



Roll Call Number

Agenda Item Number

59D

Date November 4, 2019

RESOLUTION OF NECESSITY FOR THE 38TH AND GRAND URBAN RENEWAL AREA

WHEREAS, the proposed 38th and Grand Urban Renewal Area contains approximately 36 acres and is located along and includes a segment of Grand Avenue between 31st and 42nd Streets, all as shown by the accompanying Map 1 and more specifically described in the accompanying Exhibit "A"; and,

WHEREAS, the Planning Administrator reports that the proposed 38th and Grand Urban Renewal Area is a blighted area appropriate for redevelopment, for the reasons set forth in the accompanying Appendix B which is incorporated herein by reference.

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

- 1. That the following findings are hereby made and adopted:
a) The 38th and Grand Urban Renewal Area constitutes a blighted area appropriate for redevelopment.
b) That the rehabilitation, conservation, redevelopment, development, or a combination thereof, of the 38th and Grand 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. That 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

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Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and TOTAL.

MOTION CARRIED APPROVED

Mayor

CERTIFICATE



I, P. Kay Cmelik, 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

38th & Grand Urban Renewal Area

MAP 1: Boundary of Urban Renewal Area

-  URBAN RENEWAL AREA BOUNDARY
-  TIF DISTRICT #1

Office of Economic Development - City of Des Moines, Iowa

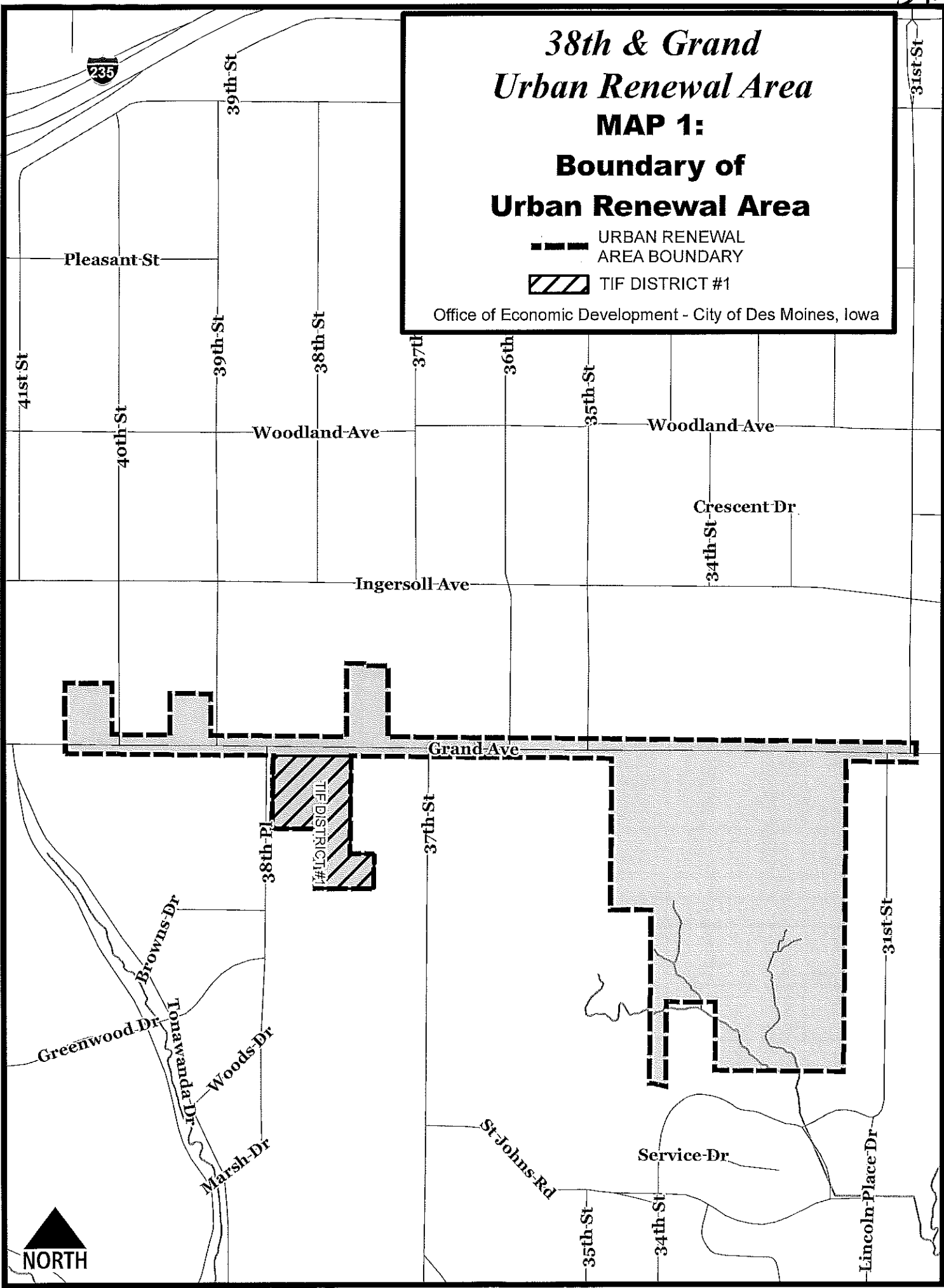


Exhibit "A"
Legal Description
38th and Grand Urban Renewal Area

Beginning at the intersection of the South Right of Way line of Grand Avenue and the East Right of Way line of 38th Place; Thence South along said East Right of Way line to the South line of Lot 5, Mason Place, an Official Plat; Thence East along said South line to the East line of Lot 6 of said Mason Place; Thence South along the East line of Lots 6 through 10 in said Mason Place to North line of the South 55 Feet of Lots 11 through 14 in said Mason Place; Thence East along said North line to the East line of said Lot 14; Thence North along said East line to the North line of said Lots 14 and 13; Thence West along said North line to the East line of Lot 2 in said Mason Place; Thence North along said East line to said South Right of Way line of Grand Avenue; Thence East along said South Right of Way line to West line of Lot 2 of the Official Plat of Lot 5 of Pierces Subdivision of the North $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 7, Township 78 North, Range 24 West of the 5th P.M. and Lots 3 and 4 of Official Plat of Section 7, Township 78 North, Range 24 West of the 5th P.M.; Thence South and East along the West line of said Lot 2 to the Northwest corner of Lot 8, Block A, Lincoln Place Replat, an Official plat; Thence South along the West line of said Lot 8 to the South line of said Lot 8; Thence