NO CHANGE FROM PREVIOUS READING

CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Amendment No.2 for the Alluvion Urban Renewal Area - City Initiated **DATE:** November 28, 2016

ORDINANCE: Approval of Second Reading of the TIF Ordinance for Willow Creek Plat 1, Lot 4 parcel, and Waive the Third Reading and Adopt in Final Form

ORDINANCE: Approval of Second Reading of the TIF Ordinance for Tract 3 of Amendment No. 2 parcel, Waive the Third Reading and Adopt in Final Form

FINANCIAL IMPACT: The City anticipates spending approximately $9.5-11.5 million which will include construction of public improvements, primarily Veterans Parkway, trails, and water lines.

BACKGROUND: Staff has initiated the process to amend the Alluvion Urban Renewal Plan. The Alluvion Urban Renewal Plan was originally adopted in 2014 and amended in 2015, and is now being amended by this Amendment No. 2 to add land to the Urban Renewal Area boundary; and update the previously identified urban renewal projects. The Area does have a frozen base value as debt was certified for this Urban Renewal Area.

The project boundaries includes land area that is presently in unincorporated Warren County and a portion of the City of Norwalk. Both the City and the County have signed-off on the inclusion of those areas. An October 17, 2016, a consultation meeting was established by the City Council and there was only one person in attendance besides City staff, and they were from the Winterset Community School District. They had no comments. Staff has not received any comments following the consultation meeting. Only tax increment revenues generated from the Microsoft project will be included within the Osmium Tax Increment Financing District.

The original TIF Ordinance was only for Lot 1 of Willow Creek Plat 1, which has recently been built out. On September 19, 2016, the Council passed an ordinance adding Lots 2 and 3 of Willow Creek Plat 1. As was noted in the staff report on the recent additions to the Alluvion TIF district, as future phases are constructed new TIF ordinances would need to be enacted to cover areas of the site that either are under construction or are nearing completion.

Since the Microsoft Alluvion project is a 4-phased project, there is the need now to enact a new TIF Ordinance based upon how construction is proceeding within the Willow Creek Plat 1 on Lot 4. In addition, staff is proposing that the Council enact an ordinance for Tract 3 of Amendment No. 2 parcel. Staff is anticipating a new economic development project for this site in the near future.

The City Council on November 14, 2016, by a 5-0 vote approved the First Reading of the Ordinances and approved the revisions to the Urban Renewal Plan

OUTSTANDING ISSUES: There are no outstanding issues regarding this proposed amendment.

RECOMMENDATION: Staff recommends the approval of the second reading of the Ordinances amending the TIF District, Waiver of the Third Reading and Adoption in Final Form.

Lead Staff Member: Clyde E. Evans, AICP

STAFF REVIEWS

Department Director	Clyde E. Evans, Community and Economic Development Department CEE
Appropriations/Finance	Tim Stiles, Director of Finance
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	DM Register	
Date(s) Published	November 4, 2016	
Letter sent to surrounding property owners		NA

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes ☐	No ☐	Split ☐

ATTACHMENTS:

Exhibit I	TIF Ordinance for Willow Creek Plat 1, Lot 4
Exhibit II	TIF Ordinance for Tract 3 0f Amendment No. 2 Parcel

ORDINANCE NO. _____

AN ORDINANCE PROVIDING THAT GENERAL PROPERTY TAXES LEVIED AND COLLECTED EACH YEAR ON CERTAIN PROPERTY LOCATED WITHIN THE ALLUVION URBAN RENEWAL AREA, IN THE CITY OF WEST DES MOINES, COUNTY OF POLK, STATE OF IOWA, BY AND FOR THE BENEFIT OF THE STATE OF IOWA, CITY OF WEST DES MOINES, COUNTY OF POLK, WEST DES MOINES COMMUNITY SCHOOL DISTRICT, AND OTHER TAXING DISTRICTS, BE PAID TO A SPECIAL FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON LOANS, MONIES ADVANCED TO AND INDEBTEDNESS, INCLUDING BONDS ISSUED OR TO BE ISSUED, INCURRED BY THE CITY IN CONNECTION WITH THE ALLUVION URBAN RENEWAL AREA **(WILLOW CREEK PLAT 1, LOT 4 PARCEL)**

