



**Date** December 5, 2011

**COMMUNICATION FROM THE PLAN AND ZONING COMMISSION  
REGARDING THE PROPOSED 2011 OMNIBUS AMENDMENT TO THE  
DES MOINES URBAN REVITALIZATION PLANS**

Communication from the City Plan and Zoning Commission advising that at a public hearing held on December 1, 2011, its members voted 12-0 in support of a motion to recommend that the proposed 2011-1 Omnibus Amendment to the City's urban revitalization plans, which adopts the Second Restated Urban Revitalization Plan for the Citywide Urban Revitalization Area and makes other changes to the City's tax abatement program, is in conformance with the Des Moines 2020 Community Character Plan.

MOVED by \_\_\_\_\_ to receive and file.

FORM APPROVED:

Roger K Brown  
Roger K. Brown  
Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS     | ABSENT |
|----------------|------|------|----------|--------|
| COWNIE         |      |      |          |        |
| COLEMAN        |      |      |          |        |
| GRIESS         |      |      |          |        |
| HENSLEY        |      |      |          |        |
| MAHAFFEY       |      |      |          |        |
| MEYER          |      |      |          |        |
| MOORE          |      |      |          |        |
| <b>TOTAL</b>   |      |      |          |        |
| 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

Date \_\_\_\_\_

December 2, 2011

Agenda Item 44A

Roll Call # \_\_\_\_\_

Honorable Mayor and City Council  
City of Des Moines, Iowa

Members:

Communication from the City Plan and Zoning Commission advising that at their meeting held December 1, 2011, the following action was taken:

**COMMISSION RECOMMENDATION:**

After public hearing, the members voted 12-0 as follows:

| Commission Action: | Yes | Nays | Pass | Absent |
|--------------------|-----|------|------|--------|
| JoAnne Corigliano  | X   |      |      |        |
| Shirley Daniels    | X   |      |      |        |
| Jacqueline Easley  | X   |      |      |        |
| Tim Fitzgerald     | X   |      |      |        |
| Dann Flaherty      | X   |      |      |        |
| John "Jack" Hilmes | X   |      |      |        |
| Joel Huston        | X   |      |      |        |
| Ted Irvine         | X   |      |      |        |
| Greg Jones         | X   |      |      |        |
| William Page       | X   |      |      |        |
| Christine Pardee   | X   |      |      |        |
| Mike Simonson      | X   |      |      |        |
| Kent Sovern        |     |      |      | X      |
| CJ Stephens        |     |      |      | X      |



CITY PLAN AND ZONING COMMISSION  
ARMORY BUILDING  
602 ROBERT D. RAY DRIVE  
DES MOINES, IOWA 50309 -1881  
(515) 283-4182

ALL-AMERICA CITY  
1949, 1976, 1981  
2003

**APPROVAL** of the proposed 2011-1 Omnibus Amendment to the Citywide Urban Revitalization Plans, in conformance with the Des Moines' 2020 Community Character Plan.

**STAFF RECOMMENDATION TO THE P&Z COMMISSION**

Staff recommends that the Commission find the proposed amendments to the Citywide Urban Revitalization Plans in conformance with the Des Moines' 2020 Community Character Plan.

**STAFF REPORT**

**I. GENERAL INFORMATION**

On July 28, 2011 the City Council extended the Citywide tax abatement program through December 31, 2011 allowing a full year for completion of improvements commenced in 2011. The Council initiated the following to be revised with the Citywide Urban Renewal Plan:

- Extend the Tax Abatement Program for an additional four years until December 31, 2015, with an additional year for the completion of improvements commenced by December 31, 2015.

- Expand the City-wide Urban Revitalization Area to encompass the entire City of Des Moines as it now exists and as hereafter expanded by future annexations.
- Terminate the separate urban revitalization plans created for the areas originally outside the City-wide Urban Revitalization Area.
- Add the downtown area back into the Targeted Residential Development Area wherein the taxable value added by qualifying improvements to residential and commercial multifamily property can receive a 10-year/100% exemption from taxation, reversing the action taken under the 2008-1 Omnibus Amendment which removed the downtown area from the Targeted Residential Development Area.
- Change the eligibility requirements to receive tax abatement for improvements to property assessed as commercial or industrial property for tax purposes.

Staff will present the recommended eligibility requirements for commercial and industrial property at the December 1<sup>st</sup> meeting.

**II. DES MOINES' 2020 COMMUNITY CHARACTER PLAN**

Staff believes the amendment is in conformance with the goals of the Des Moines' 2020 Community Character Plan. The intent for eligibility for use of tax abatement to be for projects that is in conformance with the Zoning, Site Plan, and the Subdivision Ordinances as well as the Comprehensive Plan.

**SUMMARY OF DISCUSSION**

*There was no discussion*

**CHAIRPERSON OPENED THE PUBLIC HEARING**

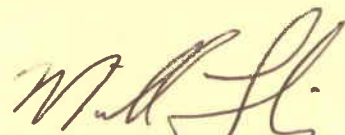
*There was no one in the audience to speak in favor or in opposition of the applicant's request.*

**COMMISSION ACTION**

Ted Irvine moved staff recommendation to find the proposed amendments to the Citywide Urban Revitalization Plans in conformance with the Des Moines' 2020 Community Character Plan.