Southeasterly along said South line to the East line of said Lot 8; Thence North along said East line to the Northeast corner of said Lot 8, also being the Southeast corner of said Lot 2; Thence North along the East line of said Lot 2 to the North line of the South 280 Feet of Lot 3 in said Official Plat of Lot 5 of Pierces Subdivision of the North $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 7, Township 78 North, Range 24 West of the 5th P.M. and Lots 3 and 4 of Official Plat of Section 7, Township 78 North, Range 24 West of the 5th P.M.; Thence East along said North line to the West line of Lot 4 of Pierce's Subdivision, an Official Plat; Thence South along said West line to the South line of said Lot 4; Thence East along said South line to the East line of said Lot 4; Thence North along said East line to the South Right of Way Line of Grand Avenue; Thence East along said South Right of Way line to the Southerly extension of the West line of Lot 1 in Parriot Place, an Official Plat; Thence North along said Southerly extension to the Southwest corner of said Lot 1, said Southwest Corner being on the North Right of Way line of Grand Avenue; Thence West along said North Right of Way line to the East line of Lot 22 of the Official Plat of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 6, Township 78 North, Range 24 West of the 5th P.M., Thence North along said East line, 292 Feet; Thence West along a line that is 292 Feet North of and parallel with the South line of Lots 22 and 20 of said Official Plat of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 6, Township 78 North, Range 24 West of the 5th P.M., to the West line of said Lot 20; Thence North along said West line, also being the East line of Lot 19 in said Official Plat of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 6, Township 78 North, Range 24 West of the 5th P.M., to a line that is 300 Feet North of and parallel with the South line of said Lot 19; Thence West along said parallel line to West line of said Lot 19; Thence South along said West line to the said North Right of Way line of Grand Avenue; Thence West along said North Right of Way line to the West Right of Way line of 39th Street; Thence North along said West Right of Way line to North line of the South 171 Feet of Lot 13 of said Greenwood Park; Thence West along said North line to the West line of said Lot 13; Thence South along said West line to said North Right of Way line; Thence West along said North Right of Way line to the East line of Lot 9 of said Greenwood Park; Thence North along said East line to North line of the South 210 Feet of Lots 9 and 8 of said Greenwood Park; Thence West along said North line to the West line of the East 23 Feet of said Lot 8; Thence South along said West line and its Southerly extension to the South Right of Way line of Grand Avenue; Thence East along said South Right of Way line to the East Right of Way line of 38th Place and the Point of Beginning.