WHEREAS, the City Council of the City of West Des Moines, State of Iowa, after public notice and hearing as prescribed by law and pursuant to Resolution No. 14-05-19-14 passed and approved on the 19th day of May, 2014, adopted an Urban Renewal Plan (the "Urban Renewal Plan") for an urban renewal area known as the Alluvion Urban Renewal Area (the "Urban Renewal Area"), and amended said Plan by Resolution No. 15-03-23-19 on March 23, 2015 ("Amendment No. 1") and Resolution No. _____ on November 14, 2016 ("Amendment No. 2"), which Urban Renewal Area, as amended, includes the lots and parcels located within the area legally described as follows ("**Willow Creek Plat 1, Lot 4 Parcel**"):

Lot 4 of Willow Creek Plat 1, an Official Plat, now included in and forming a part of the City of West Des Moines, Polk County, Iowa; and

WHEREAS, expenditures and indebtedness are anticipated to be incurred by the City of West Des Moines, State of Iowa, to finance urban renewal project activities carried out in furtherance of the objectives of the Urban Renewal Plan; and

WHEREAS, the City Council of the City of West Des Moines, State of Iowa, desires to provide for the division of revenue from taxation on the **Willow Creek Plat 1, Lot 4 Parcel** in the Urban Renewal Area, as above described, in accordance with the provisions of Section 403.19 of the Code of Iowa, as amended. [Note: The **Willow Creek Plat 1, Lot 4 Parcel** is the only portion of the Urban Renewal Area that will be included in this TIF Ordinance. The City has previously adopted separate ordinances which provide for the division of revenue with respect to other portions of the Urban Renewal Area. Nothing in this Ordinance shall amend the other ordinances nor shall this Ordinance impact the base value or division of revenue already established in the previously approved ordinances. The City anticipates that as other parcels develop (increase in value) in the future, the City will adopt additional, separate TIF ordinance(s) on other parcels/areas within the Urban Renewal Area. Therefore, the various TIF ordinances in this Urban Renewal Area will have different frozen bases and different expiration dates.]

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA:

Section 1. That the taxes levied on the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area legally described in the preamble hereof, by and for the benefit of the State of Iowa, City of West Des Moines, County of Polk, West Des Moines Community School District, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in this Ordinance provided.

Section 2. That portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City of West Des Moines, State of Iowa, certifies to the Auditor of Polk County, Iowa the amount of loans, advances, indebtedness, or bonds payable from the division of property tax revenue described herein, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid.

Section 3. That portion of the taxes each year in excess of the base period taxes determined as provided in Section 2 of this Ordinance shall be allocated to and when collected be paid into a special tax increment fund of the City of West Des Moines, State of Iowa, hereby established, to pay the principal of and interest on loans, monies advanced to, indebtedness, whether funded, refunded, assumed or otherwise, including bonds or obligations issued under the authority of Section 403.9 or 403.12 of the Code of Iowa, as amended, incurred by the City of West Des Moines, State of Iowa, to finance or refinance, in whole or in part, urban renewal projects undertaken anywhere within the Urban Renewal Area pursuant to the Urban Renewal Plan, except that (i) taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Iowa Code Section 298.2 and taxes for the instructional support program of a school district imposed pursuant to Iowa Code Section 257.19 (but in each case only to the extent required under Iowa Code Section 403.19(2)); (ii) taxes for the payment of bonds and interest of each taxing district; (iii) taxes imposed under Iowa Code Section 346.27(22) related to joint county-city buildings; and (iv) any other exceptions under Iowa Code Section 403.19 shall be collected against all taxable property within the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area without any limitation as hereinabove provided.

Section 4. Unless or until the total assessed valuation of the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area exceeds the total assessed value of the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area as shown by the assessment roll referred to in Section 2 of this Ordinance, all of the taxes levied and collected upon the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes.

Section 5. At such time as the loans, advances, indebtedness, bonds and interest thereon of the City of West Des Moines, State of Iowa, referred to in Section 3 hereof have been paid, all

monies thereafter received from taxes upon the taxable property in the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

Section 6. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed. The provisions of this Ordinance are intended and shall be construed so as to fully implement the provisions of Section 403.19 of the Code of Iowa, as amended, with respect to the division of taxes from property within the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area as described above. In the event that any provision of this Ordinance shall be determined to be contrary to law, it shall not affect other provisions or application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19 of the Code of Iowa with reference to the **Willow Creek Plat 1, Lot 4 Parcel** of the Urban Renewal Area and the territory contained therein.

Section 7. This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

Section 8. This Ordinance shall be codified in Title I, Chapter 10, Article B of the City Code for West Des Moines, Iowa.

PASSED AND APPROVED this _____ day of _____, 2016.

_____
Mayor

ATTEST:

_____
City Clerk

Read First Time: _____, 2016

Read Second Time: _____, 2016

Read Third Time: _____, 2016

PASSED AND APPROVED: _____, 2016.

