

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

**Meeting Date:** May 26, 2020

**Item:** Review of Ponderosa Urban Renewal Plan for Conformity with the General Plan (Comprehensive Plan)

**Requested Action:** Finding of Conformity with the General Plan

**Case Advisor:** Katie Hernandez, Business Development Coordinator  
Community and Economic Development Department

**Applicant's Request:** City Staff has initiated the process to create the Ponderosa Urban Renewal Plan. The purpose of the Plan is to facilitate the anticipation of the development agreement for the economic development project called Project Host, as well as public infrastructure projects. Any urban renewal area that is being created or amended to add new land area is required to be sent to the Plan and Zoning Commission for review of the urban renewal plan for conformity with the General Plan.

**History:** This is a new urban renewal area. The land area being added is to create the Ponderosa Urban Renewal Area. Most of this land being added exists within the Amended and Restated Mills Parkway Urban Renewal Area (Subdistrict 8) and tax increment financing district, however the land is being removed from the existing urban renewal area/tax increment financing district to be added into this newly created Ponderosa Urban Renewal Area.

**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 City's adopted General Plan (Comprehensive Plan). The property included in the Plan Area has land use category of regional commercial, support commercial, high-density residential, medium-density residential, single-family residential, and office, which is consistent with the planned use within the Urban Renewal Area.

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

**Staff Recommendation and Conditions of Approval:** Based upon the preceding review and a finding of conformity with the goals and policies of the General Plan, staff recommends that the Plan and Zoning Commission adopt a resolution finding that the Ponderosa Urban Renewal Plan conforms to the adopted General 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 Ponderosa Urban Renewal Plan  
Exhibit A - Legal Description  
Exhibit II - Resolution  
Exhibit III - Map

**PONDEROSA  
URBAN RENEWAL PLAN**

**for the**

**PONDEROSA  
URBAN RENEWAL AREA**

**CITY OF WEST DES MOINES, IOWA**

**June 2020**

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**Ponderosa Urban Renewal Plan  
for the  
Ponderosa Urban Renewal Area  
City of West Des Moines, Iowa**

**A. INTRODUCTION**

The Ponderosa Urban Renewal Plan (“Plan” or “Urban Renewal Plan”) for the Ponderosa 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 (“City”). 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, 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 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 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 Urban Renewal Area is legally established, a Tax Increment Financing (TIF) ordinance is adopted to establish a TIF district in the Area, and debt related to the Area is certified prior to December 1, 2020, the taxable valuation as of January 1, 2019, will be considered the frozen “base valuation” for the portion of the Urban Renewal Area identified in the TIF ordinance. If a TIF ordinance is not adopted until a later date, or debt is not first certified prior to December 1, 2020, the frozen “base value” will be the assessed value of the taxable property within that area covered by the TIF ordinance 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. It may be that more than one ordinance will be adopted on the separate portions of the Area. If so, the frozen base values may vary among the subareas.

## **E. DEVELOPMENT PLAN/ZONING**

The Urban Renewal Plan, as amended, and this Amendment are in conformity with the West Des Moines Comprehensive Plan, adopted September 20, 2010, which is the City's general plan for the development of the City as a whole.

This Urban Renewal Plan does not in any way replace or modify the City's current land use planning or zoning regulation process. Currently the land within the Area is zoned Residential Estate, Medium Density Residential, PUD-Business and Commercial, PUD-Office, PUD-Medium Density Residential, PUD-Single-Family Residential, PUD-High-Density Residential. The land within the Area may be rezoned pursuant to the City's standard legislative and administrative processes for rezoning.

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 to promote economic development (commercial and industrial). More specific objectives for the development, redevelopment, and rehabilitation within the 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 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 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 enhance the City by fostering an entrepreneurial climate, diversifying the local economy, encouraging opportunities for new businesses, and supporting retention of existing businesses.

**G. TYPES OF RENEWAL ACTIVITIES**

To meet the objectives of this Urban Renewal Plan and to encourage the development of the Area, the City intends to utilize the powers conferred under Chapter 403 and Chapter 15A, *Code of Iowa* including, but not limited to, tax increment financing. Activities 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 make or have made surveys and plans necessary for the implementation of the Urban Renewal Plan or specific urban renewal projects.
8. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City.

