

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

**Meeting Date:** October 9, 2017

**Item:** Urban Renewal Plan –EP True Parkway Urban Renewal Plan for Conformity with the Comprehensive Plan

**Requested Action:** Finding of Conformance 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 EP True Parkway Urban Renewal Plan. Per the Code of Iowa, Urban Renewal Plans (URP's) are required to be sent to the Plan and Zoning Commission for their review of the Urban Renewal Plan for conformity with the Comprehensive Plan.

**History:** Staff is working with an economic development prospect, Ridgway Properties, LLC, on the redevelopment of the property at 50<sup>th</sup> Street and EP True Parkway for their tenant, Bike World. This property is eligible for the Property Tax Rebate program, which is a program to encourage redevelopment of vacant or underutilized retail, office, mixed-use and industrial building and sites. As part of that program the City will provide a five-year 100% property tax rebate on the incremental value as a result of the redevelopment project. The City is able to do that type of rebate if the property is in an Urban Renewal Area (URA). In this particular case, the subject site is not within an existing urban renewal area. Therefore, the City needs to create a new URA. In this case the City is creating the EP True Parkway URA.

On September 27, 2017, after proper notification, staff held a consultation meeting with affected taxing entities as required by State Code. Following the consultation meeting each taxing entity had an additional seven days from the consultation meeting to send written recommendations for modifications to the Urban Renewal Plan. The deadline for such recommendations was October 4, 2017, and none were received.

**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 Neighborhood Commercial and PUD – Business and Commercial, which are consistent with the planned uses within the Urban Renewal Area.

**Comprehensive Plan Consistency:** The EP True Parkway 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 EP True Parkway 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:**

- Attachment A - Plan and Zoning Commission Resolution
- Attachment B - Urban Renewal Area Map
- Attachment C - Urban Renewal Plan

**RESOLUTION NO. PZC -17-098**

**A RESOLUTION OF THE PLAN AND ZONING COMMISSION OF THE CITY OF WEST DES MOINES, FINDING THAT THE PROPOSED CREATION OF THE EP TRUE PARKWAY URBAN RENEWAL PLAN CONFORMS TO THE GENERAL PLAN FOR DEVELOPMENT OF THE CITY**

**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 that a finding of consistency with the General Plan for the EP True Parkway Urban Renewal Plan be made for that property generally located at the intersection of EP True Parkway and 50<sup>th</sup> Street and classified as commercial;

**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 October 9, 2017, this Commission held a duly-noticed public meeting to consider the application for the creation of the EP True Parkway 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 October 9, 2017, or as amended orally at the Plan and Zoning Commission hearing of October 9, 2017, is adopted.

**SECTION 2.** In accordance with applicable State statutory provisions, the proposed amendment of the EP True Parkway 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 October 9, 2017.

ATTEST:

