| COUNCIL COMMUNICATION | | | | |
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| CITY OF DES MOINES OFFICE OF THE CITY MANAGER | Number: | 23-506 | Meeting: | November 6, 2023 |
| | Agenda Item: | 31 | Roll Call: | 23-1546 |
| | Submitted by: | Cody Christensen, Development Services Director | | |

AGENDA HEADING:

Resolution approving operating agreement for SW 9th Self-Supported Municipal Improvement District (SSMID).

SYNOPSIS:

The City Manager has negotiated an Operating Agreement with Friends of SW 9th, an Iowa not for profit corporation, to serve as the Operator and Advisory Board for the SW 9th SSMID. The Friends of SW 9th is to annually recommend a budget for the provision of enhanced services and public improvements within the SSMID District in the next fiscal year (FY), and to provide those services in accordance with the budget approved by the City Council for the SSMID District. The proposed operating agreement will expire on November 1, 2028. Staff recommends approval of the agreement.

FISCAL IMPACT:

Amount: The projected annual revenue for FY 2024 based on Total Assessed Value is \$109,719.

<u>Funding Source</u>: The SW 9th SSMID revenue account is within fund SP866, ND410758, found on Page 93 of the FY2024 Operating Budget.

ADDITIONAL INFORMATION:

- On June 13, 2016, by Roll Call No. 16-0998, the City Council approved a petition to establish the SW9th Corridor SSMID.
- On August 8, 2016, by Roll Call Roll Call No. 16-1335, the City Council passed Ordinance No. 15,496 establishing the SW 9th Corridor SSMID and authorizing the annual levy of a Combined Capital Improvement and Operation Tax and a Debt Service Tax, not to exceed an aggregate rate of \$2.25 per \$1,000 of taxable value to finance the delivery of the enhanced public improvements and services. The existing SSMID levy commenced with the levy of taxes for collection in the fiscal year beginning July 1, 2017, and continues for 10 years thereafter until June 30, 2027. The City may renew the levy of the Capital Improvement and Operation Tax for subsequent five (5) year periods unless a petition containing the signatures of at least 40 percent (40%) of all owners of property within the District or signatures which together represent ownership of property with an

assessed value of 40 percent (40%) or more of the assessed value of all property within the District, is filed with the City Clerk at least six (6) months prior to the expiration of the current period.

• On August 14, 2017, by Roll Call No. 17-1384, the City Council approved an operating agreement with the Friends of SW 9th for provision of services through August 1, 2022. The Friends of SW 9th have continued to serve as the Operator and Advisory Board for the SW 9th SSMID with the consent of the City's Finance Department in the absence of a new agreement. The proposed agreement extends and approves the terms of the original agreement until November 1, 2028.

PREVIOUS COUNCIL ACTION(S):

<u>Date</u>: August 14, 2017

Roll Call Number: 17-1384

Action: Approval of Operating Agreement for SW 9th SSMID. (Council Communication No. 17-

586) Moved by Hensley to adopt. Motion Carried 7-0.

<u>Date</u>: August 8, 2016

Roll Call Number: 16-1335

Action: Final consideration of ordinance above (waiver request by Council Members Hensley and Gatto), requires six votes. Moved by Hensley that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, #15,496. Motion Carried 7-0.

Date: June 13, 2016

Roll Call Number: 16-0998

<u>Action</u>: On the petition to establish the SW 9th Corridor SSMID. (Continued from the May 23, 2016 Council Meeting). (Council Communication No. 16-303) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: April 7, 2016

<u>Action</u>: The Plan and Zoning Commission approved the evaluative report and recommended approval of the SW 9th Corridor SSMID by a vote of 13-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

• Annual approval of SSMID operating budget and tax levy as part of the City budget process.

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