Motion passed 12-0

Respectfully submitted,



Michael Ludwig, AICP  
Planning Administrator

MGL:clw

cc: File

**SECOND RESTATED  
URBAN REVITALIZATION PLAN  
for the  
Citywide Urban Revitalization Area  
City of Des Moines, Iowa**

Adopted: December \_\_\_\_, 2011, by Roll Call No. 11-\_\_\_\_\_

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**Attachments:**

|            |   |
|------------|---|
| Map 1      | Official Zoning Map and Boundaries of the City-wide Urban Revitalization Area |
| Map 2      | Existing Land Use Map   |
| Map 3      | Des Moines 2020 Community Character Land Use Plan                             |
| Map 4      | Downtown Overlay District   |
| Map 5      | Court Avenue Historic Area  |
| Map 6      | Historic Fort Des Moines Area   |
| Map 7      | Eastern Gateway District Area 1   |
| Map 8      | Targeted Residential Development Area   |
| Appendix A | Design Standards  |
| A-1        | Commercial Construction and Sustainability Design Standards                   |
| A-2        | Court Avenue Design Standards   |
| A-3        | Eastern Gateway District Area 1 Design Standards                              |
| Appendix B | Historic Fort Des Moines II Archaeological Requirements                       |
| Appendix C | Assessed Valuation and Owner Identification                                   |

## OVERVIEW OF URBAN REVITALIZATION

In 1979, the Iowa legislature enacted the Urban Revitalization Act giving Iowa cities the authority to designate an area or areas of the city as “urban revitalization areas”. Under the Act, qualified real estate within the designated urban revitalization area may be eligible to receive a total or partial exemption from property taxes on improvements for a specified number of years. The primary intent of this Act is to provide communities with a long-term increase or stabilization in their tax base by encouraging rehabilitation or new construction which might not otherwise have occurred.

The portion of the Act codified at Section 404.1 of the Iowa Code provides that the City Council may, by ordinance, designate an area of the city as a revitalization area, if that area is any of the following:

1. An area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and which is detrimental to the public health, safety, or welfare.
2. An area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, or welfare in its present condition and use.
3. An area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use.
4. An area which is appropriate as an economic development area as defined in Section 403.17.
5. An area designated as appropriate for public improvements related to housing and residential development, or constructions of housing and residential development, including single or multifamily housing.



## Background of Urban Revitalization in Des Moines

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### A. PREVIOUSLY DESIGNATED URBAN REVITALIZATION AREAS

Between 1979 and 1987 the City of Des Moines designated 31 separate urban revitalization areas in conformance with Chapter 404 of the Code of Iowa. The City developed specific urban revitalization plans for 28 of these designated areas which defined the types of uses and improvements eligible for tax abatement in each area.

In 1987 the City consolidated the separate urban revitalization areas into a comprehensive unified urban revitalization area.

By Resolution and Roll Call No. 87-2630, adopted June 15, 1987 and, as amended by Roll Call No. 87-3961, adopted September 21, 1987, the City Council made a finding that the entire area within the corporate boundaries of the City of Des Moines as established on July 7, 1987, qualified for designation as an urban revitalization area under the slum and blight criteria in paragraphs (1) and (2) of Iowa Code §404.1. The finding was made in substantial part in reliance upon the following circumstances which then existed:

#### Housing Conditions:

- Approximately 29% of the City blocks containing housing had a majority of that housing in less than excellent condition and 11% of the total blocks had 20% or more of the housing in a dilapidated or deteriorated state.
- Fifty eight (58) abandoned properties were demolished by City code enforcement action in the prior fiscal year (FY 1986/87), sixty four (64) properties were scheduled for demolition in the current fiscal year (FY 1987/88), 74 additional properties were identified as requiring demolition, and the Office of Housing Safety was tracking 1,513 properties representing 2,313 former rental dwelling units which were vacant or inactive.
- There had been a 300% increase in tax delinquent properties between 1980 and 1986.
- Between 1978 and 1985 the number of building permits for new single-family units had dropped from 336 to 92, and the number of building permits for two-family units had dropped from 105 to 11, and the number of building permits for multiple-family units had dropped from 24 permits for a total of 433 dwelling units, to 8 permits for a total of 111 dwelling units.
- The 1980 Census of Population and Housing shows that 36.7% of the housing stock in the City of Des Moines was built prior to 1940, and only 7.5% of the housing stock was constructed after 1980.
- Compared to the surrounding suburbs, the City of Des Moines had a greater proportion of its housing stock occupied by low income persons, tenants, and persons 65 years old or older.
- The 1980 median housing values in the City of Des Moines were 48% to 63% of those in the surrounding suburbs.



- In 1985, the average cost of a new house in the City of Des Moines was 72.6% of the average cost of a new house in the surrounding suburbs.
- The foregoing conditions served to substantially impair and arrest the sound growth of the City of Des Moines.

