



Roll Call Number

12-1891

Agenda Item Number

3 (A)

Date December 7, 2012

**RESOLUTION AUTHORIZING APPLICATION FOR
ENTERPRISE ZONE CERTIFICATION FOR THE
PROPOSED HUBBELL-DOUGLAS ENTERPRISE ZONE**

WHEREAS, the Code of Iowa , Sections 15E.191 thru 15E.197 provides that certain eligible cities and counties may designate areas as enterprise zones and apply to the State of Iowa for enterprise zone certification to facilitate economic reinvestment in economically distressed areas; and,

WHEREAS, businesses, excluding retail or those whose entrance is limited by a cover charge or membership requirement, that invest in housing or create employment opportunities within a certified enterprise zone may be eligible to receive certain State tax incentives, which include corporate income tax credits, job training, investment, and research and development tax credits and a refund of sales, service and use taxes paid on materials used in construction contracts; and,

WHEREAS, the proposed Hubbell-Douglas Enterprise Zone contains approximately 14.63 acres, is located at 3710 Hubbell Avenue, and is proposed to be created for the purpose of encouraging reinvestment and redevelopment of such land; and,

WHEREAS, it is in the best interests of the citizens of the City of Des Moines to pursue enterprise zone certification of the proposed Hubbell-Douglas Enterprise Zone by the Iowa Economic Development Authority ("IEDA").

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

1. The City Council hereby makes the following findings in support of the designation of the proposed Hubbell-Douglas Enterprise Zone as an enterprise zone:
 - a) The proposed enterprise zone conforms with the intent of Iowa Code §15E.191 for designation as an enterprise zone and generally meets the technical eligibility criteria in Iowa Code §15E.194(2); and,
 - b) The proposed enterprise zone is a blighted area as defined in Iowa Code §403.17, which satisfies the eligibility criteria under Iowa Code §15E.194(2)(e); and,
 - c) The proposed enterprise zone has a family poverty rate of 11.8% in Block 1, of Census Tract 1.01, according to the 2000 Census Data, which by rounding up or with any allowance for error in the census data could satisfy the threshold of 12% or greater established by Iowa Code §15E.194(2)(b); and,
 - d) The commercial property in the proposed enterprise zone, being the only class of property in the area for tax purposes, has an average valuation between 76% and 77% of

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the Citywide average for improved commercial property based on 2011 valuations, which with any allowance for error in the assessor's data could satisfy the threshold of 75% or less established by Iowa Code §15E.194(2)(d); and,

- e) The proposed enterprise zone is located in a HUD Qualified Census Tract.
- 2. For the reasons set forth above, the proposed Hubbell-Douglas Enterprise Zone is hereby given City approval for designation as an enterprise zone pursuant to Iowa Code §15E.194(2), subject to certification by the Iowa Economic Development Authority.
- 3. The Mayor is hereby authorized to execute, where necessary, the accompanying application and any additional documents that may be required in the future to document the City's approval of the Hubbell-Douglas Enterprise Zone, and the City Manager or his designee is hereby authorized to submit the application and to provide the necessary follow-up assistance to pursue certification of the Hubbell-Douglas Enterprise Zone.
- 4. Subject to certification of the Hubbell-Douglas Enterprise Zone by IEDA:
 - a. The City Clerk shall file this Roll Call and notice of the certification of the Hubbell-Douglas Enterprise Zone with the Polk County Assessor and the Polk County Auditor.
 - b. Eligible businesses locating or expanding in the Hubbell-Douglas Enterprise Zone shall be eligible for the benefits allowed within designated enterprise zones.

(Council Communication No. 12- 607)

MOVED by Mahaffey to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER				✓
MOORE	✓			
TOTAL	6			1

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.

T. M. Franklin Mayor

Diane Rauh City Clerk