



Date July 9, 2018

RESOLUTION CLOSING PUBLIC HEARING ON PETITION AND PROPOSAL TO TAKE
ACTION FOR CONTINUATION OF THE
DOWNTOWN DES MOINES SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, on February 23, 1998, the City Council passed Ordinance No. 13,579 which established the Downtown Des Moines Self-Supported Municipal Improvement District ("SSMID") pursuant to the provisions of Chapter 386, Code of Iowa (the "Act") and which provided for the establishment of an Operation Fund and the levy of an annual tax in connection therewith; and

WHEREAS, by Ordinance No. 13,913 passed January 2, 2001, Ordinance No. 14,311 passed January 26, 2004, Ordinance No. 14,540 passed February 6, 2006, Ordinance No. 14,834 passed February 23, 2009 and Ordinance No. 15,218 passed September 23, 2013, the City Council continued and adjusted the boundaries of the Downtown Des Moines SSMID and continued the Operation Fund and levy until June 30, 2019; and

WHEREAS, on May 21, 2018, by Roll Call No. 18-0892, the City Council received a petition to continue and adjust the boundaries of the Downtown Des Moines SSMID to serve the following purposes:

1. Undertaking of actions and the design and construction of any and all improvements authorized by the Act and the performance of administration, redevelopment, and revitalization of the District, as authorized by the Act, any and all of which actions and improvements are intended to benefit the district.
2. To continue an operation fund with respect to the District to be known as the "Downtown Des Moines Self-Supported Municipal Improvement District Operation Fund" (the "Operation Fund"), and levy an annual tax (the "Operation Tax") upon the property, as defined in the Act (provided, however, that parcels of property assessed as residential property for property tax purposes are exempt from the Operation Tax) within the District (the "Property") for the purposes of: (a) paying the administrative expenses of the District, as defined and authorized in the Act, or (b) paying part or all of the maintenance expenses of "improvements" or "self-liquidating improvements" as defined in the Act, with respect to the District, for a period of 5 years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019, and continuing for 4 additional years; at a rate not to exceed \$2.00 per thousand dollars of taxable valuation.

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3. To continue to hold and disburse all amounts collected in the Operation Fund to be utilized for any one or more of the following purposes, at such times, in such amounts and under such conditions as shall be recommended to the City Council by the Downtown Des Moines Self-Supported Municipal Improvement District, an Iowa non-profit corporation:
 - a. Enhanced maintenance, cleaning and upkeep of public spaces within the District.
 - b. Graffiti removal on public property and private buildings within the District.
 - c. Enhanced public and property safety and crime prevention within the District, including the operation of a "Goodwill Ambassador" program as determined and operated from time to time by the Downtown Des Moines Self-Supported Municipal District.
 - d. Development, marketing, promotion and management of activities and events within the District.
 - e. Capital, physical or other improvements designed to enhance the image and appearance of the District, including but not limited to improvements to the skywalk system.
 - f. Management and operation of public spaces within the District, including public parking facilities.
 - g. Research and planning services benefiting the District.
 - h. Parking and transportation management benefiting the District.
 - i. Activities and operations benefiting the District under any agreements with the City of Des Moines or other public or quasi public entities.
 - j. Recommendations regarding, and the promotion of, the District and the advancement of the District, including with respect to the use of public spaces within the District, the types of public spaces and services within the District, the services and improvements within the District, policies and practices for the District, business retention and attraction within the District, and activities and events within the District.
 - k. Other activities intended to benefit or further the purposes or interests of the District and the development and advancement of the District.
4. To continue the operating agreement between the City of Des Moines and Downtown Des Moines Self-Supported Municipal Improvement District with respect to managing and undertaking the services, improvements and activities described in the Petition and in the annual budget for such services, improvements and activities, and to appropriate and provide funds held from time to time in the Operation Fund to Downtown Des Moines Self-Supported Municipal Improvement District to be utilized for the purposes described in the Petition.

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5. To require Downtown Des Moines Self-Supported Municipal Improvement District, as a condition to the disbursement of funds from the Operation Fund, to submit to the Des Moines City Council, no later than December 1 of each year, a budget showing, in general terms, the proposed expenditures of such funds for the fiscal year beginning on the next July 1.

WHEREAS, the Petition was referred to the City Plan and Zoning Commission for preparation of an evaluative report for the Council on the merit and feasibility on continuation of the Downtown Des Moines SSMID project and to make recommendations with respect to continuation of the Downtown Des Moines SSMID as required by Iowa Code Chapter 386; and

WHEREAS, the City Plan and Zoning Commission considered the continuation and adjustment of boundaries of the Downtown Des Moines SSMID project on June 7, 2018 and has submitted its final report and recommendation to the City Council; and

WHEREAS, on June 11, 2018, by Roll Call No. 18-0981, it was duly resolved by the City Council that the Petition and proposal to take action for continuation of the Downtown Des Moines SSMID be set down for hearing on July 9, 2018; and

WHEREAS, notice of said hearing was published in the Des Moines Register on June 28, 2018, as provided by law, setting forth the time and place for hearing on said Petition and proposal to take action for continuation of the Downtown Des Moines SSMID; and

WHEREAS, notice of said hearing was also given by mailing notice by certified mail not less than 15 days before the hearing to each owner of property within the District at the owner's address as shown by the records of the County Auditor, all as specified in Section 386.3(4) of the Iowa Code; and

WHEREAS, in accordance with said notice, all owners of property in the District and residents of the City desiring to express their views on the Petition and the proposal to take action for continuation of the Downtown Des Moines SSMID have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

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

1. The City Council hereby makes the following findings regarding the sufficiency of the Petition to Continue the Downtown Des Moines Self-Supported Municipal Improvement District:

