

**CITY OF WEST DES MOINES
PLAN AND ZONING COMMISSION COMMUNICATION**

Meeting Date: January 30, 2017

Item: Urban Renewal Plan –Coachlight Drive Review Urban Renewal Plan for Conformity with the Comprehensive Plan

Requested Action: Finding of Consistency with the Comprehensive Plan

Case Advisor: Clyde Evans, AICP, Director of Community and Economic Development

Applicant's Request: Staff has initiated the process to create a new Urban Renewal Plan, the Coachlight Drive Urban Renewal Plan. Per the Code of Iowa, Urban Renewal Plans (URA's) are required to be sent to the Plan and Zoning Commission for their review of the URA Plan for conformity with the Comprehensive Plan.

History: Staff is working with an economic development prospect, IMT Insurance, on the development of a new corporate office on a site just to the east of the intersection of South 81st Street and Mills Civic Parkway. The City was successful in assisting IMT in getting an economic development award from the State of Iowa. As part of that award the City must provide a local match in the form of a five-year sliding scale property tax rebate. The City is able to do that type of rebate if the property is in an Urban Renewal Area. In this particular case, the subject site is within the Jordan Creek Urban Renewal Area. However, the Jordan Creek URA is set to expire within the next couple of years. Therefore, the City needs to remove the subject area from the Jordan Creek URA and create a new URA. In this case the City is creating the Coachlight Drive URA.

On February 1, 2017, after proper notification, staff will hold a consultation meeting with affected taxing entities as required by State Code. Following the consultation meeting each taxing entity will have an additional seven days from the consultation meeting to send written recommendations for modification to the Urban Renewal Plan. The deadline for such recommendations is February 8, 2017.

Staff Review and Comment: This request has been reviewed by City staff. Staff is of the opinion that the proposed Urban Renewal Plan generally conforms to the adopted Comprehensive Plan. The property included in the Plan Area has land use categories of Office, and Support Office, which are consistent with the planned uses within the Urban Renewal Area.

Comprehensive Plan Consistency: The Coachlight Drive Urban Renewal Plan as proposed has been reviewed by City staff for consistency with the Comprehensive Plan. Based upon that review, a finding has been made that the proposed Urban Renewal Plan is generally consistent with the Comprehensive Plan in that the plan is consistent with all of the goals and policies of the Comprehensive Plan and the land use map of the Comprehensive Plan.

Staff Recommendation and Conditions of Approval: Based upon the preceding review and a finding of consistency with the goals and policies of the Comprehensive Plan, staff recommends that the Plan and Zoning Commission adopt a resolution finding that the Coachlight Drive Urban Renewal Plan is consistent with the adopted Comprehensive Plan and recommend its approval to the City Council, subject to any applicable State Codes.

Applicant: City of West Des Moines
4200 Mills Civic Parkway
West Des Moines, IA 50265
515-222-3600

Owner: N/A

Applicant's Representative: City of West Des Moines
4200 Mills Civic Parkway
West Des Moines, IA 50265
515-222-3600

Attachments:

- Exhibit I - Proposed Coachlight Drive Urban Renewal Plan
- Exhibit II - Resolution

**COACHLIGHT DRIVE
URBAN RENEWAL PLAN**

for the

**COACHLIGHT DRIVE
URBAN RENEWAL AREA**

**CITY OF WEST DES MONIES,
IOWA**

February 21, 2017

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**Coachlight Drive Urban Renewal Plan
City of West Des Moines, Iowa**

A. INTRODUCTION

This Coachlight Drive Urban Renewal Plan (“Plan” or “Urban Renewal Plan”) for the Coachlight Drive Urban Renewal Area (“Area” or “Urban Renewal Area”) has been developed to help local officials promote economic development in the City of West Des Moines. The primary goal of the Plan is to stimulate, through public involvement and commitment, private investment in new commercial and industrial development.

In order to achieve this objective, West Des Moines (the “City”) intends to undertake Urban Renewal activities pursuant to the powers granted to it under Chapter 403 and Chapter 15A of the Code of Iowa, as amended.

B. DESCRIPTION OF THE URBAN RENEWAL AREA

The Coachlight Drive Urban Renewal Area is described in Exhibit A and illustrated in Exhibit B.

The City reserves the right to modify the boundaries of the Area at some future date.

C. AREA DESIGNATION

With the adoption of this Plan, the City of West Des Moines designates this Urban Renewal Area as an area that is appropriate for the promotion of economic development (commercial and industrial).

