CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Amendment No. 2 Osmium Urban Renewal Area – City Initiated **DATE:** August 20, 2018

RESOLUTION: Approval of the Resolution amending this plan

FINANCIAL IMPACT: Not determined at this time.

BACKGROUND: The Osmium Urban Renewal Plan was originally adopted on November 14, 2016, and amended on March 5, 2018. Staff has initiated the process to amend the Osmium Urban Renewal Plan. On July 23, 2018, staff established a consultation meeting for Monday, August 06. The Plan is now being amended by this, Amendment No. 2, to add additional projects, specifically fiber conduit.

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

RECOMMENDATION: Staff recommends that the City Council approve of the Resolution amending the Urban Renewal plan.

Lead Staff Member: Rachel Wacker Bailey, Community and Economic Development

STAFF REVIEWS

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

PUBLICATION(S) (if applicable)

Published In	Des Moines Register
Dates(s) Published	08/10/18

SUBCOMMITTEE REVIEW (if applicable)

Committee	F&A		
Date Reviewed	June 13, 2018		
Recommendation	X Yes	☐ No	

ATTACHMENTS:

Exhibit I	Proposed Osmium Urban Renewal Plan Amendment No. 2
Exhibit II	Resolution

CITY OF WEST DES MOINES, IOWA

URBAN RENEWAL PLAN AMENDMENT #2
OSMIUM URBAN RENEWAL AREA

August, 2018

The Urban Renewal Plan (the "Plan") for the Osmium Urban Renewal Area (the "Urban Renewal Area") is being amended for the purposes of identifying a new urban renewal project to be undertaken therein.

1) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following project description:

Name of Project: Fiber Optic Installation Project

Name of Urban Renewal Area: Osmium Urban Renewal Area

Date of Council Approval of Project: August 20, 2018

Description of Project and Project Site: The Fiber Optic Installation Project will consist of the installation of fiber optic cable conduit and a high-bandwidth fiber optic network in the Urban Renewal Area:

It is expected that the completed Fiber Optic Installation Project will cause increased and improved ability of the City to provide adequate communication infrastructure for the growth and retention of commercial and industrial enterprises in the City.

Description of Properties to be Acquired in Connection with Project: The City will acquire such easement territory and rights-of-way as are necessary to successfully undertake the Fiber Optic Installation Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Fiber Optic Installation Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In either case, the City's obligation will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Fiber Optic Installation Project will not exceed $8,500,000.

2) **Required Financial Information.** The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	$396,559,236
Outstanding general obligation debt of the City:	$185,890,000
Proposed debt to be incurred in under this August, 2018 Amendment:	$* 8,500,000

* Plus any interest expense incurred by the City on any borrowing undertaken for the funding of the Projects described in this Amendment.

EXHIBIT II

RESOLUTION NO._____

Resolution to Approve Urban Renewal Plan Amendment #3 for the Alluvion Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the rehabilitation, conservation, redevelopment, development or a combination thereof, of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, this City Council of the City of West Des Moines, Iowa (the "City") by prior resolution established the Alluvion Urban Renewal Area (the "Urban Renewal Area") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which authorizes the undertaking of new urban renewal projects (the "Projects") in the Urban Renewal Area consisting of (i) using tax increment financing to pay the costs of installing fiber optic cable conduit and a high-bandwidth fiber optic network; and (ii) using tax increment financing to pay the costs of constructing street improvements, including street widening and paving, street reconstruction, street realignment and the installation of traffic signals, in order to provide adequate transportation infrastructure for the growth and retention of commercial enterprises in the City; and

WHEREAS, notice of a public hearing by the City Council on the proposed Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on August 20, 2018; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to the appropriate affected taxing entities; the consultation meeting was held on the 6th day of August, 2018; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of West Des Moines, Iowa, as follows:

Section 1. The Amendment, attached hereto as Exhibit 1 and made a part hereof, is hereby in all respects approved.

Section 2. It is hereby determined by this City Council as follows:

A. The Projects proposed under the Amendment conform to the general plan for the development of the City;

B. The Projects proposed under the Amendment are necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

C. It is not anticipated that families will be displaced as a result of the City's undertakings under the Amendment. Should such issues arise with future projects, then the City will ensure that a feasible method exists to carry out any relocations without undue hardship to the displaced and into safe, decent, affordable and sanitary housing.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved August 20, 2018.

_____
Mayor

Attest:

_____
City Clerk

(Attach copy of the urban renewal plan amendment to Exhibit 1 of this resolution.)

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Upon motion and vote, the meeting adjourned.