(a) The Petition contains the signatures of at least 25% of the owners of properties within the District and such signatures represent ownership of property with an assessed value of 25% or more of the assessed value of all properties within the District;

(b) The Petition contains a sufficient description of the boundaries of the District;

(c) The Petition identifies the name of the District as the Downtown Des Moines Self-Supported Municipal Improvement District;

(d) The District, described in the Petition, is comprised of contiguous property wholly within the boundaries of the City and the District is comprised of property that is zoned for commercial or industrial uses;

(e) The District, described in the Petition, is comprised of property that is similarly related so that the present and potential use or enjoyment of the property in the District is benefited by the condition, performance of administration, redevelopment, revitalization and maintenance of the District and the owners of property in the District have a present and potential benefit from the condition, performance of administration, redevelopment, revitalization and maintenance of the District;

(f) The Petition identifies that the operation tax levy which may be imposed upon property within the District shall not exceed the maximum rate of \$2.00 per thousand dollars of taxable valuation;

(g) The Petition identifies that the operation taxes levied for the District shall be used for the purposes of paying the administrative expenses of the District or paying part or all of the maintenance expenses of improvements or self-liquidating improvements with respect to the District for a period of five (5) years commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019.

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2. The City Council hereby determines that the continuation of the Downtown Des Moines Self-Supported Municipal Improvement District and continued funding of operation and maintenance for additional downtown services in accordance with the stated purposes of the District is consistent and does not conflict with the Plan DSM: Creating Our Tomorrow Plan, applicable zoning ordinances, and other applicable land use policies and goals and the continuation of the District is consistent with the goals and objectives of the Metro Center Urban Renewal Project to create and maintain a vibrant downtown area.

3. The City Council hereby determines that the continuation of the Downtown Des Moines Self-Supported Municipal Improvement District and the stated services and activities continued to be undertaken within the District further the general and the economic development objectives of the Metro Center Urban Renewal Project and further the Iowa code Chapter 15A economic development public purposes by assisting in the creation of new jobs and income in the City and the retention of existing jobs and income in the City that would otherwise be lost.

4. The City Council hereby determines that the continuation of the Downtown Des Moines Self-Supported Municipal Improvement District is feasible and will benefit the entire City.

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5. The City Council hereby determines that it shall proceed with continuation of the Downtown Des Moines Self-Supported Municipal Improvement District and the Legal Department is hereby authorized and directed to prepare an ordinance continuing the District as proposed in the Petition for consideration by the City Council at the expiration of the thirty (30) day waiting period required by Iowa code Section 386.3(6).

(Council Communication No. 18-348)

Moved by _____ to adopt.

APPROVED AS TO FORM:

Lawrence R. McDowell
Deputy City Attorney

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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.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
COLEMAN				
GATTO				
GRAY				
MANDELBAUM				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

City Clerk

June 8, 2018

Date July 9, 2018

Agenda Item 43

Roll Call # _____

Honorable Mayor and City Council
City of Des Moines, Iowa

Members:

Communication from the City Plan and Zoning Commission advising that at their June 7, 2018 meeting, the following action was taken regarding a City Council request for an evaluative report and recommendation on the merit and feasibility of continuing the Downtown Self-Supported Municipal Improvement District for an additional 5-years.

COMMISSION RECOMMENDATION:

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

Commission Action:	Yes	Nays	Pass	Absent
Francis Boggus	X			
Dory Briles	X			
Chris Cutler				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 the evaluative report and the petition to continue the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID) and associated operation tax for a period of five years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019 and continuing until June 30, 2024.

RECOMMENDATION TO THE P&Z COMMISSION

Staff recommends approval of the evaluative report and the petition to continue the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID) and associated operation tax for a period of five years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019 and continuing until June 30, 2024.

STAFF REPORT TO THE PLANNING COMMISSION

I. GENERAL INFORMATION

Downtown property owners have submitted a petition to the City Council seeking to continue the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID) and associated operation tax for a period of five years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019 and continuing until June 30, 2024.

II. ADDITIONAL APPLICABLE INFORMATION

Pursuant to Section 386.3 of the Iowa Code, the Plan and Zoning Commission is to prepare an evaluative report for the City Council based on the "merit" and "feasibility" of continuing the Self-Supported Municipal Improvement District (SSMID). Further, the Commission is directed to determine the validity of the petition.

Staff has prepared an evaluative report for the Commission's review and consideration (see attached).

SUMMARY OF DISCUSSION

Jacqueline Easley asked if there was anyone in the audience or any member of the Commission who had questions or concerns regarding Item #4. If not she asked if there was any opposition to moving the item to the "consent" portion of the agenda.

Nobody in the audience or on the Commission had any questions or expressed any concerns regarding Item #4.

COMMISSION ACTION:

Dory Briles made a motion to move item #4 to the consent agenda. Motion passed 12-0.

Greg Jones made a motion to approve the consent agenda (Items #4 and #7) per the staff reports and recommendations. Motion passed 12-0.

Respectfully submitted,



Michael Ludwig, AICP
Planning Administrator

MGL:tjh
Attachments

Evaluation of Petition to Continue the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID) and Recommendation to City Council

Property owners have submitted a petition to the City Council to continue the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID). The overall purposes of the SSMID are:

- the undertaking of actions and the design and construction of any and all improvements authorized by the Act and the performance of administration, redevelopment, and revitalization of the District, as authorized by the Act, any and all of which actions and improvements are intended to benefit the property within the District

The petition includes a request to continue the "Downtown Des Moines Self-Supported Municipal Improvement District Operation Fund" by levying an annual operation tax on property within the district (excluding residually assessed property) for the purposes of: (a) paying the administrative expenses of the District, as defined and authorized in the Act, or (b) paying part or all of the maintenance expenses of "improvements" or "self-liquidating improvements" as defined in the Act, with respect to the District. The SSMID and associated operation tax would exist for a period of 5 years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019, and continuing until June 30, 2024. The operation tax levy would not to exceed \$2.00 per thousand dollars of taxable valuation.