D. BASE VALUE

If the Coachlight Drive Urban Renewal Area is legally established, a Tax Increment Financing (TIF) Ordinance is adopted and debt is certified prior to December 1, 2017, the taxable valuation within the area included in the TIF Ordinance as of January 1, 2016 will be considered the frozen “base valuation.” If debt is not certified until a later date or if a TIF ordinance is not adopted until later, the “base value” will be the assessed value of the taxable property within the TIF Ordinance area as of January 1 of the calendar year preceding the calendar year in which the City first certifies the amount of any debt on the Area.

E. DEVELOPMENT PLAN/ZONING

West Des Moines has a general plan for the physical development of the City as a whole outlined in the West Des Moines Comprehensive Plan dated September 20, 2010. The goals and objectives of this Urban Renewal Plan, including the urban renewal projects, are in conformity with the 2010 Comprehensive Plan.

The Urban Renewal Area is zoned office, regional commercial, and medium density residential. This Urban Renewal Plan does not in any way replace or modify the City's current land use planning or zoning regulation process.

The need for improved traffic, public transportation, public utilities, recreational and community facilities, or other public improvements within the Urban Renewal Area is set forth in this Plan. As the Area develops, the need for public infrastructure extensions and upgrades will be evaluated and planned for by the City.

F. PLAN OBJECTIVES

Renewal activities are designed to provide opportunities, incentives, and sites for new and existing economic development within the Area. More specific objectives for the development, redevelopment and rehabilitation within the Coachlight Drive Urban Renewal Area are as follows:

1. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.
2. To plan for and provide sufficient land for commercial and industrial development in a manner that is efficient from the standpoint of providing municipal services.
3. To provide for the installation of public works and facilities including, but not limited to, water, sanitary sewer and other public improvements, which contribute to the revitalization of the area and to the sound development of the entire City.
4. To encourage commercial and industrial growth and expansion through governmental policies which make it economically feasible to do business.
5. To provide a more marketable and attractive investment climate through the use of various federal, state and local incentives.
6. To stimulate, through public action and commitment, private investment in new and existing commercial and/or industrial development.
7. To improve the conditions and opportunities for economic development (commercial and industrial).
8. To help develop a sound economic base that will serve as the foundation for future growth and development.
9. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.

G. TYPES OF RENEWAL ACTIVITIES

To meet the objectives of this Urban Renewal Plan and to encourage orderly development of the area, the City intends to utilize the powers conferred under Chapter 403 and Chapter 15A, Code of Iowa. Activities may include:

- New rehabilitated, converted, or expanded industrial uses within the Area.
- New, rehabilitated, converted, or expanded commercial uses within the Area.

General development activities in the Coachlight Drive Urban Renewal Area may include:

1. To undertake and carry out urban renewal projects through the execution of contracts and other instruments.
2. To arrange for or cause to be provided the construction or repair of public infrastructure including but not limited to streets, curb and gutter, street lighting, water, sanitary sewer, public utilities or other facilities in connection with urban renewal projects.
3. To make loans, forgivable loans, grants, tax rebate payments or other types of economic development grants or incentives to private persons, local development organizations, or businesses for economic development purposes on such terms as may be determined by the City Council.
4. To borrow money and to provide security therefor.
5. To acquire or dispose of property.
6. To provide for the construction of specific site improvements such as grading and site preparation activities, access roads and parking, fencing, utility connections, and related activities.
7. To acquire property through a variety of means (purchase, lease, option, etc.) and to hold, clear, or prepare the property for redevelopment.
8. To make or have made surveys and plans necessary for the implementation of the Urban Renewal Plan or specific urban renewal projects.
9. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City of West Des Moines.

Nothing herein shall be construed as a limitation on the power of the City to exercise any lawful power granted to the City under Chapter 15, Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of this Urban Renewal Plan.