I, _____, City Clerk of the City of West Des Moines, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2016, signed by the Mayor on _____, 2016, and published in the Des Moines Register on _____, 2016.

_____
City Clerk, City of West Des Moines, State of Iowa

(SEAL)

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ORDINANCE NO. _____

AN ORDINANCE PROVIDING THAT GENERAL PROPERTY TAXES LEVIED AND COLLECTED EACH YEAR ON CERTAIN PROPERTY LOCATED WITHIN THE ALLUVION URBAN RENEWAL AREA, IN THE CITY OF WEST DES MOINES, COUNTY OF POLK, STATE OF IOWA, BY AND FOR THE BENEFIT OF THE STATE OF IOWA, CITY OF WEST DES MOINES, COUNTY OF POLK, WEST DES MOINES COMMUNITY SCHOOL DISTRICT, AND OTHER TAXING DISTRICTS, BE PAID TO A SPECIAL FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON LOANS, MONIES ADVANCED TO AND INDEBTEDNESS, INCLUDING BONDS ISSUED OR TO BE ISSUED, INCURRED BY THE CITY IN CONNECTION WITH THE ALLUVION URBAN RENEWAL AREA (**TRACT 3 OF AMENMDENT NO. 2 PARCEL**)

WHEREAS, the City Council of the City of West Des Moines, State of Iowa, after public notice and hearing as prescribed by law and pursuant to Resolution No. 14-05-19-14 passed and approved on the 19th day of May, 2014, adopted an Urban Renewal Plan (the "Urban Renewal Plan") for an urban renewal area known as the Alluvion Urban Renewal Area (the "Urban Renewal Area"), and amended said Plan by Resolution No. 15-03-23-19 on March 23, 2015 ("Amendment No. 1") and Resolution No. _____ on November 14, 2016 ("Amendment No. 2"), which Urban Renewal Area, as amended, includes the lots and parcels located within the area legally described as follows ("**Tract 3 of Amendment No. 2 Parcel**"):

TRACT 3

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 27, TOWNSHIP 78 NORTH, RANGE 25 WEST OF THE FIFTH PRINCIPAL MERIDIAN, POLK COUNTY, IOWA;

THENCE NORTH, ALONG THE EAST LINE OF SAID SECTION 27, TO THE NORTH RIGHT OF WAY LINE OF SE WILLOW CREEK DRIVE, SAID POINT BEING THE POINT OF BEGINNING;

THENCE WEST, ALONG THE NORTH RIGHT OF WAY LINE AND RIGHT OF WAY LINE EXTENDED OF SE WILLOW CREEK DRIVE ROAD (FORMERLY ARMY POST ROAD), TO THE EAST RIGHT OF WAY LINE OF FORMER SE 11TH STREET, SAID POINT BEING ON THE EAST LINE OF AMENDMENT NUMBER 1 OF THE ALLUVION URBAN RENEWAL PLAN;

THENCE NORTH, ALONG THE EAST RIGHT OF WAY LINE EXTENDED AND THE EAST RIGHT OF WAY LINE OF FORMER SE

11TH STREET, SAID LINE BEING ON THE EAST LINE OF AMENDMENT NUMBER 1 OF THE ALLUVION URBAN RENEWAL PLAN, TO A POINT 325 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 27, SAID POINT BEING ON THE EAST LINE OF AMENDMENT NUMBER 1 OF THE ALLUVION URBAN RENEWAL PLAN;

THENCE NORTH 89°33'31" EAST (ASSUMED BEARING), SAID LINE BEING ON THE SOUTH LINE OF AMENDMENT NUMBER 1 OF THE ALLUVION URBAN RENEWAL PLAN, A DISTANCE OF 400 FEET;

THENCE NORTH 00°00'00" WEST, SAID LINE BEING ON THE EAST LINE OF AMENDMENT NUMBER 1 OF THE ALLUVION URBAN RENEWAL PLAN, TO THE NORTHWESTERLY RIGHT OF WAY LINE OF VETERANS PARKWAY;

THENCE NORTHEASTERLY, ALONG THE NORTHWESTERLY RIGHT OF WAY LINE OF VETERANS PARKWAY, TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 78 NORTH, RANGE 25 WEST OF THE FIFTH PRINCIPAL MERIDIAN;

THENCE EAST, ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 26, TO THE NORTHWEST CORNER OF PLEASANT RIDGE HEIGHTS, AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, POLK COUNTY, IOWA;

THENCE EAST, ALONG THE NORTH LINE OF SAID PLEASANT RIDGE HEIGHTS, TO THE NORTHEAST CORNER OF LOT 6 OF SAID PLEASANT RIDGE HEIGHTS;