The petition includes a request to continue to hold and disburse all amounts collected in the Operation Fund for any one or more of the following purposes, at such times, in such amounts and under such conditions as shall be recommended to the City Council by the Downtown Des Moines Self-Supported Municipal Improvement District:

- a. Enhanced maintenance, cleaning and upkeep of public spaces within the District.
- b. Graffiti removal on public property and private buildings within the District.
- c. Enhanced public and property safety and crime prevention within the District, including the operation of a "Goodwill Ambassador" program as determined and operated from time to time by the Downtown Des Moines Self-Supported Municipal District.
- d. Development, marketing, promotion and management of activities and events within the District.
- e. Capital, physical or other improvements designed to enhance the image and appearance of the District, including but not limited to improvements to the skywalk system.
- f. Management and operation of public spaces within the District, including public parking facilities.
- g. Research and planning services benefiting the District.
- h. Parking and transportation management benefiting the District.
- i. Activities and operations benefiting the District under any agreements with the City of Des Moines or other public or quasi public entities.
- j. Recommendations regarding, and the promotion of, the District and the advancement of the District, including with respect to the use of public spaces within the District, the types of public spaces and services within the District, the services and improvements within the District, policies and practices for the District, business retention and attraction within the District, and activities and events within in the District.
- k. Other activities intended to benefit or further the purposes or interests of the District and the development and advancement of the District.

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The petition states the intent to continue the operating agreement between the City of Des Moines and the Downtown Des Moines Self-Supported Municipal Improvement District with respect to managing and undertaking the services, improvements and activities described in the Petition and in the annual budget for such services, improvements and activities, and to appropriate and provide funds from the Operation Fund to Downtown Des Moines Self-Supported Municipal Improvement District for the purposes described in the Petition.

The petition states the intent to require the Downtown Des Moines Self-Supported Municipal Improvement District, as a condition to the disbursement of funds from the Operation Fund, to submit to the Des Moines City Council, no later than December 1 of each year, a budget showing, in general terms, the proposed expenditures of such funds for the fiscal year beginning on the next July 1.

The petition states the intent that all taxes levied and collected on behalf of the District shall be expended for new, additional or enhanced services implemented within the District after the District was originally established, and that the City shall not diminish the type and extent of governmental services described in this Petition that existed at the time the District was originally established, with the intention of transferring the cost of providing such services from the City budget to the Operation Fund.

The District is located within the boundaries of Tax Increment Finance Districts which have been created by the City. Notwithstanding that fact, it is the further intent of the Petition that an amount of funds which would be derived from the annual levy of the Operation Tax against property within the District if the District were not located within such Tax Increment Finance Districts shall be made available annually for the services, improvements and activities set out in this Petition. It is requested that the City take all actions necessary to accomplish this purpose, including allocation to these services, improvements and activities of a portion of the incremental property taxes which are attributable to properties within the District. The Petitioners represent and warrant to the City Council that the continuation of the District and the undertaking of the services, improvements and activities described are considered essential to the petitioners' efforts to create new jobs and income in the City of Des Moines and to retain jobs and income in the City that would otherwise be lost.

Finally, the petition requests that the City take no action which would make it impossible or illegal for Downtown Des Moines Self-Supported Municipal Improvement District to receive voluntary contributions from tax exempt properties within the District or from any other properties which may benefit from or contract for services from the Downtown Des Moines Self-Supported Municipal Improvement District.

Plan and Zoning Commission Role

The City Council has referred the petition to the Plan and Zoning Commission in accordance with Section 386.3[3] of the Iowa Code. The Plan and Zoning Commission is to prepare an evaluative report for the City Council addressing the "merit" and "feasibility" of the proposed District. Further, it would be appropriate for the Commission to make a recommendation on the validity of the petition. After the Plan and Zoning Commission has evaluated the petition, the City Council will set a time and place for the public hearing at which the City Council will consider the establishment of the District. If the City Council decides that it is appropriate to establish the District, the City Council must wait another 30 days after that hearing before it may adopt an ordinance establishing the District.

Validity of the Petition

The petition submitted to the City Council and referred to the Plan and Zoning Commission has been evaluated for the following:

1. The SSMID District meets all the criteria set forth in Section 386.3[1] of the Iowa Code including:
 - a. The SSMID is comprised of contiguous property wholly within the boundaries of the City of Des Moines. It is comprised only of property in districts which are zoned for commercial or industrial uses.
 - b. The SSMID has been given a descriptive name: "Downtown Des Moines Self-Supported Municipal Improvement District."
 - c. The property in the District, comprises the downtown core area of the City. All property is zoned "C-3" Central Business District, "C-3A" Central Business Support Commercial District, "C-3B" Central Business Mixed Use District, "C-3R" Central Business Mixed Residential, "D-R" Downtown Riverfront, "NPC", Neighborhood Pedestrian Commercial, "C-1" Neighborhood Retail Commercial, "C-2" General Retail and Highway Oriented Commercial, "M-1" Light Industrial District or "M-2" Heavy Industrial District. All property within the SSMID Boundary is also subject to the Downtown Overlay District zoning and site plan requirements. Accordingly, the property in the District is similarly related so that the present and potential use or enjoyment of the property is benefited by the condition, performance of administration, redevelopment, revitalization and maintenance of the District. Further, the owners of property in the District have a present and potential benefit from the condition, performance of administration, redevelopment, revitalization and maintenance of the District or of any self-liquidating improvement of the District. The petitioners represent and warrant to the City Council the continuation of the District and the undertaking of the services, improvements and activities described in the petition are considered essential to the petitioners' efforts to create new jobs and income in the City of Des Moines and to retain jobs and income in the City that would otherwise be lost.
2. The petition contains signatures of at least twenty-five percent of all owners of property within the proposed District. Based upon property owner and valuation information generated by the Polk County Auditor on January 1, 2018, the petition has been signed by 37.24% of all unique owners of property within the proposed district (429 of 1152 unique owners) representing ownership of 29.73% of all parcels within the district (991 of 3333 parcels). These signatures together represent ownership of property with an assessed value of twenty-five percent or more of the assessed value of all property in the proposed district. Based upon property owner and valuation information generated by the Polk County Auditor on January 1, 2018, the signatures represent ownership of property with an assessed value of 75.31% of the total assessed value of all property within the proposed District (\$1,280,663,503 of \$1,700,430,448).