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:

*Final*

**1. Public Improvements**

<b>Urban Renewal Project Description</b>	<b>Estimated Time Period</b>	<b>Estimated Cost to be Reimbursed by TIF</b>	<b>Rationale (why economic development is promoted)</b>
Traffic signal at Stagecoach and S. 60 <sup>th</sup> Str.	2020-2025	\$650,000	Road improvements necessary to promote commercial development
Traffic signal at S Prairie View Dr. and Market St.	2020-2040	\$800,000	Road improvements necessary to promote commercial development
	<b>Total:</b>	<b>\$1,450,000</b>	

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

**A. *Development Agreement with WD Real Estate Holdings, Inc. (or a related entity):*** The City expects to consider a development agreement with WD Real Estate Holdings, Inc. (or a related entity) (the “developer”), pursuant to which the developer would complete and operate two separately flagged hotels, a building to be used as a Business Center, as well as a Parking Structure on Development Property in the Urban Renewal Area to promote the development of commercial and/or industrial businesses in the Area and retain or add jobs therein. Construction of the improvements is anticipated to be completed in 2022. In return for the developer’s performance under the development agreement, the City would make grant payments to the developer financed through incremental tax revenues from the Area, under the detailed terms of the agreement and following satisfaction of certain conditions in the agreement, not to exceed \$45,000,000.

**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 \$3,000,000.

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

<b>Project</b>	<b>Date</b>	<b>Estimated cost</b>
Fees and costs	Undetermined	Not to Exceed \$50,000



**I. FINANCIAL DATA**

1.	July 1, 2019 constitutional debt limit:	\$414,397,845
2.	Current outstanding general obligation debt:	\$226,340,000
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 to the City as described above will be approximately as stated in the next column:	<p style="text-align: right;">\$49,500,000</p> <p>This total does not include financing costs related to debt issuance, which will be incurred over the life of the Area.</p>

**J. URBAN RENEWAL FINANCING**

The City intends to utilize various financing tools such as those described below to successfully undertake the proposed urban renewal actions. The City has the statutory authority to use a variety of tools to finance physical improvements within the Area. 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 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 *Code of Iowa*, 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 and for other urban renewal projects 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. 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 the urban renewal projects identified in this Plan. 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 Area. 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**

The City will follow any applicable requirements for the acquisition and disposition of property within the Urban Renewal Area.

**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 number of reasons including, but not limited to, adding or deleting land, adding or amending urban renewal projects, or modifying objectives or types of renewal activities.

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 Urban Renewal Area, which is also included in a Tax Increment Financing (TIF) ordinance which designates that property as a tax increment area and is designated based on an economic development finding, 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, is limited to twenty (20) years beginning with the first calendar year following the calendar year in which the City first certifies to the County Auditor the amount of any loans, advances, indebtedness, or bonds which qualify for payment from the incremental property tax revenues attributable to that property within a TIF Ordinance of the Urban Renewal Area. The division of revenues shall continue on the Urban Renewal Area 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 Urban Renewal Area shall be limited as deemed appropriate by the City Council and consistent with all applicable provisions of law.

#### **P. SEVERABILITY CLAUSE**

In the event one or more provisions contained in the Urban Renewal Plan shall be held for any reason to be invalid, illegal, unauthorized, or unenforceable in any respect, such invalidity, illegality, un-authorization, or unenforceability shall not affect any other provision of this Urban Renewal Plan, and this Urban Renewal Plan shall be construed and implemented as if such provisions had never been contained herein.