H. ELIGIBLE URBAN RENEWAL PROJECTS

1. Public Improvements

Urban Renewal Project Description	Estimated Time Period	Estimated Cost to be reimbursed by tax increment financing	Rationale (why economic development is promoted)
Construction of Coachlight Drive from South 81st Street to South Jordan Creek Parkway	2017-2018	\$3,600,000 - \$4,100,000	The construction of this collector street will help facilitate the movement of people and goods thru the area and help relieve traffic congestion on surrounding streets.
Construction of Mills Civic Parkway from South 81st Street to South Jordan Creek Parkway	2017-2018	\$3,400,000 - \$3,900,000	The construction of this arterial street will help facilitate the movement of people and goods thru the area, and help relieve traffic congestion on surrounding streets.
Construction of 77th Street from Mills Civic Parkway to Coachlight Drive	2017-2018	\$980,000- \$1,200,000	The construction of this arterial street will help facilitate the movement of people and goods thru the area, and help relieve traffic congestion on surrounding streets.
Construction of 81st Street from Mills Civic Parkway to Coachlight Drive	2017-2018	\$920,000 - \$1,200,000	The construction of this arterial street will help facilitate the movement of people and goods thru the area, and help relieve traffic congestion on surrounding streets.
Total		\$8,900,000 to \$10,400,000	

Note: It may be that the above costs will be reduced by the application of state and/or federal grants or programs; cost-sharing agreements with other entities; or other available sources of funds.

2. Tax Rebate or other Development Agreements

A. *Economic development incentive for a business in West Des Moines:* IMT Insurance Company plans to construct an office building of approximately 82,000 square feet and employ at least 295 employees therein. The construction of the building is expected to be completed by December 31, 2018, with construction costs anticipated to be no less than approximately \$27,000,000. The incentive is expected to be in the form of an incremental property tax rebate provided pursuant to a detailed Development Agreement between the City and IMT. The costs of such a Development Agreement to be funded by tax increment will not exceed \$900,000. Actual expense could change due to a variety of factors, including but not limited to changes in tax levies or rates, changes in tax laws, changes in assessed values, and other factors.

B. *Development Agreements:* The City expects to consider requests for Development Agreements for projects that are consistent with this Plan, in the City's sole discretion. Such Agreements are unknown at this time, but based on past history, and dependent on development opportunities and climate, the City expects to consider a broad range of incentives as authorized by this Plan, including but not limited to land, loans, grants, tax rebates, infrastructure assistance and other incentives. The costs of such Development Agreements will not exceed \$5,000,000.

3. Planning, engineering fees (for urban renewal plans), attorney fees, other related costs to support urban renewal projects and planning

Project	Date	Estimated cost
Fees and costs	Undetermined	Not to exceed \$200,000

I. FINANCIAL DATA

1.	July 1, 2016 constitutional debt limit:	\$212,760,921
2.	Current outstanding general obligation debt:	\$132,715,000
3.	Proposed amount of indebtedness to be incurred: A specific amount of debt to be incurred for the Eligible Urban Renewal Projects has not yet been determined. This document is for planning purposes only. The estimated project costs in this Plan are estimates only and will be incurred and spent over a number of years. In no event will the City's constitutional debt limit be exceeded. The City Council will consider each project proposal on a case-by-case basis to determine if it is in	\$15,000,000- \$16,500,000

	<p>the City's best interest to participate before approving an urban renewal project or expense. It is further expected that such indebtedness, including interest on the same, may be financed in whole or in part with tax increment revenues from the Urban Renewal Area. Subject to the foregoing, it is estimated that the cost of the Eligible Urban Renewal Projects as described above will be approximately as stated in the next column:</p>	<p>This total does not include financing costs related to debt issuance, which will be incurred over the life of the Area.</p>
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J. URBAN RENEWAL FINANCING

The City of West Des Moines intends to utilize various financing tools such as those described below to successfully undertake the proposed urban renewal actions. The City of West Des Moines has the statutory authority to use a variety of tools to finance physical improvements within the Areas. These include:

A. Tax Increment Financing

Under Section 403.19 of the Iowa Code, urban renewal areas may utilize the tax increment financing mechanism to finance the costs of public improvements or economic development incentives associated with redevelopment projects. Upon creation of a tax increment district within the Area, by ordinance, the assessment base is frozen and the amount of tax revenue available from taxes paid on the difference between the frozen base and the increased value, if any, is segregated into a separate fund for the use by the City to pay costs of the eligible urban renewal projects. The increased taxes generated by any new development, above the base value, are distributed to the taxing entities, if not requested by the City.

B. General Obligation Bonds

Under Division III of Chapter 384 and Chapter 403 of the Iowa Code, the City has the authority to issue and sell general obligation bonds for specified essential and general corporate purposes, including the acquisition and construction of certain public improvements within the Area or incentives for development consistent with this Plan. Such bonds are payable from the levy of unlimited ad valorem taxes on all the taxable property within the City of West Des Moines. It may be the City will elect to abate some or all of the debt service on these bonds with incremental taxes from this Area.