3. The petition provides a valid map and legal description for the boundaries of the proposed Downtown SSMID District
4. The petition states that the SSMID shall exist for a period of 5 years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019, and continuing for 4 additional years (through June 30, 2024). The petition also states that the maximum rate of the operation tax shall not to exceed \$2.00 per thousand dollars of taxable valuation.
5. The petition states that the purpose of the SSMID is the undertaking of actions and the design and construction of any and all improvements authorized by the Act and the performance of administration, redevelopment, and revitalization of the District, as authorized by the Act, any and all of which actions and improvements are intended to benefit the property within the District.
6. The petition proposes to continue an operation fund with respect to the District to be known as the "Downtown Des Moines Self-Supported Municipal Improvement District Operation Fund" (the "Operation Fund"), and levy an annual tax (the "Operation Tax") upon the property, as defined in the Act (provided, however, that parcels of property assessed as residential property for property tax purposes are exempt from the Operation Tax) within the District (the "Property") for the purposes of:
 - a. Paying the administrative expenses of the District, as defined and authorized in the Act, or
 - b. Paying part or all of the maintenance expenses of "improvements" or "self-liquidating improvements" as defined in the Act.
7. The petition proposes to continue to hold and disburse all amounts collected in the Operation Fund to be utilized for any one or more of the following purposes, at such times, in such amounts and under such conditions as shall be recommended to the City Council by the Downtown Des Moines Self-Supported Municipal Improvement District:
 - a. Enhanced maintenance, cleaning and upkeep of public spaces within the District.
 - b. Graffiti removal on public property and private buildings within the District.
 - c. Enhanced public and property safety and crime prevention within the District, including the operation of a "Goodwill Ambassador" program as determined and operated from time to time by the Downtown Des Moines Self-Supported Municipal District.
 - d. Development, marketing, promotion and management of activities and events within the District.
 - e. Capital, physical or other improvements designed to enhance the image and appearance of the District, including but not limited to improvements to the skywalk system.
 - f. Management and operation of public spaces within the District, including public parking facilities.
 - g. Research and planning services benefiting the District.
 - h. Parking and transportation management benefiting the District.
 - i. Activities and operations benefiting the District under any agreements with the City of Des Moines or other public or quasi public entities.
 - j. Recommendations regarding, and the promotion of, the District and the advancement

of the District, including with respect to the use of public spaces within the District, the types of public spaces and services within the District, the services and improvements within the District, policies and practices for the District, business retention and attraction within the District, and activities and events within in the District.

- k. Other activities intended to benefit or further the purposes or interests of the District and the development and advancement of the District.
8. The petition proposes to continue the operating agreement between the City of Des Moines and Downtown Des Moines Self-Supported Municipal Improvement District with respect to managing and undertaking the services, improvements and activities described in the Petition and in the annual budget for such services, improvements and activities, and to appropriate and provide funds held from time to time in the Operation Fund to Downtown Des Moines Self-Supported Municipal Improvement District to be utilized for the purposes described in the petition.
9. The petition proposes to require Downtown Des Moines Self-Supported Municipal Improvement District, as a condition to the disbursement of funds from the Operation Fund, to submit to the Des Moines City Council, no later than December 1 of each year, a budget showing, in general terms, the proposed expenditures of such funds for the fiscal year beginning on the next July 1.
10. The petition states the intent that all taxes levied and collected on behalf of the District shall be expended for new, additional or enhanced services implemented within the District after the District was originally established, and that the City shall not diminish the type and extent of governmental services described in this Petition that existed at the time the District was originally established, with the intention of transferring the cost of providing such services from the City budget to the Operation Fund.
11. The petition states that the District is located within the boundaries of Tax Increment Finance Districts which have been created by the City. Notwithstanding that fact, it is the further intent of the Petition that an amount of funds which would be derived from the annual levy of the Operation Tax against property within the District if the District were not located within such Tax Increment Finance Districts shall be made available annually for the services, improvements and activities set out in this Petition, and that the City shall take all actions necessary to accomplish this purpose, including, if necessary and to the extent permitted by applicable law, allocation to these services, improvements and activities of a portion of the incremental property taxes which are attributable to properties within the District.
12. The petition requests that the City take no action which would make it impossible or illegal for Downtown Des Moines Self-Supported Municipal Improvement District to receive voluntary contributions from tax exempt properties within the District or from any other properties which may benefit from or contract for services from the Downtown Des Moines Self-Supported Municipal Improvement District.
13. The services and activities identified in the purposes of the SSMID further the objectives of the Metro Center Urban Renewal Project particularly:

General

- a. Preserve and create an environment which will protect the health, safety, and general welfare of city residents and maintain and expand taxable values of property within the area.

Economic Development

- a. Provide for orderly expansion of downtown Des Moines as a retail, financial, business, administrative, governmental, and cultural center of the metropolitan area and the region.
- b. Encourage and support development which will enhance and make the best possible use of riverfront, cultural, and other public facilities, resources and investments.
- c. Ensure that the area is adequately serviced with public utilities and services to support contemporary development requirements.

