CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Amendment No. 3 Alluvion 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: 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 2016. On July 23, 2018 staff established a consultation meeting for Monday, August 06. The plan is now being amended by this, Amendment No. 3, to add additional projects to include fiber optic installation.

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 Alluvion Urban Renewal Plan Amendment No. 2
Exhibit II	Resolution

CITY OF WEST DES MOINES, IOWA

URBAN RENEWAL PLAN AMENDMENT #3
ALLUVION URBAN RENEWAL AREA

August, 2018

The Urban Renewal Plan (the "Plan") for the Alluvion 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:

A.

Name of Project: Fiber Optic Installation Project

Name of Urban Renewal Area: Alluvion 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 $5,800,000.

B.

Name of Project: Traffic Signals 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 Traffic Signals Installation Project will consist of the installation of traffic signals in the Urban Renewal Area at the following intersections:

1) Veterans Parkway and SE Willow Creek Drive; and
2) Veterans Parkway and SE Pine Avenue; and
3) Veterans Parkway and Highway 5 North Ramp; and
4) Veterans Parkway and Highway 5 South Ramp; and
5) Veterans Parkway and SE Maffitt Lake Road; and
6) Veterans Parkway and SE Orilla Road; and
7) Veterans Parkway and Adams Street; and
8) SE 22nd Street and SE Army Post Road; and
9) SE 22nd Street and SE Maffitt Lake Road; and
10) SE Orilla Road and SE Maffitt Lake Road; and
11) SE Soteria Avenue and SE Maffitt Lake Road.

It is expected that the completed Traffic Signals Installation Project will cause increased and improved ability of the City to provide adequate transportation infrastructure for the growth and retention of commercial 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 Traffic Signals Installation Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Traffic Signals Installation Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations 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 Traffic Signals Installation Project will not exceed $5,550,000.

C.

Name of Project: Street Improvements Project

Name of Urban Renewal Area: Alluvion Urban Renewal Area

Date of Council Approval of Project: August 20, 2018

Description of Project and Project Site: The Street Improvements Project will consist of the construction of street widening and paving; street reconstruction; street realignment; and the incidental utility, landscaping, site clearance and cleanup work related thereto in the Urban Renewal Area on and along the segments of the following streets in the Urban Renewal Area:

1) On and along Veterans Parkway from its intersection with the northern boundary of the Urban Renewal Area and continuing southwest its intersection with Jordan Creek Parkway; and

2) On and along SE Maffitt Lake Road from its intersection with the western boundary of the Urban Renewal Area and continuing east to its intersection with Veterans Parkway; and

3) On and along SE Orilla Road from its intersection with the SE County Line Road and continuing south to its intersection with the southern boundary of the Urban Renewal Area.

It is expected that the completed Street Improvements Project will cause increased and improved ability of the City to provide adequate transportation infrastructure for the growth and retention of commercial 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 Street Improvements Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Street Improvements Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any 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 Street Improvements Project will not exceed $32,000,000.

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:	$* 43,350,000

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

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.