The City may also determine to use tax increment financing to provide incentives such as cash grants, loans, tax rebates or other incentives to developers in connection with urban renewal projects for commercial or industrial development or other urban renewal projects. In addition, the City may determine to issue general obligation bonds, tax increment revenue bonds or such other obligations, or loan agreements for the purpose of making loans or grants of public funds to private businesses located in the

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Areas. Alternatively, the City may determine to use available funds for making such loans or grants for urban renewal projects. In any event, the City may determine to use tax increment financing to reimburse the City for any obligations or advances.

Nothing herein shall be construed as a limitation on the power of the City to exercise any lawful power granted to the City under Chapter 15, Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of this Urban Renewal Plan.

K. PROPERTY ACQUISITION/DISPOSITION

If property acquisition/disposition by the City becomes necessary to accomplish the objectives of the Plan, such acquisition/disposition will be carried out, without limitation, in accordance with the Iowa Code.

L. RELOCATION

The City does not expect there to be any relocation required as part of the eligible urban renewal projects; however, if any relocation is necessary, the City will follow all applicable relocation requirements.

M. STATE AND LOCAL REQUIREMENTS

All provisions necessary to conform to state and local laws will be complied with by the City in implementing this Urban Renewal Plan and its supporting documents.

N. URBAN RENEWAL PLAN AMENDMENTS

This Urban Renewal Plan may be amended from time to time for a variety of reasons, including but not limited to, change in the area, to add or change land use controls and regulations, to modify goals or types of renewal activities, to add or change urban renewal projects, or to amend property acquisition and disposition provisions. The City Council may amend this Plan in accordance with applicable state law.

O. EFFECTIVE PERIOD

This Urban Renewal Plan will become effective upon its adoption by the City Council and will remain in effect as a Plan until it is repealed by the City Council.

With respect to the property included within the Coachlight Drive Urban Renewal Area, which is also included in an ordinance which designates that property as a tax increment area, the use of incremental property tax revenues or the "division of revenue," as those words are used in Chapter 403 of the Code of Iowa, shall continue for the maximum period allowed by law.

It is also anticipated that separate TIF ordinances for separate parcel(s) may be adopted as development in the Area warrants. In this case, each separate TIF ordinance may have a separate base and separate sunset.

At all times, the use of tax increment financing revenues (including the amount of loans, advances, indebtedness or bonds which qualify for payment from the division of revenue provided in Section 403.19 of the Code of Iowa) by the City for activities carried out under the Coachlight Drive Urban Renewal Area shall be limited as deemed appropriate by the City Council and consistent with all applicable provisions of law.

P. SEVERABILITY CLAUSE

If any part of the Plan is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan as a whole, or any part of the Plan not determined to be invalid or unconstitutional.

EXHIBIT A

LEGAL DESCRIPTION OF COACHLIGHT DRIVE URBAN RENEWAL AREA

A TRACT OF LAND IN SECTION 14, TOWNSHIP 78 NORTH, RANGE 26 WEST OF THE FIFTH PRINCIPAL MERIDIAN, CITY OF WEST DES MOINES, DALLAS COUNTY, IOWA , IS INCLUDED IN THE COACHLIGHT URBAN RENEWAL PLAN AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT A, VILLAS AT BRIDGEWOOD PLAT 1, AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, DALLAS COUNTY , IOWA, WITH SAID POINT OF BEGINNING BEING LOCATED ON THE EAST LINE OF SECTION 14, TOWNSHIP 78 NORTH, RANGE 26 WEST OF THE FIFTH PRINCIPAL MERIDIAN;

THENCE SOUTH, ALONG THE EAST LINE OF SAID SECTION 14, TO THE SOUTH RIGHT OF WAY LINE EXTENDED OF MILLS CIVIC PARKWAY;

THENCE WEST, ALONG THE SOUTH RIGHT OF WAY LINE EXTENDED AND THE SOUTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY, TO THE EAST RIGHT OF WAY LINE OF SOUTH 81ST STREET;

THENCE SOUTH, ALONG THE EAST RIGHT OF WAY LINE OF SOUTH 81ST STREET, A DISTANCE OF 250 FEET;