Appendix B

Planning Directors Report – 38th and Grand Urban Renewal Area

November 4, 2019

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

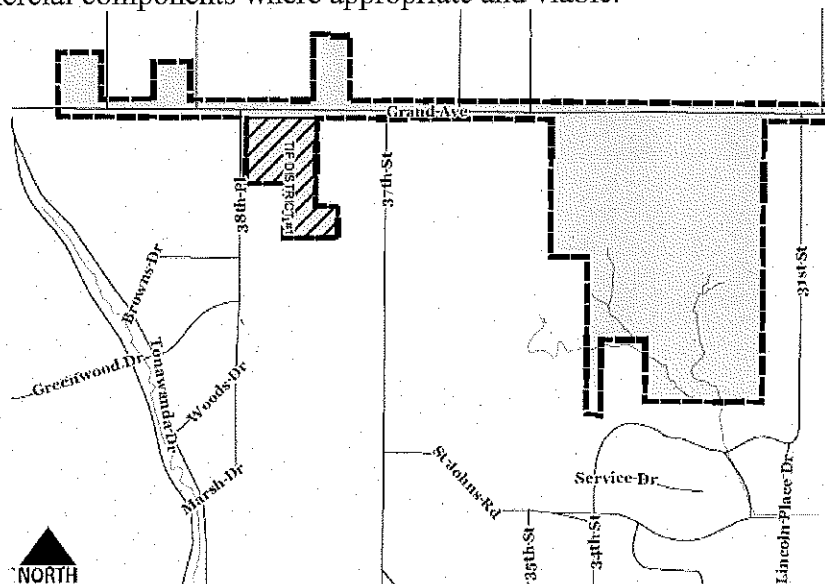
RE: PLANNING ADMINISTRATOR'S REPORT ON DESIGNATION OF PROPOSED 38TH AND GRAND URBAN RENEWAL PLAN AREA

The City of Des Moines is proposing to designate the proposed 38th and Grand Urban Renewal Area, which consists of a segment of Grand Avenue between 31st and 42nd Streets and seven adjoining parcels, as an urban renewal area, and to adopt an urban renewal plan for such area, that may provide for the use of revenue from the division of property taxes (a/k/a Tax Increment Financing) for the implementation of the plan, pursuant to the Iowa Urban Renewal Law.

The purpose of this urban renewal area and plan is to encourage the removal and redevelopment of the blighted, obsolete, and underutilized property within the urban renewal area for medium-density and/or high-density housing and to retain and support neighborhood sensitive commercial development.

BOUNDARY DESCRIPTION

The 36-acre area is generally located to the east of 42nd Street and to the west of 31st Street, and includes 7 parcels located on the north and south sides of Grand Avenue. A map is shown below. The legal description for the urban renewal area can be found as Attachment "A" of the urban renewal plan. The boundary for this area presently includes existing residential, multi-residential, commercial, and tax exempt commercial uses. Proposed uses are for medium-density and/or high-density residential and/or mixed-use medium to high density housing with neighborhood sensitive commercial components where appropriate and viable.



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 38th and Grand Urban Renewal Area qualifies as an area with blighted conditions due to the general area being characterized by underutilized parcels, parcels that are not adequately sized for redevelopment without assemblage with other land, and dilapidated or obsolete buildings. As of the adoption of this Plan, one of the seven parcels contains a church building that has been vacant for 9 years (since July 2010), and is classified as below normal condition. The church building has been vandalized and now has several broken windows that have been boarded up and has experienced significant water damage and mold due to lack of building maintenance.