\_\_\_\_\_  
Craig Erickson, Chairperson  
Plan and Zoning Commission

\_\_\_\_\_  
Recording Secretary

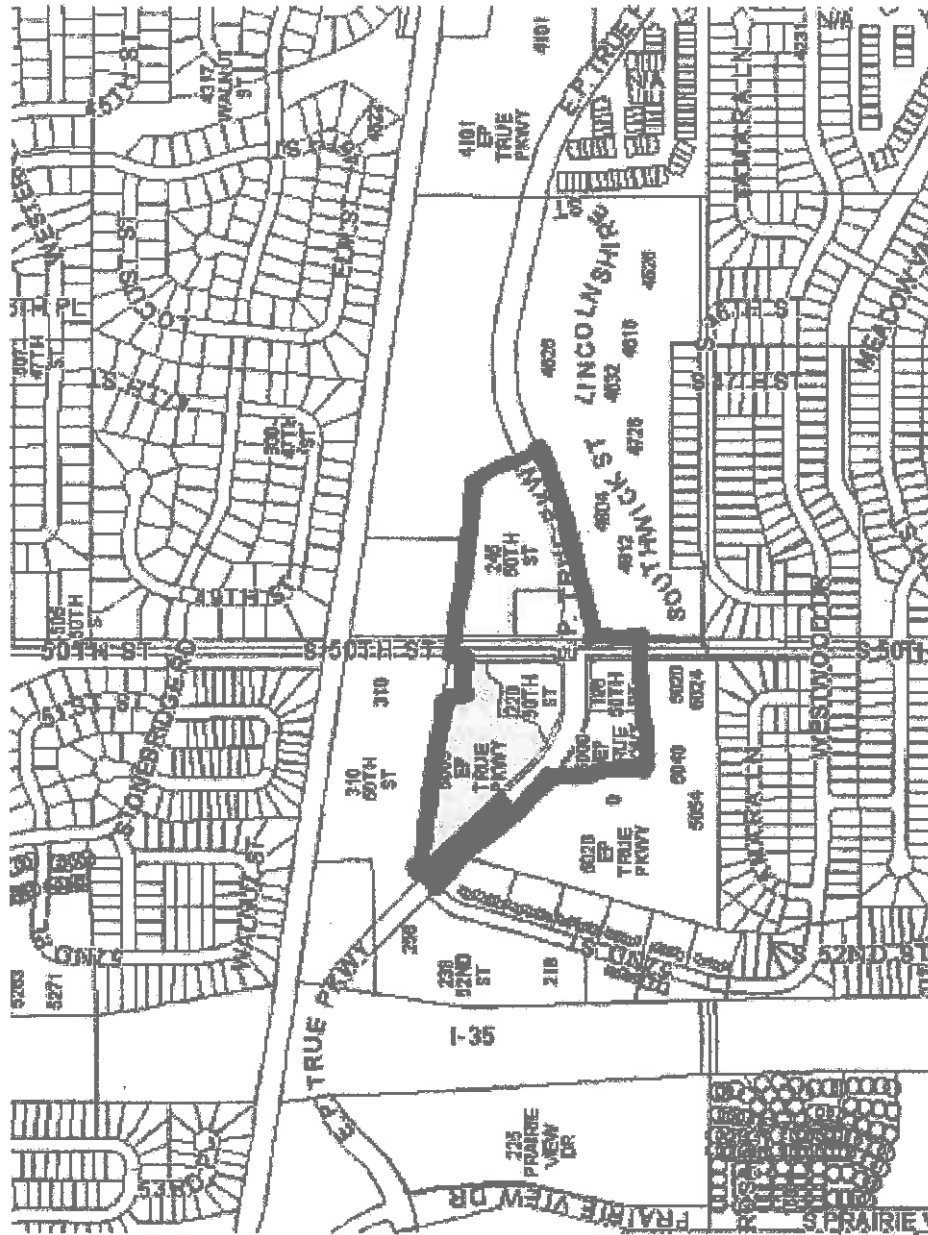
I HEREBY CERTIFY that the foregoing resolution was duly adopted by the Plan and Zoning Commission of the City of West Des Moines, Iowa, at a regular meeting held on October 9, 2017, by the following vote:

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

ATTEST:

\_\_\_\_\_  
Recording Secretary

EP TRUE PARKWAY URBAN RENEWAL AREA MAP



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**EP TRUE PARKWAY  
URBAN RENEWAL PLAN**

**for the**

**EP TRUE PARKWAY  
URBAN RENEWAL AREA**

**CITY OF WEST DES MOINES,  
IOWA**

**October 16, 2017**

## TABLE OF CONTENTS

### *SECTION*

A.	INTRODUCTION	3
B.	DESCRIPTION OF THE URBAN RENEWAL AREA	3
C.	AREA DESIGNATION	3
D.	BASE VALUE	3
E.	DEVELOPMENT PLAN/ZONING	3
F.	PLAN OBJECTIVES	4
G.	TYPES OF RENEWAL ACTIVITIES	5
H.	ELIGIBLE URBAN RENEWAL PROJECT(S)	6
I.	FINANCIAL DATA	7
J.	URBAN RENEWAL FINANCING	7
K.	PROPERTY ACQUISITION/DISPOSITION	8
L.	RELOCATION	8
M.	STATE AND LOCAL REQUIREMENTS	8
N.	URBAN RENEWAL PLAN AMENDMENTS	8
O.	EFFECTIVE PERIOD	9
P.	SEVERABILITY CLAUSE	9
 <i>EXHIBITS</i>		
A.	LEGAL DESCRIPTION OF AREA	10
B.	URBAN RENEWAL AREA MAP	12