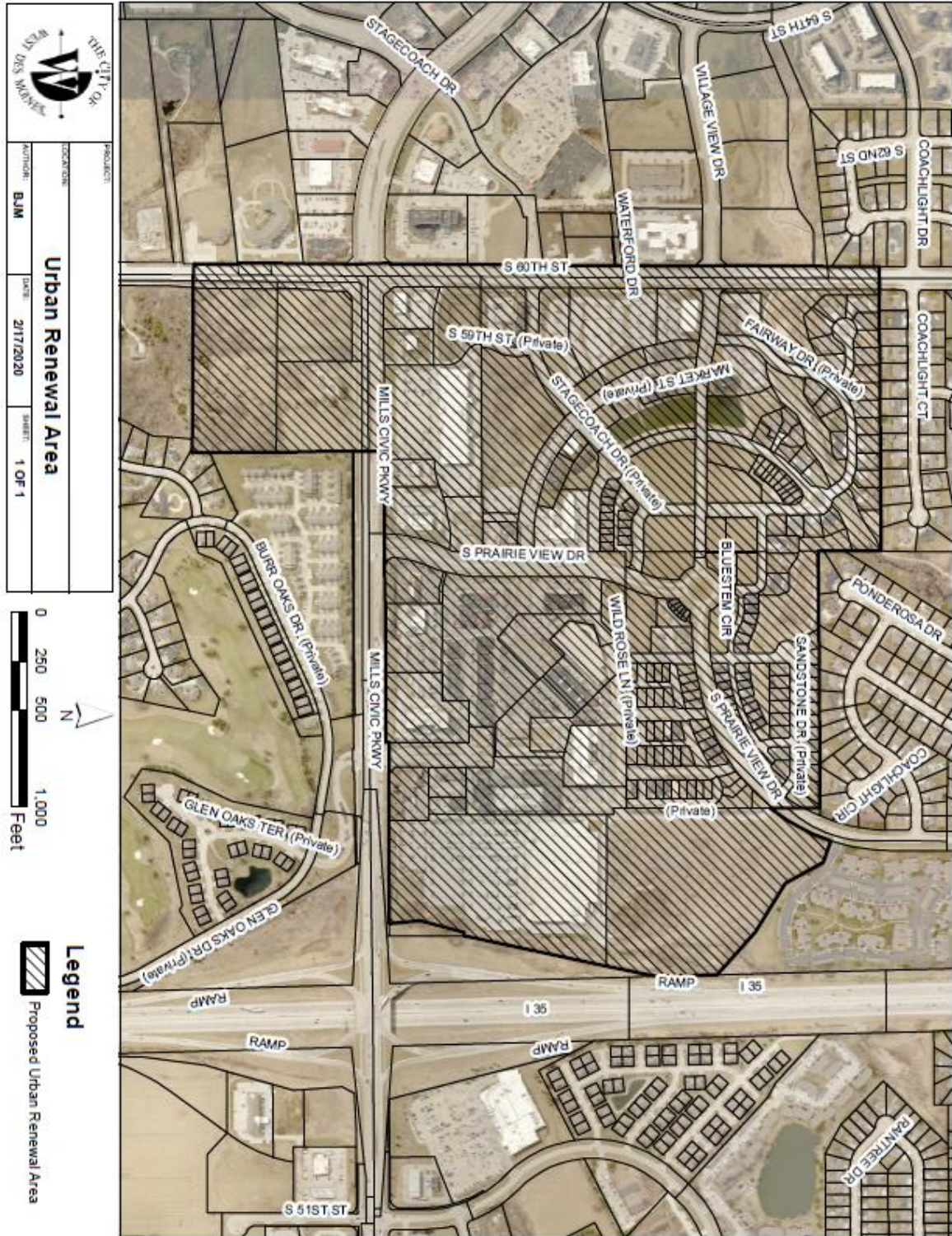
## **EXHIBIT A**

### **LEGAL DESCRIPTION OF PONDEROSA URBAN RENEWAL AREA**

Beginning at the Northwest corner of the Southwest 1/4 of the Northwest 1/4 of Section 18, Township 78 North, Range 25 West of the 5<sup>th</sup> P.M., Polk County, Iowa, said point also being the Northwest corner of The Village of Ponderosa, an Official Plat, now included in and forming a part of the City of West Des Moines, Polk County, Iowa; thence East along the North line of The Village of Ponderosa and along the North line of said Southwest 1/4 of the Northwest 1/4 to the Northwest corner of Outlot "A" of The Village of Ponderosa; thence South along the West line of said Outlot "A" to the Southwest corner thereof; thence East along the South lines of Outlots "A" through "N" of The Village of Ponderosa to the Southeast corner of said Outlot "N", said point being on the East line of The Village of Ponderosa; thence South along said East line of The Village of Ponderosa, 322.97 feet; thence East along said North line of The Village of Ponderosa, 1322.03 feet to the Northeast corner of The Village of Ponderosa; thence South along the East line of The Village of Ponderosa to the South right-of-way line of South Prairie View Drive, said point also being the Northwest corner of Lot 1, Westglen Town Center Plat Two, an Official Plat, now included in and forming a part of the City of West Des Moines, Polk County, Iowa; thence Northeasterly 354.17 feet along a curve on said South right-of-way line and the North line of said Lot 1; thence Southeast along said North line, 115.78 feet; thence Southeast along said North line, 225.89 feet; thence Southeast along said North line, 292.08 feet; thence Southeast along said North line, 296.23 feet to the East line of said Lot 1; thence South along the East line of said Lot 1 and continuing along the East line of Lot 2 of said Westglen Town Center Plat Two, to the Northeast corner of Lot "E" of said Westglen Town Center Plat Two; thence West along the North line of said Lot "E" to the Northwest corner of said Lot "E"; thence South along the West line of said Lot "E" to the North line of Lot "A" of said Westglen Town Center Plat Two; thence West along said North line of Lot "A" to the Southeast corner of Mills Crossing Plat 1, an Official Plat, now included in and forming a part of the City of West Des Moines, Polk County, Iowa; thence West along the South line of said Mills Crossing Plat 1 to the intersection of said South line and