Two of the parcels have historically been vacant lots. One of the parcels recently became vacant after the demolition of an obsolete commercial building in 2018. One parcel contains a multi-family residential building that is over 40 years old. Another parcel contains only garages that are listed in below normal condition. The last parcel contains the Des Moines University campus due to the recent announcement that portions of their classrooms and operations are being relocated. Generally, the urban renewal area is characterized by underutilized parcels, parcels that are not adequately sized for redevelopment without assemblage with other land, and dilapidated or obsolete buildings. All of these conditions can have an impact of pulling down the economic viability of the Area, and create a need for revitalization.

CONFORMANCE WITH COMPREHENSIVE PLAN

Except as specifically noted below, all the goals and objectives of the 38th and Grand Urban Renewal Plan are generally in conformance with the City's Comprehensive Plan, *Plan DSM*, which was adopted by the City Council on April 25, 2016, by Roll Call No. 16-0717.

Plan DSM shows the land outside the street rights-of-way as a mix of High Density Residential, Medium Density Residential, Low Density Residential and Public / Semi-Public. The area is designated as a community node, which supports the proposed density. In Plan DSM, community nodes are described as mid-sized centers providing a range of daily needs and specialized services within a larger neighborhood context. Community nodes consist of a mix of medium density housing, retail and offices serving a larger population and geographical area than a neighborhood node. Land use goals identified in Plan DSM that will be included in the goals of this Urban Renewal Plan are *Goal 2*: Direct new growth and redevelopment to areas with existing infrastructure and nodes and corridors based on proximity to transit, shopping, services and public amenities; and *Goal 4*: Continue to embrace the distinct character of Des Moines' neighborhoods while allowing for new development and redevelopment. *Map 2-Plan DSM Land Use Map* further details the proposed land uses for this general area.

The commercial component of the proposed redevelopment project at 3750 Grand Avenue described in Appendix D is not consistent with the designation of the property for High Density Residential Use in the current Plan DSM Land Use Map. An amendment to the Plan DSM Land Use Map to change the designation of the property at 3750 Grand Avenue to Neighborhood Mixed Use is anticipated to be proposed to accommodate the proposed redevelopment project. The commercial portion of the proposed mixed-use development at 3750 Grand is still under review for appropriateness and feasibility and would be subject to various additional reviews and approvals by the City for the use to be allowed.

Possible additional amendments to *Plan DSM* may be identified through the ongoing planning process for the implementation of this Plan.

PLANNING RATIONALE

The proposed 38th and Grand Urban Renewal Area is approximately 36 acres in size. At the time of adoption, the area consists of commercial exempt and medium density residential uses. Vacant and deteriorated commercial and residential 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.

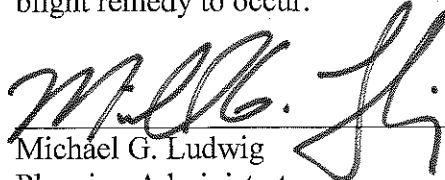
Existing zoning in the urban renewal area (exclusive of the street rights-of-way) is "R-3" Multiple Family Residential District that allows for multifamily dwellings to be developed at a medium density; "R-4" Multiple Family Residential District that allows for multifamily dwellings to be development at a high density; and "R1-80" One Family Residential District that allows for the development of low density single-family dwellings as shown on *Map 3 - Existing Zoning*.

The commercial component of the proposed redevelopment project at 3750 Grand Avenue described in Appendix D would require rezoning from "R-3" Multiple Family Residential and "R1-80" One Family Residential Districts to a Planned Unit Development or a Mixed-Use District where neighborhood retail uses are allowed. An amendment to the official zoning map is anticipated to be proposed to accommodate the proposed redevelopment project.

It is appropriate to designate the 38th and Grand Area as an Urban Renewal Area based on its 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 economic development financial assistance as needed. This will benefit the area by redeveloping blighted commercial and residential buildings, redeveloping asbestos-laden buildings, providing housing opportunities, and creating increased tax base for the City of Des Moines.

SUMMARY

The proposed 38th and Grand Urban Renewal Area has significant existing challenges, including vacant commercial and residential buildings, buildings with asbestos, underutilized parcels, and low and declining building valuations. The adoption of this plan and the implementation of its goals and objectives will begin to provide the framework, guidelines and incentives needed for blight remedy to occur.



Michael G. Ludwig
Planning Administrator