**EP True Parkway Urban Renewal Plan  
City of West Des Moines, Iowa**

**A. INTRODUCTION**

This EP True Parkway Urban Renewal Plan (“Plan” or “Urban Renewal Plan”) for the EP True Parkway 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 EP True Parkway 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 EP True Parkway 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: Neighborhood Commercial and PUD – Business and Commercial. 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, if any, 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 EP True Parkway 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.



## 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 EP True Parkway 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**

Although certain project activities may occur over a period of years, the eligible urban renewal projects under this Urban Renewal Plan include:

**1. Tax Rebate or other Development Agreements**

**A. *Economic development incentive for a business in West Des Moines:*** Ridgway Properties, L.L.C. plans to renovate the interior and exterior of a 55,383 square foot building and lease the improvements to Bike World Iowa, LLC who will employ approximately 40 employees therein. The renovation of the building is expected to be completed by February 2018, with renovation costs anticipated to be no less than approximately \$3,000,000. The incentive is expected to be in the form of a five (5) year incremental property tax rebate not to exceed an aggregate amount of \$142,500, to be provided pursuant to a detailed Development Agreement among the City, Ridgway Properties, L.L.C., and Bike World Iowa, LLC. The actual incentive amount 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. *Property Tax Rebate (“PTR”) Program:*** The City expects to enter into Development Agreements with property owners that engage in eligible projects in the Area that are approved for participation in the PTR Program. The Development Agreement will, among other things, require the property owner to make specified improvements to property in the Area requiring at least \$500,000 in investment; agree not to seek tax rebate/abatement through any other law, program, plan or policy; and create or retain at least five (5) full-time equivalent employees at the improved property, all in conformity with the PTR Program. In exchange, the property owner would be eligible for up to a five-year, 100% Tax Increment rebate incentive, unless an alternative schedule or incentive is approved by the Council. The costs of the PTR Program will not exceed \$5,000,000

**C. *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 \$1,000,000.

**2. 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 \$100,000

**I. FINANCIAL DATA**

1.	July 1, 2017 constitutional debt limit:	\$359,449,675
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 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:	\$6,242,500 This total does not include financing costs related to debt issuance, which will be incurred over the life of the Area.

**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 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 EP True Parkway 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.

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 EP True Parkway 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 EP TRUE PARKWAY URBAN RENEWAL AREA

All that land enclosed by the following description, being a portion of or a complete lot of the following: Lots A and B of Southwoods Plat 1, Lot a of Southwoods East Plat 3, Lots A, B, C and 1 of Westbrooke Plat 1, Lots A and 1 of Southwoods East Plat 4, Lots A, B, 1 and 2 of Southwoods Plat 2, all being Official Plats, now included in and forming a part of the City of West Des Moines, Polk County, Iowa, and that part of Section 8, Township 78 North, Range 25 West of the 5th P.M., now included in and forming a part of the City of West Des Moines, Polk County, Iowa, lying West of Lot A Southwoods East Plat 3 and Lot A Southwoods East Plat 4, all being more particularly described as follows:

