


COUNCIL COMMUNICATION

	Number:	21-477	Meeting:	November 1, 2021
	Agenda Item:	44	Roll Call:	21-1679
	Submitted by:	Erin Olson-Douglas, Development Services Department Director		

AGENDA HEADING:

Hold Public Hearing on the proposed 3rd Amendment to the Urban Renewal Plan for the Merle Hay Commercial Urban Renewal Area and approving same.

SYNOPSIS:

This resolution opens and closes the public hearing on the proposed 3rd amendment to the Urban Renewal Plan for the Merle Hay Commercial Urban Renewal Area. The required taxing entities consulting meeting was held on October 12, 2021. No taxing entity representatives attended, and no comments have been received.

FISCAL IMPACT:

There is no direct fiscal impact associated with the approval of these amendments. The activities and projects that may be assisted by this plan are addressed in the plan texts and are subject to separate Council actions.

ADDITIONAL INFORMATION:

- The purpose of this Third Amendment to the Urban Renewal Plan for the Merle Hay Commercial Urban Renewal Area is to:
 - Update Appendix C – Financial condition report to reflect the financial impact of the tax increment assisted projects which are detailed in Appendix D – Approved economic development and redevelopment activities.
 - Amend Appendix D – Approved economic development and redevelopment activities which provides a summary of projects receiving or proposed to receive economic development assistance from the tax increment revenues from the Merle Hay Commercial Area Urban Renewal Area by:
 - Updating the description of the Merle Hay Mall Phase I Project to address an amendment to the Minimum Assessment Agreement.
 - Updating the description of the Merle Hay Mall Phase II Project to add an additional contingent economic development grant to be paid in two (2) semi-annual installments of \$200,000 per installment from tax-increment financing (TIF) if the sale or lease of outlots or “tower” on the project property do not receive the minimum cumulative net proceeds of \$400,000 by October 1, 2030.

- Updating the description of the Merle Hay Mall Phase III project to add use of funds toward acquisition costs of the former Sears parcel in addition to the cost of design and construction of improvements to said parcel.
- Incorporate a new appendix titled Appendix E – Approved Public Improvement Projects to provide a summary of the Merle Hay Mall Corridor Planning project as included in the City’s Capital Improvement Plan.

PREVIOUS COUNCIL ACTION(S):

Date: September 13, 2021

Roll Call Number: [21-1416](#)

Action: [On](#) the proposed [Third Amendment](#) to the Urban Renewal Area Plan for the Merle Hay Commercial Area Urban Renewal Area, (11-1-21). ([Council Communication No. 21-390](#)) Moved by Boesen to adopt. Motion Carried 6-1. Absent: Westergaard.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: September 21, 2021

Resolution Number: N/A

Action: Motion to recommend approval of the amendment as presented by Hielkema. Seconded by Weisenbach. Motion carried. Yes = 6, No = 0, Absent = 4.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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