THENCE SOUTH, ALONG THE EAST LINE OF LOT 6 OF SAID PLEASANT RIDGE HEIGHTS, TO THE NORTH RIGHT OF WAY LINE OF SE WILLOW CREEK DRIVE;

THENCE WEST, ALONG THE NORTH RIGHT OF WAY LINE OF SE WILLOW CREEK DRIVE, TO THE POINT OF BEGINNING; and

WHEREAS, expenditures and indebtedness are anticipated to be incurred by the City of West Des Moines, State of Iowa, to finance urban renewal project activities carried out in furtherance of the objectives of the Urban Renewal Plan; and

WHEREAS, the City Council of the City of West Des Moines, State of Iowa, desires to provide for the division of revenue from taxation on the **Tract 3 of Amendment No. 2 Parcel** in the Urban Renewal Area, as above described, in accordance with the provisions of Section

403.19 of the Code of Iowa, as amended. [Note: The **Tract 3 of Amendment No. 2 Parcel** is the only portion of the Urban Renewal Area that will be included in this TIF Ordinance. The City has previously adopted separate ordinances which provide for the division of revenue with respect to other portions of the Urban Renewal Area. Nothing in this Ordinance shall amend the other ordinances nor shall this Ordinance impact the base value or division of revenue already established in the previously approved ordinances. The City anticipates that as other parcels develop (increase in value) in the future, the City will adopt additional, separate TIF ordinance(s) on other parcels/areas within the Urban Renewal Area. Therefore, the various TIF ordinances in this Urban Renewal Area will have different frozen bases and different expiration dates.]

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA:

Section 1. That the taxes levied on the taxable property in the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area legally described in the preamble hereof, by and for the benefit of the State of Iowa, City of West Des Moines, County of Polk, West Des Moines Community School District, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in this Ordinance provided.

Section 2. That portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City of West Des Moines, State of Iowa, certifies to the Auditor of Polk County, Iowa the amount of loans, advances, indebtedness, or bonds payable from the division of property tax revenue described herein, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid.

Section 3. That portion of the taxes each year in excess of the base period taxes determined as provided in Section 2 of this Ordinance shall be allocated to and when collected be paid into a special tax increment fund of the City of West Des Moines, State of Iowa, hereby established, to pay the principal of and interest on loans, monies advanced to, indebtedness, whether funded, refunded, assumed or otherwise, including bonds or obligations issued under the authority of Section 403.9 or 403.12 of the Code of Iowa, as amended, incurred by the City of West Des Moines, State of Iowa, to finance or refinance, in whole or in part, urban renewal projects undertaken anywhere within the Urban Renewal Area pursuant to the Urban Renewal Plan, except that (i) taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Iowa Code Section 298.2 and taxes for the instructional support program of a school district imposed pursuant to Iowa Code Section 257.19 (but in each case only to the extent required under Iowa Code Section 403.19(2)); (ii) taxes for the payment of bonds and interest of each taxing district; (iii) taxes imposed under Iowa Code Section 346.27(22) related to joint county-city buildings; and (iv) any other exceptions under Iowa Code Section 403.19 shall be collected against all taxable property within the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area without any limitation as hereinabove provided.

Section 4. Unless or until the total assessed valuation of the taxable property in the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area exceeds the total assessed value of the taxable property in the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area as shown by the assessment roll referred to in Section 2 of this Ordinance, all of the taxes levied and collected upon the taxable property in the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes.

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Section 6. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed. The provisions of this Ordinance are intended and shall be construed so as to fully implement the provisions of Section 403.19 of the Code of Iowa, as amended, with respect to the division of taxes from property within the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area as described above. In the event that any provision of this Ordinance shall be determined to be contrary to law, it shall not affect other provisions or application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19 of the Code of Iowa with reference to the **Tract 3 of Amendment No. 2 Parcel** of the Urban Renewal Area and the territory contained therein.

Section 7. This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

Section 8. This Ordinance shall be codified in Title I, Chapter 10, Article B of the City Code for West Des Moines, Iowa.

PASSED AND APPROVED this _____ day of _____, 2016.

_____
Mayor

ATTEST:

_____
City Clerk

Read First Time: _____, 2016

Read Second Time: _____, 2016

Read Third Time: _____, 2016

PASSED AND APPROVED: _____, 2016.

I, _____, City Clerk of the City of West Des Moines, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2016, signed by the Mayor on _____, 2016, and published in the Des Moines Register on _____, 2016.

_____
City Clerk, City of West Des Moines, State of Iowa

(SEAL)

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