Beginning at the Northeast corner of said Lot 1 Southwoods East Plat 4, thence South  $27^{\circ}52'42''$  East, along the East line of said Lot 1, a distance of 199.02 feet, to the Southeast corner of said Lot 1, also being a point on the North line of Lot A Southwoods East Plat 3 and the North line of E.P. True Parkway right-of-way; thence South  $27^{\circ}41'14''$  East, a distance of 100.00 feet, to a point on the South line of Lot A Southwoods East Plat 3 and the South line of E. P. True right-of-way; thence continuing along said Lot A and South right-of-way of E.P. True Parkway, along a curve to the left having a radius of 878.27 feet, a delta of  $02^{\circ}07'01''$ , an arc length of 32.45 feet, and a chord which bears South  $61^{\circ}15'15''$  West having a chord distance of 32.45 feet; thence South  $60^{\circ}00'49''$  West, along said Lot A and South right-of-way line of E.P. True Parkway, a distance of 122.29 feet; thence continuing along said Lot A and South right-of-way line of E.P. True Parkway, along a curve to the right having a radius of 942.00 feet, a delta of  $29^{\circ}59'42''$ , an arc length of 493.15 feet, and a chord which bears South  $75^{\circ}00'41''$  West having a chord distance of 487.54 feet; thence North  $89^{\circ}59'29''$  West, along said Lot A and South right-of-way line of E.P. True Parkway, a distance of 158.00 feet; thence continuing along said Lot A and South right-of-way of E.P. True Parkway, along a curve to the left having a radius of 35.00 feet, a delta of  $90^{\circ}00'00''$ , an arc length of 54.98 feet, and a chord which bears South  $45^{\circ}00'31''$  West having a chord distance of 49.50 feet, to a point on the East right-of-way of 50th Street; thence South  $00^{\circ}00'22''$  West, along the East line of said Lot A and East right-of-way of 50th Street, a distance of 205.15 feet; thence North  $89^{\circ}59'29''$  West, a distance of 100.01 feet, to a point on the West line of Lot B Westbrooke Plat 1, also being on the West right-of-way of 50th Street and being the Southeast corner of Lot 1 Westbrooke Plat 1; thence North  $89^{\circ}59'29''$  West, along the South line of said Lot 1, a distance of

500.00 feet, to the Southwest Corner of said Lot 1; thence North 00°00'30" East, along the West line of said Lot 1, a distance of 385.97 feet, to the Northwest corner of said Lot 1, being a point on the South line of Lot A Westbrooke Plat 1 and the South right-of-way of E.P. True Parkway; thence North 45°28'31" West, along the South line of said Lot A and the South right-of-way of E.P. True Parkway, a distance of 503.04 feet, to the Southwest corner of said Lot A; thence North 16°05'19" East, a distance of 11.49 feet, to the Northwest corner of said Lot A, also being a point on the South line of Lot B Southwoods Plat 1; thence North 45°28'31" West, along said South line of Lot B and the South right-of-way of E.P. True Parkway, a distance of 234.15 feet; thence North 44°30'34" East, a distance of 80.00 feet, to the Southwest corner of Lot B Southwoods Plat 2, also being a point on the North right-of-way of E.P. True Parkway; thence South 81°33'37" East, along the North line of Said Lot B and Lot 2 of Southwoods Plat 2, a distance of 845.51 feet; thence South 00°00'31" West, a distance of 45.51 feet; thence South 89°58'31" East, a distance of 130.00 feet, to a point on the West line of Lot A Southwoods Plat 2 and the West right-of-way line of 50th Street; thence North 00°00'31" East, along the West line of said Lot A and right-of-way of 50th Street, a distance of 26.24 feet; thence South 81°33'37" East, along the North line of said Lot A, a distance of 17.19 feet, to the Northeast corner of said Lot A; thence South 76°16'40" East, a distance of 85.43 feet, to the Northwest corner of said Lot 1 Southwoods East Plat 4; thence South 81°34'53" East, along the North line of said Lot 1, a distance of 428.04 feet, to the Southeast corner of Outlot 3 Southwoods East Plat 4; thence continuing along said North line, South 81°34'54" East, a distance of 237.85 feet to the Point of Beginning, and containing 23.10 acres of land, more or less.

EXHIBIT B

EP TRUE PARKWAY URBAN RENEWAL AREA MAP



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