Further the services and activities identified under the purposes of the SSMID are consistent with the economic development activities identified in the Metro Center Urban Renewal Project plan and further the economic development public purposes defined in Iowa Code Chapter 15A. As represented and warranted in the SSMID petition, the activities, improvements and services provided by the Downtown SSMID are essential to the City's efforts to create new jobs and income in the City and to retain jobs and income in the City that would otherwise be lost.

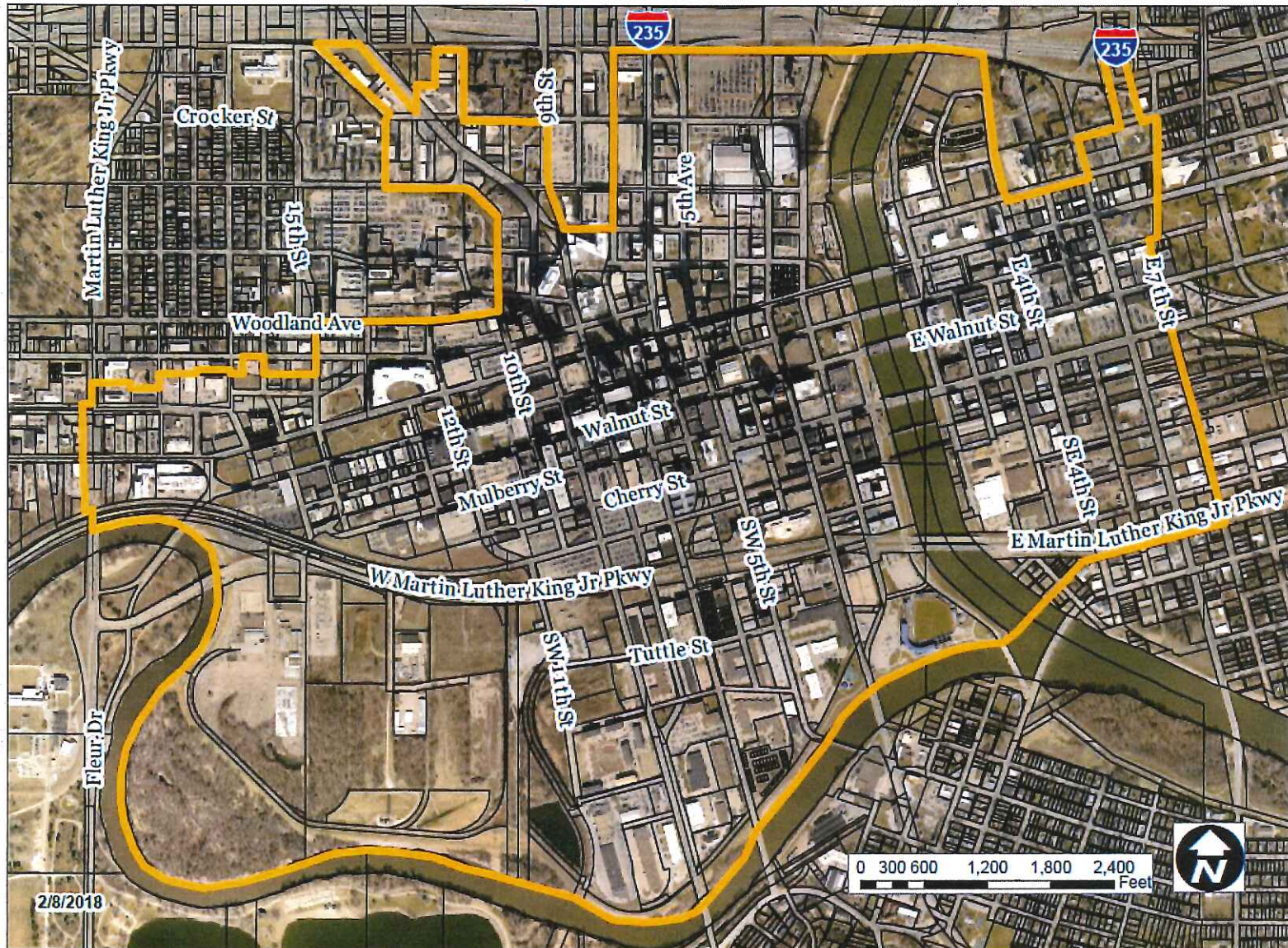
Feasibility of the Project

In fiscal year 2019/20 through 2023/24 the maximum aggregate tax levy of \$2.00 per \$1000 of taxable assessed value allowed by the petition would generate SSMID tax revenue of approximately \$1,387,986 annually based upon total non-residential taxable value within the SSMID boundary of \$693,993,159 as of January 1, 2017. The actual annual SSMID revenue will be based on annual property valuations as determined by the Polk County Assessor and the actual SSMID levy that is set annually by the City Council. The Downtown Des Moines Self-Supported Municipal Improvement District will submit to the Des Moines City Council, no later than December 1 of each year, a budget showing, in general terms, the proposed expenditures of such funds for the fiscal year beginning on the next July 1.

Recommendation

The petition to continue the "Downtown Des Moines Self-Supported Municipal Improvement District" meets the criteria as outlined in Chapter 386 of the Iowa Code for such districts. The petition is valid and the Downtown Des Moines SSMID has merit and is feasible. The Plan and Zoning Commission forwards this report to City Council on June 11, 2018, at which time the City Council may set the date of public hearing for July 9, 2018 to consider continuation of the District.