THENCE WEST, ALONG A LINE 250 FEET SOUTH OF AND PARALLEL TO THE SOUTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY, TO THE WEST RIGHT OF WAY LINE OF SOUTH 81ST STREET;

THENCE NORTH, ALONG THE WEST RIGHT OF WAY LINE OF SOUTH 81ST STREET, TO THE SOUTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY;

THENCE WEST, ALONG THE SOUTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY, TO THE INTERSECTION OF THE WEST LINE EXTENDED OF STREET LOT P, HERITAGE BEND PLAT 1,

AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, DALLAS COUNTY, IOWA;

THENCE NORTH, ALONG THE WEST LINE EXTENDED OF STREET LOT P OF SAID HERITAGE BEND PLAT 1, TO THE SOUTHWEST CORNER OF SAID STREET LOT P;

THENCE NORTH, ALONG THE WEST LINE OF STREET LOT P OF SAID HERITAGE BEND PLAT 1, TO THE NORTHWEST CORNER OF SAID LOT P, SAID POINT BEING LOCATED ON THE NORTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY;

THENCE EAST, ALONG THE NORTH RIGHT OF WAY LINE OF MILLS CIVIC PARKWAY, TO THE WEST RIGHT OF WAY LINE OF SOUTH 81ST STREET;

THENCE NORTH, ALONG THE WEST RIGHT OF WAY LINE OF SOUTH 81ST STREET, TO THE SOUTH LINE EXTENDED OF BRIDGEWOOD SOUTH, AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, DALLAS COUNTY, IOWA;

THENCE EAST, ALONG THE SOUTH LINE EXTENDED OF SAID BRIDGEWOOD SOUTH, TO THE SOUTHWEST CORNER OF SAID BRIDGEWOOD SOUTH;

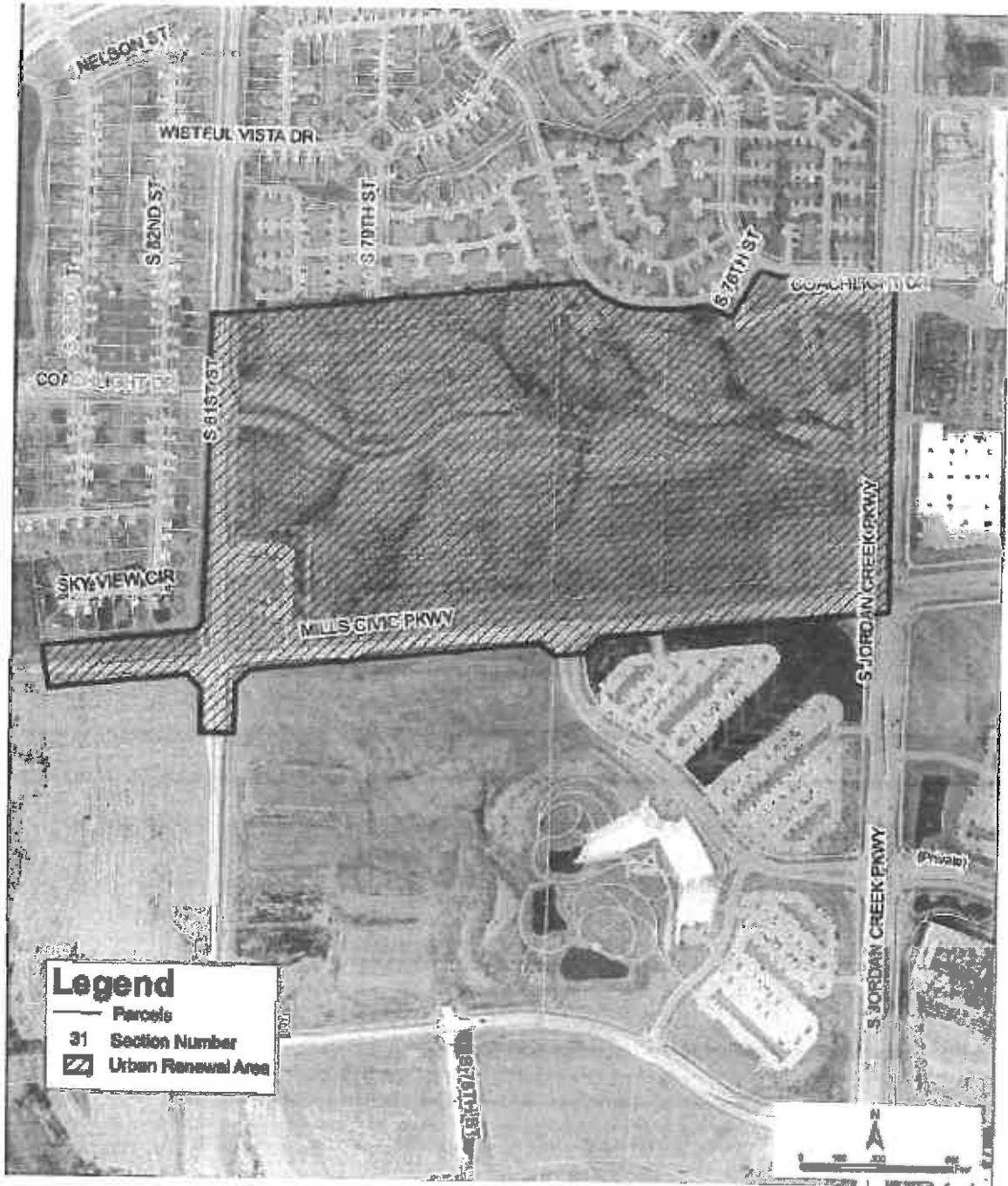
THENCE EAST, ALONG THE SOUTH LINE OF SAID BRIDGEWOOD SOUTH SUBDIVISION, TO THE SOUTHWESTERLY LINE OF GARDENS AT BRIDGEWOOD PLAT 2, AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, DALLAS COUNTY, IOWA;