Industrial Conditions:

- Between 1972 and 1977, the City of Des Moines gained three manufacturing establishments while losing 1,500 manufacturing based jobs.
- From 1980 to 1986, the Des Moines SMSA lost over 4,000 manufacturing jobs, which was approximately 16% of all manufacturing jobs. As a percentage of total employment, manufacturing dropped from 19% in 1970 to 11% in 1986.

Having found that the entire City of Des Moines as established on July 7, 1987, qualifies for designation as an urban revitalization area, the City Council proceeded to designate the entire City as the Citywide Urban Revitalization Area. The designation was accomplished by Ordinance No. 11,026 passed July 6, 1987 and, as amended by Ordinance No. 11,065 passed September 21, 1987.

On September 28, 1987, by Roll Call No. 87-4009, the City Council adopted the original Urban Revitalization Plan (the "original Plan") for the Citywide Urban Revitalization Area. The original Plan retained and incorporated many of the formerly designated areas within the Citywide Urban Revitalization Area and, terminated other areas where the plans had been repealed, and where there had been substantial completion of industrial and commercial utilization of available land.

The original Plan incorporated 20 of the previously designated urban revitalization areas for the purpose of encouraging certain types of commercial and industrial development within such areas. Chart A in the original Plan lists the 20 areas and identifies those areas wherein tax abatement was made available to encourage new construction of improvements assessed as commercial property, to additions and rehabilitation of existing improvements assessed as commercial property; and to improvements assessed as industrial property.

The original Plan also sought to encourage industrial development within three areas newly designated as industrial parks. Tax abatement was made available to qualifying improvements to property assessed as industrial or commercial property within the Vandalia Acres, Park Avenue, Riverpoint, and River Hills-Riverfront Industrial Parks.

Prior to 1996, the Urban Revitalization Act did not provide a feasible means of expanding the boundaries of the City-wide Urban Revitalization Area. Independent urban revitalization plans had to be created for eight separate areas annexed into the City after the adoption of the original Plan:

|  |          |                       |
|--|----------|-----------------------|
| <u>Ewing Park Urban Revitalization Area</u> (Residential only) |          |                       |
| Designation of Area  | 09/16/91 | Ordinance No. 11,719  |
| Plan Adopted   | 11/18/91 | Roll Call No. 91-4889 |

Sunrise Estates Urban Revitalization Area (Residential only)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 01/04/93 | Ordinance No. 11, 923 |
| Plan Adopted            | 01/04/93 | Roll Call No. 93-72   |

Creekview Estates Urban Revitalization Area (Residential only)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 08/23/93 | Ordinance No. 12,033  |
| Plan Adopted            | 09/07/93 | Roll Call No. 93-3344 |

4247 Beaver Avenue Urban Revitalization Area (Residential only)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 06/20/94 | Ordinance No. 13,064  |
| Plan Adopted            | 11/21/94 | Roll Call No. 94-4459 |

Hickory Grove Urban Revitalization Area (Residential only)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 12/05/94 | Ordinance No. 13,126  |
| Plan Adopted            | 12/05/94 | Roll Call No. 94-4624 |

Airport Business Park Urban Revitalization Area (Commercial and industrial park)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 01/16/95 | Ordinance No. 13,142  |
| Plan Adopted            | 02/20/95 | Roll Call No. 95-642  |
| Incorporated into the   | 09/24/01 | Roll Call No. 01-2932 |

Citywide Urban Revitalization Area

Airport Commerce Park West Urban Revitalization Area (Commercial and industrial park)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 08/07/95 | Ordinance No. 13,222  |
| Plan Adopted            | 07/24/95 | Roll Call No. 95-2860 |

Leland Avenue Urban Revitalization Area (Commercial and industrial park)

|                         |          |                       |
|-------------------------|----------|-----------------------|
| Designation of the Area | 12/18/95 | Ordinance No. 13,285  |
| Plan Adopted            | 12/18/95 | Roll Call No. 95-4725 |

In 1996 the Iowa Legislature amended Iowa Code §404.2 to provide:

"A city which has adopted a plan for a revitalization area which covers all property within the city limits may amend that plan at any time, pursuant to this section, to include property which has been or will be annexed into the city. The provisions of the original plan shall be applicable to the property which is annexed and the property shall be considered to have been part of the revitalization area as of the effective date of its annexation to the city."

After 1996, the City was able to extend urban revitalization tax abatement to newly annexed areas by amending the Citywide Urban Revitalization Plan rather than by creating additional independent urban revitalization areas. However, only the Airport Business Park Urban Revitalization Area was merged into the Citywide Urban Revitalization Area. The other 7 independent urban revitalization areas have remained in force."

On October 21, 2002, by Roll Call No. 02-2446, the City Council expanded the City-wide Urban Revitalization Area to encompass all lands annexed into the City of Des Moines after January 1, 2000. This action left most of the lands annexed between July 7, 1987, and January 1, 2000,