Proposed 2018 Downtown SSMID Boundary



PETITION TO CONTINUE THE DOWNTOWN DES MOINES SELF-SUPPORTED
MUNICIPAL IMPROVEMENT DISTRICT PURSUANT TO CHAPTER 386, CODE
OF IOWA

We, the undersigned, being at least 25 per cent of all owners of property within the Downtown Des Moines Self-Supported Municipal Improvement District (the "District"), and being owners of property within the District having an assessed value of 25 per cent or more of the assessed value of all the property in the District, hereby petition the City Council of Des Moines, Iowa, pursuant to the provisions of Chapter 386 of the Code of Iowa (the "Act"), as follows:

1. To continue the Downtown Des Moines Self-Supported Municipal Improvement District in the City of Des Moines, Polk County, Iowa, as follows:

(a) The name of the District shall continue to be the "Downtown Des Moines Self-Supported Municipal Improvement District"

(b) The purposes of the District shall be the undertaking of actions and the design and construction of any and all improvements authorized by the Act and the performance of administration, redevelopment, and revitalization of the District, as authorized by the Act, any and all of which actions and improvements are intended to benefit the property within the District,

(c) Exhibit A shows a description of the boundaries of the District and Exhibit B shows a map of the boundaries.

2. To continue an operation fund with respect to the District to be known as the "Downtown Des Moines Self-Supported Municipal Improvement District Operation Fund" (the "Operation Fund"), and levy an annual tax (the "Operation Tax") upon the property, as defined in the Act (provided, however, that parcels of property assessed as residential property for property tax purposes are exempt from the Operation Tax) within the District (the "Property") for the purposes of: (a) paying the administrative expenses of the District, as defined and authorized in the Act, or (b) paying part or all of the maintenance expenses of "improvements" or "self-liquidating improvements" as defined in the Act, with respect to the District, for a period of 5 years, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2019, and continuing for 4 additional years; at a rate not to exceed \$2.00 per thousand dollars of taxable valuation.

3. To continue to hold and disburse all amounts collected in the Operation Fund to be utilized for any one or more of the following purposes, at such times, in such amounts and under such conditions as shall be recommended to the City Council by the Downtown Des Moines Self-Supported Municipal Improvement District:

a. Enhanced maintenance, cleaning and upkeep of public spaces within the District:

b. Graffiti removal on public property and private buildings within the District.

c. Enhanced public and property safety and crime prevention within the District, including the operation of a "Goodwill Ambassador" program as determined and operated from time to time by the Downtown Des Moines Self-Supported Municipal District.

ITEM #4

d. Development, marketing, promotion and management of activities and events within the District.

e. Capital, physical or other improvements designed to enhance the image and appearance of the District, including but not limited to

Improvements to the skywalk system

f. Management and operation of public spaces within the District, including public parking facilities.

g. Research and planning services benefiting the District.

h. Parking and transportation management benefiting the District.

i. Activities and operations benefiting the District under any agreements with the City of Des Moines or other public or quasi public entities.

j. Recommendations regarding, and the promotion of, the District and the advancement of the District, including with respect to the use of public spaces within the District, the types of public spaces and services within the District, the services and improvements within the District, policies and practices for the District, business retention and attraction within the District, and activities and events within in the District.

k. Other activities intended to benefit or further the purposes or interests of the District and the development and advancement of the District.

4. To continue the operating agreement between the City of Des Moines and Downtown Des Moines Self-Supported Municipal Improvement District with respect to managing and undertaking the services, improvements and activities described in this Petition and in the annual budget for such services, improvements and activities, and to appropriate and provide funds held from time to time in the Operation Fund to Downtown Des Moines Self-Supported Municipal Improvement District to be utilized for the purposes described in this Petition.

5. To require Downtown Des Moines Self-Supported Municipal Improvement District, as a condition to the disbursement of funds from the Operation Fund, to submit to the Des Moines City Council, no later than December 1 of each year, a budget showing, in general terms, the proposed expenditures of such funds for the fiscal year beginning on the next July 1.

6. It is the intent of this Petition that all taxes levied and collected on behalf of the District shall be expended for new, additional or enhanced services implemented within the District after the District was originally established, and that the City shall not diminish the type and extent of governmental services described in this Petition that existed at the time the District was originally established, with the intention of transferring the cost of providing such services from the City budget to the Operation Fund.

7. The District is located within the boundaries of Tax Increment Finance Districts which have been created by the City. Notwithstanding that fact, it is the further intent of this Petition that an amount of funds which would be derived from the annual levy of the Operation Tax against property within the District if the District were not located within such Tax Increment Finance Districts shall be made available annually for the services, improvements and activities set out in this Petition, and that

the City shall take all actions necessary to accomplish this purpose, including, if necessary and to the extent permitted by applicable law, allocation to these services, improvements and activities of a portion of the incremental property taxes which are attributable to properties within the District. In furtherance of the foregoing, the undersigned petitioners hereby represent and warrant to the City Council that the continuation of the District and the undertaking of the services, improvements and activities described herein are considered essential to the petitioners' efforts to create new jobs and income in the City of Des Moines and to retain jobs and income in the City that would otherwise be lost.

8. It is the further intent of this Petition that the City take no action which would make it impossible or illegal for Downtown Des Moines Self-Supported Municipal Improvement District to receive voluntary contributions from tax exempt properties within the District or from any other properties which may benefit from or contract for services from the Downtown Des Moines Self-Supported Municipal Improvement District.

I am authorized to execute the Petition To Continue the Downtown Des Moines Self-Supported Municipal Improvement District either as the property owner or on behalf of the property owner for the property or properties identified below. If on behalf of the property owner, the property owner is a legal entity, I am an officer of the entity, and, by virtue of the authority delegated to me by the Board of Directors, Managers or other governing body or its organizational and governing documents, I am authorized to execute for and on behalf of the entity and to affix the seal, if any, of the entity.

IN WITNESS WHEREOF, I have hereunto set my official signature this _____ day of _____, 20____, and I declare that this signature shall be considered to be my signature on said Petition.