THENCE EASTERLY, ALONG THE SOUTHERLY LINE OF SAID GARDENS AT BRIDGEWOOD PLAT 2, TO THE SOUTHWESTERLY LINE OF VILLAS AT BRIDGEWOOD PLAT 1, AN OFFICIAL SUBDIVISION NOW IN AND FORMING A PART OF THE CITY OF WEST DES MOINES, DALLAS COUNTY, IOWA;

THENCE EASTERLY, ALONG THE SOUTHERLY LINE OF SAID VILLAS AT BRIDGEWOOD PLAT 1, TO THE SOUTHEAST CORNER OF LOT A, OF SAID VILLAS AT BRIDGEWOOD PLAT 1, SAID POINT BEING THE POINT OF BEGINNING;

EXHIBIT B

COACHLIGHT DRIVE URBAN RENEWAL AREA MAP



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RESOLUTION NO. PZC

A RESOLUTION OF THE PLAN AND ZONING COMMISSION OF THE CITY OF WEST DES MOINES, FINDING THE PROPOSED COACHLIGHT DRIVE URBAN RENEWAL PLAN CONFORMS WITH THE GENERAL PLAN FOR DEVELOPMENT

WHEREAS, pursuant to the provisions of Title 9, Chapter 1 et seq, of the West Des Moines Municipal Code, the applicant, The City of West Des Moines, has requested approval for the creation of the Coachlight Drive Urban Renewal Plan for that property located at the northwest corner of Jordan Creek Parkway and Mills Civic Parkway for the purpose of creating the Coachlight Drive Urban Renewal Plan;

WHEREAS, studies and investigations were made, and staff reports and recommendations were submitted which is made a part of this record and herein incorporated by reference;

WHEREAS, on January 30, 2017, this Commission held a duly-noticed public meeting to consider the application for the creation of a new Urban Renewal Plan;

NOW, THEREFORE, THE PLAN AND ZONING COMMISSION OF THE CITY OF WEST DES MOINES DOES RESOLVE AS FOLLOWS:

SECTION 1. The finding, of consistency, in the staff report, dated January 30, 2017, or as amended orally at the Plan and Zoning Commission hearing of January 30, 2017, is adopted.

SECTION 2. In accordance with applicable State statutory provisions, the proposed creation of the Osmium Urban Renewal Plan is found to be in conformity with the general plan for development of the City and recommended to the City Council for approval.

PASSED AND ADOPTED on January 30, 2017.

ATTEST:

Craig Erickson, Chairperson
Plan and Zoning Commission

Recording Secretary

I HEREBY CERTIFY that the foregoing resolution was duly adopted by the Plan and Zoning Commission of the City of West Des Moines, Iowa, at a regular meeting held on January 30, 2017, by the following vote:

- AYES:
- NAYS:
- ABSTENTIONS:
- ABSENT:

ATTEST:

Recording Secretary