



Date September 27, 2010

**RESOLUTION OF NECESSITY FOR THE
NE ECONOMIC DEVELOPMENT DISTRICT URBAN RENEWAL AREA**

WHEREAS, the proposed NE Economic Development District Urban Renewal Area contains approximately 412 acres and is located along and adjoining NE Hubbell Avenue from about E. 40th Street eastward to the Des Moines corporate boundary at Iowa Highway 65, and west of Highway 65 northward from approximately NE Aurora Avenue to midway between Broadway Avenue and Interstate 80, all as shown on the map attached hereto as Exhibit "A" and more specifically described by the legal description attached hereto as Exhibit "B"; and,

WHEREAS, the Planning Administrator reports that the proposed NE Economic Development District Urban Renewal Area is an economic development area appropriate for redevelopment for commercial and industrial use, for the reasons set forth in the report attached hereto as Exhibit "C" and incorporated herein by reference; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. That the following findings are hereby made and adopted:
 - a) The NE Economic Development District Urban Renewal Area constitutes an economic development area appropriate for redevelopment for commercial and industrial use.
 - b) That the rehabilitation, conservation, redevelopment, development, or a combination thereof, of the NE Economic Development District Urban Renewal Area is necessary in the interest of the public health, safety, and welfare of the residents of the City of Des Moines.
2. That this roll call shall serve as the resolution of necessity as required by Iowa Code Section 403.4.

MOVED by _____ to adopt.

(continued)

(Council Communication No. 10-599)



Roll Call Number

Agenda Item Number

49B

Date September 27, 2010

FORM APPROVED:

Roger K. Brown
Assistant City Attorney
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Attachments:
Exhibit "A" - Map
Exhibit "B" - Legal Description
Exhibit "C" - Report of Planning Administrator

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

_____ Mayor

_____ City Clerk

EXHIBIT "C"

September 23, 2010

To the Honorable Mayor and City Council for the City of Des Moines:

RE: PLANNING ADMINISTRATOR'S REPORT ON DESIGNATION OF PROPOSED
NE ECONOMIC DEVELOPMENT DISTRICT URBAN RENEWAL PLAN

The City of Des Moines is proposing to designate an urban renewal area for the NE Economic Development District, including the Hubbell Avenue corridor and land adjacent to Highway 65 and Interstate 80.

The purpose of this urban renewal plan is to enhance private development within this urban renewal area through provision of infrastructure improvements and economic development financial assistance that will be financed, in part, with the tax increment revenues generated in the urban renewal area.

The urban renewal area to be created and known as the NE Economic Development District Urban Renewal Area contains approximately 412 acres.

BOUNDARY DESCRIPTION

The boundary for this area is based on existing zoning for commercial/business park/light industrial use, and also includes recently incorporated acres that are planned for business park, commercial, light industrial and medium density residential use. There are certain residentially zoned parcels that are used for an extension of the included commercial uses. The area is generally located along NE Hubbell Avenue and Highway 65. It begins at approximately the 4100 block of Hubbell Avenue extending northeast to Highway 65, then southeast to Aurora Avenue, and north along Highway 65 to a midpoint between Broadway Avenue and Interstate 80. The legal description for the urban renewal area can be found as attachment "A" of the urban renewal plan.

BASIS FOR URBAN RENEWAL

In the State of Iowa, a city may designate an urban renewal area by following the requirements specified in Chapter 403, Code of Iowa, which requires the area to contain one or more of the following conditions:

- Slum and /or blighted conditions
- Economic development area due to its appropriateness for commercial or industrial enterprises, ability to assist and retain local industries and commercial enterprises to strengthen and revitalize the economy of the State of Iowa and its

furnishing, equipping, and expanding the State of Iowa and its municipalities, for public improvements related to housing and residential development, or construction of housing and residential development for low and moderate income families, including single and multifamily housing

In accordance with the Code of Iowa, it is determined that the NE Economic Development District Urban Renewal Area qualifies as an economic development area due to its appropriateness for the development of commercial enterprises by attracting new private development while retaining and expanding the existing tax base and employment opportunities.

CONFORMANCE WITH COMPREHENSIVE PLAN

The NE Economic Development District Urban Renewal Plan proposes revitalization and redevelopment of underutilized commercial structures and vacant parcels along the Hubbell Avenue corridor. In addition, it proposes the planned development of large tracts of vacant land annexed into the City of Des Moines in 2009. This annexation was conducted for the purpose of providing opportunities for new growth and development for the community, providing new taxable valuation and promoting planned and orderly growth that will avoid inefficient and costly development patterns. The Des Moines 2020 Community Character Plan identifies the areas along Highway 65 and Interstate 80 as Planned Business Park and medium density residential; areas along the Hubbell Avenue corridor as Commercial and General Industrial. The project objectives identified in the urban renewal plan are consistent with the City's adopted 2020 Community Character Plan.

PLANNING RATIONALE

The proposed NE Economic Development District Urban Renewal Area is approximately 412 acres in size. The area along the Hubbell Avenue corridor consists of a combination of vacant parcels, light industrial uses, single and multifamily housing, commercial sites and underutilized or vacant buildings. An anchor site for the district is the former Homemaker's Furniture Store at the intersection of NE Hubbell and Broadway, a vacant building of nearly 80,000 square feet that had housed a furniture store since the 1950's. The business relocated operations to a suburb of Des Moines. The remainder of the proposed urban renewal area consists of a mix of low density single family homes constructed while the area was unincorporated, and undeveloped acres proposed for business park, light industrial and medium density residential development.