Signature

Printed Name

PROPERTY OWNER (AS LISTED WITH THE POLK COUNTY ASSESSOR)	DISTRICT PARCEL #	PROPERTY ADDRESS

EXHIBIT A
2018 Proposed Downtown SSMID Legal Description:

Beginning at the intersection of the East Right-of-Way line of 7th Street and the South Right-of-Way line of School Street; thence East along the South Right-of-Way line of School Street and its easterly extension to the East Right-of-Way line of 6th Avenue; thence south along said Right-of-Way line to intersection with the South Right of Way line of Interstate 235; thence East along said South Right-of-Way line of Interstate 235 to the West Bank of the Des Moines River; thence East to the intersection of the East Bank of the Des Moines River and the South Right-of-Way line of I-235; thence East along the South Right-of-Way line of Interstate 235 to its intersection with the West lot line of Lot 3, Block D, River Hills Plat 3, an Official Plat; thence South along said West lot line of Lot 3, Block D, River Hills Plat 3 and continuing South along the West lot line of Lot 6, Block D and the Southerly projection of said West lot line of Lot 6, Block D, River Hills Plat 3 to the South Right-of-Way line of Des Moines Street; thence East along said South Right-of-Way line of Des Moines Street to the East Right-of-Way line of East 6th Street; thence North along said East Right-Of-Way line of East 6th Street to its intersection with the South right-of-Way line of Lyon Street; thence Easterly along said South Right-of-Way line of Lyon Street to its intersection with the Southerly projection of the East Right-of-Way line of East 7th Street; thence North along said Southerly projection of the East Right-of-Way line of East 7th Street and continuing North along the East Right-of-Way line of East 7th Street to its intersection with the South Right-of-Way line of Interstate 235; thence Southeasterly along said South Right-of-Way line of Interstate 235 to its intersection with the Northerly extension of a line, said line having one point on the Northerly Right-of-Way of Lyon Street and a distance of 196.1 feet East of the Southwest corner of Lot 3 in Block 25 of East Fort Des Moines, an Official Plat, and having another point on the Southerly Right-of-Way line of the Vacated East/West Alley in Block O, Griffiths' Addition No.2, an Official Plat, with said point being 6.2 feet East of the Northwest corner of Lot 4 in Block O, Griffith's Addition No. 2; thence Southeasterly along said line and the Southerly extension of said line to the centerline of Lyon Street; thence Northeasterly along said centerline to the centerline of Pennsylvania Avenue; thence South along the centerline of Pennsylvania Avenue and its southerly extension to the intersection of the centerline of East Locust Street; thence West along the centerline of East Locust Street to the intersection of the northerly extension of the centerline of East 7th Street; thence South along the northerly extension of the centerline of East 7th Street and continuing along the centerline of Southeast 7th Street to the intersection with the centerline of Allen Street; thence West along the centerline of Allen Street and it's westerly extension to the West Bank of the Des Moines River and the North Bank of the Raccoon River; thence westerly along the North Bank of the Raccoon River to its intersection with the North/South centerline of Section 8, Township 78 North, Range 24 West of the 5th P.M.; thence North along said North/South centerline of Section 8, Township 78 North, Range 24 West of the 5th P.M. to its intersection with the North Right-of-Way line of the Norfolk and Southern Railroad lying within Lot 1, Official Plat Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M.; thence Southwesterly along said North Right-of-Way line of the Norfolk and Southern Railroad lying within Lot 1, Official Plat Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M. to its intersection with a line being 75 feet West of the East line of Lot 1, Official Plat, Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M.; thence North along said line 75 feet West of and parallel to the East line of Lot 1, Official Plat, Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M. to a point, said point being 225 feet South of the South Right-of-Way line of Grand Avenue; thence West 18 feet along a line 225 feet South of and parallel to the South Right-of-Way line of Grand Avenue to a point, said point being 93 feet West of the East line of Lot 1, Official Plat, Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M.; thence North along said line 93 feet West of and parallel to the East line of Lot 1, Official Plat, Northwest ¼, Section 8, Township 78 North, Range 24 West of the 5th P.M. to its intersection with the South Right-of-Way of Grand Avenue; thence Northwesterly

