



Roll Call Number

Agenda Item Number

62A

Date June 8, 2020

RECEIVE AND FILE COMMUNICATION FROM THE PLAN AND ZONING COMMISSION REGARDING DETERMINATION THAT THE PROPOSED OAK PARK-HIGHLAND PARK URBAN RENEWAL PLAN IS IN CONFORMANCE WITH THE PLAN DSM: CREATING OUR TOMORROW PLAN FOR PROPERTY FRONTING EUCLID AVENUE BETWEEN THE 600 BLOCK EAST OF 6TH AVENUE EXTENDING EAST TO CAMBRIDGE AVENUE

WHEREAS, on April 25, 2016, by Roll Call No. 16-0717, the City Council adopted the PlanDSM: Creating Our Tomorrow Plan; and

WHEREAS, at a public hearing held on May 21, 2020, the City Plan and Zoning Commission voted 12-0 in support of a motion to recommend **APPROVAL** of a Determination finding that proposed Oak Park- Highland Urban Renewal Plan is in conformance with the PlanDSM: Creating Our Tomorrow Plan future land use plan for real property located fronting along Euclid Avenue, generally between the 600 block just to the east of 6th Avenue and extending east to Cambridge Street.

MOVED by _____ to receive and file the attached communication from the Plan and Zoning Commission.

FORM APPROVED:

Judy K. Parks-Kruse
Judy K. Parks-Kruse, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

CERTIFICATE

I, P. Kay Cmelik, 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.

MOTION CARRIED APPROVED

Mayor

City Clerk



June 2, 2020

Date June 8, 2020

Agenda Item 62A

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 May 21, 2020 meeting, the following action was taken regarding a Determination as to whether the proposed Oak Park – Highland Park Urban Renewal Plan is in conformance with the PlanDSM Creating Our Tomorrow Comprehensive Plan.

COMMISSION RECOMMENDATION:

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

Commission Action:	Yes	Nays	Pass	Absent
Francis Boggus	X			
Dory Briles	X			
Abby Chungath	X			
Jacqueline Easley				X
Jann Freed	X			
John "Jack" Hilmes	X			
Lisa Howard	X			
Carolyn Jenison	X			
Greg Jones	X			
William Page	X			
Rocky Sposato				X
Steve Wallace	X			
Greg Wattier	X			
Emily Webb	X			

APPROVAL of the proposed Oak Park - Highland Park Urban Renewal Plan is in conformance with the *PlanDSM: Creating Our Tomorrow Plan*.

STAFF RECOMMENDATION TO THE P&Z COMMISSION

Staff recommends that the Commission find the proposed Oak Park - Highland Park Urban Renewal Plan in conformance with the *PlanDSM: Creating Our Tomorrow Plan*.

STAFF REPORT TO THE PLANNING COMMISSION

I. GENERAL INFORMATION

1. **Purpose of Request:** Included in the Commission packet is a draft version of the Oak Park - Highland Park Urban Renewal Plan (URP).

The proposed urban renewal area consists of approximately 57 acres extending east and west along Euclid Avenue generally from the 600 block of East Euclid Avenue at the west to Cambridge Street at the east. The boundary extends north and south along 6th Avenue generally from Ovid Avenue at the south and to Seneca Avenue at the north. The boundary also includes the Park Fair Mall property and surrounding properties mostly designated by PlanDSM as Community Mixed Use in close proximity to the Park Fair Mall.

II. ADDITIONAL APPLICABLE INFORMATION

1. **Urban Renewal Plan: The purpose of this URP is to encourage and assist with the redevelopment and/or removal of blighted, obsolete, and underutilized properties within the urban renewal area, to facilitate the development and re-development of commercial, mixed use and residential uses, to create and retain jobs in the City of Des Moines, to provide a diversity of housing options, and increase the overall tax base. This Plan is intended to guide the development of the Urban Renewal Area and to activate new economic investment leading to increased taxable valuation. The Urban Renewal Area is proximate to the Des Moines Central Business District and serves as a satellite support neighborhood to downtown for workforce housing and small-scale neighborhood commercial services. There are prime opportunities for quality re-development that can be coordinated in a planned and unified manner. Strategic and targeted use of resources that will be realized through the creation of this Plan are critical to establishing necessary public infrastructure and private economic investment in the form of commercial, mixed use and residential rehabilitation development.**
2. **PlanDSM Comprehensive Plan: A prerequisite for an urban renewal plan is a comprehensive plan for the municipality. After the municipality has adopted such a plan, the municipality may prepare, adopt, and implement an urban renewal plan for the purpose of rehabilitation, conservation, redevelopment, development, or a combination thereof, of a designated urban renewal area to promote the public health, safety, or welfare of the residents of the municipality.**

The City's Comprehensive Plan, *PlanDSM*, which was adopted by the City Council on April 25, 2016, by Roll Call No. 16-0717, shows the land outside the street rights-of-way as a mix of community mixed use, neighborhood mixed use, and low density residential. Descriptions of each land use classification are provided below.