the East line of Lot 7 of Westview Country Estates Replat, an Official Plat, now included in and forming a part of the City of West Des Moines, Polk County, Iowa, extended North; thence South along said East line of Lot 7 extended and along the East line of said Lot 7 and along the East line of Lot 5 of said Westview Country Estates Replat to the Southeast corner of said Lot 5; thence West along the South line of said Lot 5 to the intersection of said South line extended and the West right-of-way line of South 60<sup>th</sup> Street; thence North along said West right-of-way line, projected through the Mills Civic Parkway right-of-way, to a point directly West of the Northwest corner of the Southwest 1/4 of the Northwest 1/4 of said Section 18, thence East to the Point of Beginning.

## **EXHIBIT B**

# DEPICTION OF PONDEROSA URBAN RENEWAL AREA



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Final

**RESOLUTION NO. PZC**

**A RESOLUTION OF THE PLAN AND ZONING COMMISSION OF THE CITY OF WEST DES MOINES, FINDING THE PROPOSED PONDEROSA URBAN RENEWAL PLAN CONFORMS TO THE GENERAL PLAN FOR DEVELOPMENT AND RECOMMENDING TO THE CITY COUNCIL THAT IT APPROVE THE PONDEROSA URBAN RENEWAL PLAN.**

**WHEREAS**, pursuant to the applicable State statutory provisions, the applicant, The City of West Des Moines, has requested approval for the Ponderosa Urban Renewal Plan for that property generally located between S 60<sup>th</sup> Street and Interstate 35, and between Mills Civic Parkway and Coachlight Drive, as well as the southeast corner of S. 60<sup>th</sup> Street and Mills Civic Parkway, for the purpose of creating the Ponderosa Urban Renewal Area; and

**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; and

**WHEREAS**, on May 26, 2020, this Commission held a duly-noticed public meeting to consider the application for the Ponderosa 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 conformity, in the staff report, dated May 26, 2020, or as amended orally at the Plan and Zoning Commission hearing of May 26, 2020, is adopted.

**SECTION 2.** In accordance with applicable State statutory provisions, the proposed Ponderosa 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 May 26, 2020.

ATTEST:

\_\_\_\_\_  
Erica Andersen, 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 May 26, 2020, by the following vote:

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

ATTEST:

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

### DEPICTION OF PONDEROSA URBAN RENEWAL AREA