to a point on the North Right-of-Way line of Grand Avenue said point being 100 feet West of and parallel to the East lot line of Lot 9, Official Plat, Southwest $\frac{1}{4}$, Section 5, Township 78 North, Range 24 West of the 5th P.M.; thence North along said line 100 feet West of and parallel to the East lot line of Lot 9, Official Plat, Southwest $\frac{1}{4}$, Section 5, Township 78 North, Range 24 West of the 5th P.M. and continuing North along said Northerly projection of a line 100 feet West of and parallel to the East lot line of Lot 9, Official Plat, Southwest $\frac{1}{4}$, Section 5, Township 78 North, Range 24 West of the 5th P.M. to its intersection with North Right-of-Way line of Ingersoll Avenue; thence East along said North Right-of-Way line of Ingersoll Avenue and continuing East along the Easterly projection of said North Right-of-Way line of Ingersoll Avenue to its intersection with the North/South Centerline of Section 5, Township 78 North, Range 24 West of the 5th P.M. (also the Centerline of Right-of-Way known as former Harding Road); thence North along said North/South Centerline of Section 5, Township 78 North, Range 24 West of the 5th P.M. (also the Centerline of Right-of-Way known as former Harding Road) to its intersection with the Westerly extension of the North lot line of Parcel "D" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, an Official Plat and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines, an Official Plat; thence East along the Westerly extension of the North lot line of Parcel "D" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines and continuing East along the North lot line of Parcel "D" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines to its intersection with the East lot line of Parcel "D" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines; thence South along the East lot line of Parcel "D" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines to its intersection with the North Lot line of Parcel "B" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines; thence East along the North lot line of Parcel "B" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines and continuing East along the Easterly extension of the North lot line of Parcel "B" Plat of Survey, Part of Lots 1 through 6, Harding Road Place, and Part of Lots 5 through 9, Block B, West & Burton's Addition to Des Moines to its intersection with the Centerline of 19th Street; thence North along the Centerline of 19th Street to its intersection with the Westerly extension of the North line of Block C, J. C. Savery's Addition, an Official Plat; thence East along the North line of Block C, J. C. Savery's Addition and continuing East along the North line of Block C, J. C. Savery's Addition to its intersection with the Southerly extension of a North/South line lying 13 feet East of and parallel to the West lot line of Lot 5, Block B, J. C. Savery's Addition; thence North along the Southerly extension of a North/South line lying 13 feet East of and parallel to the West lot line of Lot 5, Block B, J. C. Savery's Addition and continuing North along a North/South line lying 13 feet East of and parallel to the West lot line of Lot 5, Block B, J. C. Savery's Addition to its intersection with a line lying 95 feet South of and parallel to the North lot line of Lot 5, Block B, J. C. Savery's Addition; thence East along a line lying 95 feet South of and parallel to the North lot line of Lot 5, Block B, J. C. Savery's Addition and continuing East along a line lying 95 feet South of and parallel to the North lot lines of Lots 4, 3, 2, and 1, Block B, J. C. Savery's Addition and also continuing East along the Easterly extension of a line lying 95 feet South of and parallel to the North lot line of Lot 1, Block B, J. C. Savery's Addition to its intersection with the Centerline of 17th Street; thence South along the Centerline of 17th Street to its intersection with the Westerly extension of the South lot line of Lot 1, Block B, Subdivision of Lot 6 of the Pursley Estate, an Official Plat; thence East along the Westerly extension of the South lot line of Lot 1, Block B, Subdivision of Lot 6 of the Pursley Estate and continuing East along the South lot lines of Lots 1 & 2, Block B, Subdivision of Lot 6 of the Pursley Estate to its intersection with the Centerline of Lot 2, Block B, Subdivision of Lot 6 of the Pursley Estate; thence North along the Centerline of Lot 2, Block B, Subdivision of Lot 6 of the Pursley Estate and continuing North along

the Northerly extension of the Centerline of Lot 2, Block B, Subdivision of Lot 6 of the Pursley Estate to its intersection with the Centerline of High Street; thence East along the Centerline of High Street to its intersection with the Centerline of 16th Street; thence South along the Centerline of 16th Street to its intersection with the Westerly extension of the South lot line of Lot 1, Block C, Subdivision of Lot 6 of the Pursley Estate; thence East along the Westerly extension of the South lot line of Lot 1, Block C, Subdivision of Lot 6 of the Pursley Estate and continuing East along the South lot lines of Lot 1, 2, 3, 4, and 5, Block C, Subdivision of Lot 6 of the Pursley Estate and also continuing East along the South lot line of Lot 2, Block 3, Griffith's Subdivision, an Official Plat and then continuing East along the Easterly extension of the South lot line of Lot 2, Block 3, Griffith's Subdivision to its intersection with the Centerline of 15th Street; thence North along the centerline of 15th Street and its centerline and its northerly extension to the intersection of the centerline of Woodland Avenue; thence East along the centerline of Woodland Avenue and its easterly extension to the intersection of the centerline of 10th Street; thence North along the centerline of 10th Street and its centerline and the northerly extension of 10th Street to the centerline of Methodist Drive; thence northerly and westerly along the centerline of Methodist Drive to the intersection of the southerly extension of centerline of 12th Street; thence West along the Easterly projection of the centerline of Center Street and continuing West along the centerline of Center Street to its intersection with the West lot line of Lot 2, Oakridge Plat 3, an Official Plat; thence North along said West lot line of Lot 2, Oakridge Plat 3 and continuing North along the West lot line and the Northerly projection of said West lot line of Lot 1, Oakridge Plat 3 to its intersection with the Northeasterly Right-of-Way line of Oakridge Drive; thence Northwesterly along the Northeasterly Right-of-Way line of said Oakridge Drive to its intersection with the South Right-of-Way line of Interstate 235; thence East along said South Right-of-Way line of Interstate 235 to its intersection with the centerline of Keosauqua Way; thence Southeasterly along the centerline of Keosauqua Way to its intersection with the Southerly projection of the West lot line of Lot 7, Block 7, Grass Roots 1, an Official Plat; thence North along said Southerly projection of the West lot line of Lot 7, Block 7, Grass Roots 1 and continuing North along the West lot line of Lot 7, Block 7, Grass Roots 1 to its intersection with the North lot line of said Lot 7, Block 7, Grass Roots 1; thence East along said North lot line of Lot 7, Block 7, Grass Roots 1 to its intersection with the West Right-of-Way line of Vacated 12th Street Place; thence North along said West Right-of-Way line of Vacated 12th Street Place to its intersection with the South Right-of-Way line of School Street; thence East along said South Right-of-Way of School Street to the West Right-of-Way line of 12th Street; thence South along said West Right-of-Way line of 12th Street to its Intersection with the South Right-of-Way line of Crocker Street; thence East along said South Right-of-Way line of Crocker Street to its intersection with the East Right-of-Way of 9th Street; thence South along said East Right-of-Way of 9th Street and its southerly projection to its intersection with the centerline of Center Street; thence east along said centerline of Center Street to its intersection with the East Right-of-Way line of 7th Street; thence North along said East Right-of-Way line of 7th Street to the Point of Beginning, All now included in and forming a part of the City of Des Moines, Polk County, Iowa.

Proposed 2018 Downtown SSMID Boundary