Community Mixed Use:

Small to medium scale mixed use development located on high capacity transit corridors or at the intersection of transportation corridors. Community mixed use areas include both a mix of medium density residential and a mix of retail and service establishments designed to attract customers from a large service area encompassing multiple neighborhoods and may include specialty retail that attracts regional customers.

Neighborhood Mixed Use:

Small scale mixed use development typically located at the intersections of collector and/or arterial streets and along transportation corridors. Non-residential development is designed to serve the immediate neighborhood and include small retail, offices, restaurants, and service oriented development. Low-medium density residential may be included in mixed use development.

Low Density Residential:

Areas developed with primarily single family and two family residential units with up to 6 dwelling units per net acre.

Multiple land use goals identified in *PlanDSM* are included in the goals of this Urban Renewal Plan, including the following:

Goal 2: Direct new growth and redevelopment to areas with existing infrastructure and nodes and corridors based on proximity to transit, shopping, services and public amenities;

Goal 4: Continue to embrace the distinct character of Des Moines' neighborhoods while allowing for new development and redevelopment; and

Goal 6: Recognize the value of Des Moines' historic building stock and landscapes and ensure their preservation for future residents.

Map 2-*PlanDSM* Land Use Map further details the proposed land uses for this general area.

This Plan also includes goals from the various sections throughout the *PlanDSM* document, including the following:

Housing:

Goal 1: Provide a diversity of housing options to accommodate residents of all ages, income levels, household sizes, and cultural backgrounds;

Goal 2: Preserve, maintain, and improve the existing inventory of single-family and multi-family housing;

Goal 3: Promote sustainable housing development that utilizes existing resources and supports compact, walkable, and bike-able neighborhoods; and

Goal 4: Support development of and access to quality housing affordable to all income level households.

Transportation:

Goal 3: Provide opportunities for healthy lifestyles through walking as a primary mode of Transportation;
Goal 4: Make transit a more attractive option for all City residents; and
Goal 5: Enhance the bicycle network by expanding bicycle facilities that are safe, comfortable, and easily accessible.

Housing:

Goal 1: Provide a diversity of housing options to accommodate residents of all ages, income levels, household sizes, and cultural backgrounds;
Goal 2: Preserve, maintain, and improve the existing inventory of single-family and multi-family housing;
Goal 3: Promote sustainable housing development that utilizes existing resources and supports compact, walkable, and bikeable neighborhoods;
Goal 4: Support development of and access to quality housing affordable to all income level households.

Economic Development:

Goal 1: Foster economic prosperity and stability by retaining existing businesses and recruiting new businesses;
Goal 2: Focus economic development efforts in strategic locations for continued vitality and growth;
Goal 3: Recognize livability as a key aspect to economic development; and
Goal 4: Foster a sustainable economy.

Public Infrastructure and Utilities:

Goal 1: Provide safe and reliable public infrastructure and utilities for current residents as well as future development needs;
Goal 2: Evaluate capacity for implementation of and adaptation to green infrastructure in the city; and
Goal 3: Reduce the consumption of energy in City owned buildings.

Community Character and Neighborhoods:

Goal 1: Embrace the distinct character offered in each of Des Moines' neighborhoods;
Policy CCN3: Establish a program to encourage public art installations, mural projects, and distinctive landscaping in neighborhood nodes and along corridors;
Goal 2: Further Des Moines' revitalization efforts to improve the strength, stability, and vitality of all neighborhoods;
Goal 3: Promote the redevelopment and revitalization of neighborhood nodes and corridors;
Goal 4: Protect Des Moines' historic and cultural assets that contribute to neighborhood and community identity;
Goal 5: Expand opportunities for healthy and active living for all residents; and
Goal 6: Strengthen the walkability and connectivity within and between neighborhoods.

Social Equity:

Goal 2: Ensure that all residents have convenient access to healthy food, health care, safe environments, and choices for an active lifestyle.

All goals and objectives of the Oak Park - Highland Park Urban Renewal Plan are in conformance with the City's Comprehensive Plan, *Plan DSM*, which was adopted by the City Council on April 25, 2016, by Roll Call No. 16-0717.

Possible additional amendments to *Plan DSM* may be identified through the ongoing planning process for the implementation of this Plan.

SUMMARY OF DISCUSSION

Jann Freed asked if any member of the public or the commission desired to speak on the item. None requested to speak.

COMMISSION ACTION:

John "Jack" Hilmes made a motion for approval of the proposed Oak Park - Highland Park Urban Renewal Plan is in conformance with the *PlanDSM: Creating Our Tomorrow Plan*.

