



Roll Call Number

23-1042

Agenda Item Number

68

Date July 17, 2023

**RESOLUTION CLOSING PUBLIC HEARING ON PETITION AND PROPOSAL  
TO TAKE ACTION FOR EXPANSION AND 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" or "District") 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, Ordinance No. 15,218 passed September 23, 2013, and Ordinance No. 15,700 passed September 10, 2018, the City Council continued the Downtown Des Moines SSMID and continued the Operation Fund and levy until June 30, 2024; and

WHEREAS, on May 22, 2023, by Roll Call No. 23-0741, the City Council received a petition to expand the Downtown Des Moines SSMID by adding to the District parcels abutting I-235 Avenue east of Keo Way, parcels north of Park Street and south of I-235 between 7<sup>th</sup> Street and 12<sup>th</sup> Street, parcels north of Des Moines Street and south of I-235 between East 4<sup>th</sup> Street and Pennsylvania Avenue.

WHEREAS, on May 22, 2023, by Roll Call No. 23-0741, the City Council received a petition to continue 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 10 years, commencing with the levy of taxes for collection in the



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fiscal year beginning July 1, 2024, and continuing for 9 additional years; at a rate not to exceed \$2.25 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, 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.
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



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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 expansion and 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 expansion and continuation of the Downtown Des Moines SSMID project on June 15, 2023 and has submitted its final report and recommendation to the City Council; and

WHEREAS, on July 10, 2023, by Roll Call No. 23-0902, it was duly resolved by the City Council that the Petition and proposal to take action for expansion and continuation of the Downtown Des Moines SSMID be set down for hearing on July 17, 2023; and

WHEREAS, notice of said hearing was published in the Des Moines Register, as provided by law, setting forth the time and place for hearing on said Petition and proposal to take action for expansion and 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 expansion and 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.

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 regarding the sufficiency of the Petition to Expand and 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;



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(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 \$2.25 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 ten (10) years commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2024.

2. The City Council hereby determines that the expansion and 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 expansion and 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



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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 expansion and continuation of the Downtown Des Moines Self-Supported Municipal Improvement District is feasible and will benefit the entire City.

5. The City Council hereby determines that it shall proceed with expansion and continuation of the Downtown Des Moines Self-Supported Municipal Improvement District and the Legal Department is hereby authorized and directed to prepare an ordinance expanding and 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. 23-346)

MOVED BY Mandelbaum TO ADOPT

SECOND BY Gatto

APPROVED AS TO FORM:

/s/ Chas M. Cahill
Chas M. Cahill
Assistant City Attorney

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

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

J. M. Franklin Cownie Mayor

Laura Baumgartner City Clerk