The NE Economic Development District contains a combination of existing land uses and vacant parcels that provide a miscellaneous and underutilized landscape. Land and building valuation data demonstrate that several properties have land values that

exceed building values, and there are several buildings assessed as being in below normal condition. An area that developed over many decades in an unplanned fashion, there is little cohesion of uses and no sense of place in the corridor. Due in part to this development pattern, even the proximity to heavily traveled transportation corridors and the interstate system has not provided the ability for the area to realize its full potential. It has functioned as an area that is often passed through to get to other destinations. To the immediate east, the City of Altoona has developed a thriving commercial region, including retail and specialty businesses, restaurants, entertainment destination sites and a variety of new housing. With the addition of acres to the City of Des Moines through annexation, there is a new ability to promote planned and unified development that will augment the public and private investments made in the area, including significant sewer and water infrastructure investments made by Des Moines Water Works and the Des Moines Area Wastewater Reclamation Authority. A concentrated effort can be initiated to stimulate economic investment west of Highway 65, resulting in a benefit to the area and the community.

It is appropriate to designate the NE Economic Development District as an Urban Renewal Area based on its economic development potential, and the need to adequately provide the ability to facilitate and guide both new investment and revitalization. The creation of this Urban Renewal Area will allow for the use of tax increment financing to assist with infrastructure improvements and economic development financial assistance as needed. This will result in new business opportunities and employment, benefit the area, and provide increased tax base for the City of Des Moines.

SUMMARY

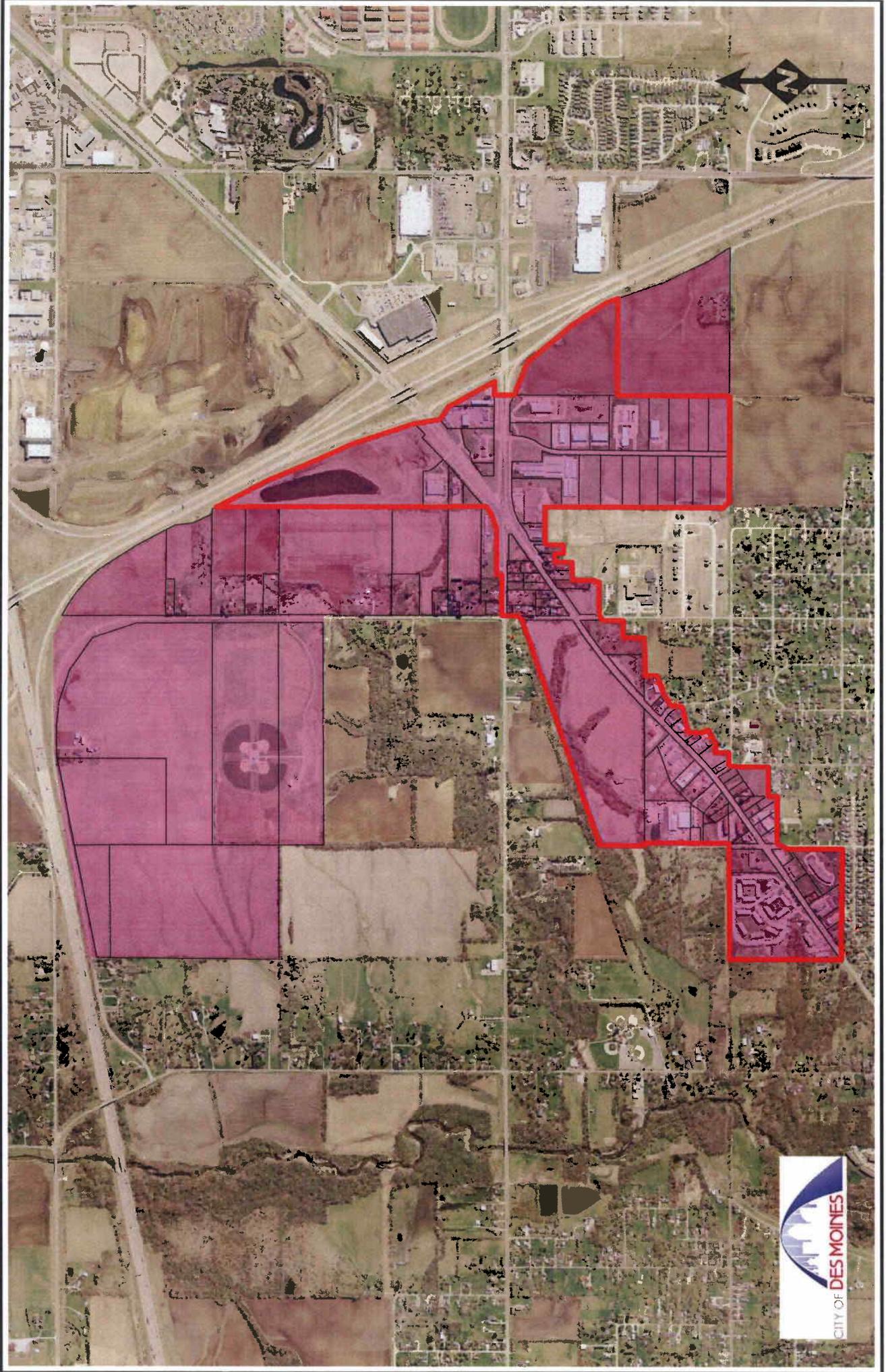
The NE Economic Development District has significant existing challenges, including building vacancies, underutilized and vacant parcels, low building valuations, and the need for further infrastructure improvements to facilitate new investment. As a major commercial corridor into the City of Des Moines, every effort should be made to plan and guide the highest level of quality and value in new development for this area. The adoption of this plan and the implementation of its goals and objectives will begin to provide the framework, guidelines and requirements needed for this to occur.



Michael G. Ludwig, Planning Administrator

NE Economic Development District

Exhibit "A"



Corporate Boundary

Urban Renewal Area Boundary

Legend