Renewal Area. These areas have served as a stable regional commercial area in the past, but have opportunity for revitalization and redevelopment. There is an ability to capture additional private investment for the benefit of the City of Des Moines. The creation of Urban Renewal/TIF Plans are recommended to assist with public improvements, facilitate economic development, and create a future resource to assist development projects in these areas.

The Northeast Gateway Revitalization Area has been a priority redevelopment region for the City and the Northeast Des Moines neighborhoods for a number of years. City staff, along with our Zoning Ordinance update consultants, have continued planning efforts for the potential redevelopment of the former Eastgate site. Development interest are also being expressed for the undeveloped Northridge Mall site. Both sites are identified as community nodes in the PlanDSM Creating Our Tomorrow which is the City's Comprehensive Plan.

The tax increment for these areas will be prioritized for use on public infrastructure projects and land development activities that will facilitate private sector investment in commercial, industrial and mixed-use development, and allow new taxable valuation to be created for the City. It is planned that future development agreements for these areas will be organized around this premise, with the goal of having the private sector, upfront infrastructure costs where possible, with potential for a portion of such costs to be reimbursed from the resulting incremental taxes. Public/private partnerships will also be encouraged. There will be an ability to evaluate the financial condition of each proposed project, and its positive impact to the citizens of Des Moines in the form of business development, services and employment. All individual development agreements must be reviewed and approved by the City Council.

The proposed draft plans do not propose any revision to the future land use or zoning for the subject Urban Renewal Area. Any subsequent proposal to make amendments to future land

use or zoning within the area pursuant to a revised URPs will be reviewed by the Plan and Zoning Commission.

## **II. ADDITIONAL INFORMATION**

The Office of Economic Development has worked with other City departments over the last few years to evaluate the Northeast Gateway Urban Revitalization Area as proposed urban renewal areas/TIF Districts. This evaluation of the Northeast Gateway Urban Revitalization and Urban Renewal Areas and the proposed plans will continue through the required review processes for the development of URPs, and conclude with presenting the final draft to City Council at the public hearing proposed for March 20, 2017. These processes include review by City Boards and Commissions, and area taxing entities including Polk County, the Des Moines Public School District, and Des Moines Area Community College. In addition to these entities, neighborhood organizations will have an opportunity to review the proposed plan area and provide input.

The proposed Northeast Gateway Revitalization Plan boundary is the same boundary as originally adopted by the Northeast Gateway Revitalization Urban Renewal Plan, but is proposed to be replaced by two (2) separate Urban Renewal Plans and Tax Increment Financing districts split by E. Aurora Avenue. The Northeast Gateway 1 Urban Renewal area will consist of everything within the original plan boundary that is located to the north of E. Aurora Avenue. The Northeast Gateway 2 Urban Renewal area will consist of everything within the original plan boundary that is located to the south of E. Aurora Avenue.

Two (2) separate Urban Renewal Plans and Tax Increment Financing (TIF) Districts are being recommended as a best practice for the appropriate division of tax revenues within the plan area due to the presence of two (2) different school districts. The Northeast Gateway 1 URP area is within the Saydel Public School District and the Northeast Gateway 2 URP is within the Des Moines Public School District.

## **SUMMARY OF DISCUSSION**

Jacqueline Easley asked if anyone was present to speak on this item. None were present or requested to speak.

## **COMMISSION ACTION:**

Dory Briles moved staff recommendation for approval of Part A) the proposed Northeast Gateway 1 Urban Renewal Plan is in conformance with the PlanDSM Creating Our Tomorrow Plan and approval of Part B) the proposed Northeast Gateway 2 Urban Renewal Plan in conformance with the PlanDSM Creating Our Tomorrow Plan.

Motion passed 12-0.

Respectfully submitted,



Michael Ludwig, AICP  
Planning Administrator

MGL:clw  
Attachment