Motion passed: 12-0

Respectfully submitted,



Michael Ludwig, AICP
Planning Administrator

MGL:tjh

Prepared by: Carrie Kruse, 400 Robert D. Ray Drive, Des Moines, IA 50309 Phone: 515-283-4019
Return Address: City Clerk – City Hall, 400 Robert D. Ray Drive, Des Moines, IA 50309
Taxpayer: No change
Title of Document: Oak Park - Highland Park Urban Renewal Plan
Grantor/Grantee: City of Des Moines, Iowa
Legal Description: See Exhibit "A" at page 14, below

OAK PARK - HIGHLAND PARK

URBAN RENEWAL PLAN

City of Des Moines, Iowa

Urban Design Review Board Action:	<i>05/19/2020</i>
Taxing Entities Consultation:	<i>05/12/2020</i>
Plan and Zoning Commission Action:	<i>05/21/2020</i>
City Council Approval:	<i>06/08/2020</i>

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- Appendix B - Financial Condition Report
- Map 1 – Boundary of Urban Renewal Area and TIF District(s)
- Map 2 – Existing Land Use
- Map 3 - Plan DSM Future Land Use Map
- Map 4 - Existing Zoning

I. INTRODUCTION

A. General Description of the Oak Park - Highland Park Urban Renewal Area

The general location and boundary of the Oak Park - Highland Park Urban Renewal Area (the “Urban Renewal Area”) is shown on *Map 1 – Boundary Map*.

This Urban Renewal Area consists of approximately 57 acres extending east and west along Euclid Avenue frontage generally between the 600 block just to the east of 6th Avenue and extending east to Cambridge Street. The boundary extends north and south along 6th Avenue generally from Ovid Avenue to the south and to Seneca Avenue to the north. The boundary also includes the Park Fair Mall property and surrounding properties mostly designated as community mixed use in close proximity to the Park Fair Mall.

The Urban Renewal Area is more specifically described in the accompanying *Appendix A - Legal Description*.

B. Purpose of the Urban Renewal Plan

The purpose of the Oak Park - Highland Park Urban Renewal Plan (this “Plan”) is to encourage and assist with the redevelopment and/or removal of blighted, obsolete, and underutilized properties within the urban renewal area, to facilitate the development and re-development of commercial, mixed use and residential uses, to create and retain jobs in the City of Des Moines, to provide a diversity of housing options, and increase the overall tax base. This Plan is intended to guide the development of the Urban Renewal Area and to activate new economic investment leading to increased taxable valuation. The Urban Renewal Area is proximate to the Des Moines Central Business District and serves as a satellite support neighborhood to downtown for workforce housing and small-scale neighborhood commercial services. There are prime opportunities for quality re-development that can be coordinated in a planned and unified manner. Strategic and targeted use of resources that will be realized through the creation of this Plan are critical to establishing necessary public infrastructure and private economic investment in the form of commercial, mixed use and residential rehabilitation development.

The City of Des Moines believes that the designation of the Urban Renewal Area through the adoption of this Plan will strengthen and revitalize the local economy through the planned development and redevelopment of the Urban Renewal Area, through:

1. Guidance of the development of the Urban Renewal Area in a manner that is consistent with the City’s Comprehensive Plan, *PlanDSM*, that provides for the physical and economic enhancement of the area.
2. Providing for planned and unified development of commercial, mixed use and residential construction or rehabilitation.
3. Creating a safe and attractive physical environment through the construction and installation of necessary infrastructure and other public improvements or actions supportive of the Urban Renewal Area.

4. Creating financial incentives as necessary to encourage new and existing businesses to invest in the Urban Renewal Area.
5. Retaining and creating quality permanent employment opportunities for residents.
6. Directing new growth and redevelopment to an identified neighborhood node based on proximity to transit, shopping, services and public amenities.
7. Embracing the distinct character of the Oak Park – Highland Park neighborhoods while allowing for new development and redevelopment.
8. Recognizing the value of Des Moines’ historic building stock and ensuring their preservation for future residents.
9. Retaining and creating a diversity of housing options. Preserving, maintaining and improving existing housing inventories where feasible.
10. Providing safe and reliable public infrastructure and utilities for current residents. Evaluating opportunities to incorporate and implement green infrastructure and reducing the consumption of energy in city-owned buildings and facilities.
11. Expanding the property tax base of the Urban Renewal Area, and subsequently contributing to the economic betterment of the full City of Des Moines.

C. Authority to Adopt and Implement an Urban Renewal Plan

The State of Iowa has provided Iowa cities with the power to adopt and implement urban renewal plans through Chapter 403, Urban Renewal Law, Code of Iowa. If a slum, blighted or economic development area or combination of the three, as defined in Section 403.17, Code of Iowa, exists within the municipality, the municipality may designate such an area for urban renewal through the process provided for in Chapter 403. After a comprehensive plan for the municipality has been adopted, the municipality may prepare, adopt and implement an urban renewal plan for the purpose of rehabilitation, conservation, development, redevelopment, or a combination thereof, of a designated urban renewal project area to promote the public health, safety or welfare of the residents of this municipality.

On April 25, 2016 by Roll Call 16-0717, the City Council of the City of Des Moines adopted the *PlanDSM, Creating our Tomorrow* as its comprehensive plan. This plan designates the area defined in this Plan as a combination of Community Mixed Use, Neighborhood Mixed Use, and Low Density Residential, as shown on *Map 3 - Proposed Land Use*.

For the reasons set forth below, and included in Section F. *Appropriateness for Economic Development and Demonstration of Slum & Blight*, the proposed Oak Park - Highland Park Urban Renewal Area qualifies for designation as an urban renewal area on the basis that the Area is a slum and blight and an economic development area.

The Oak Park – Highland Park Urban Renewal Area consists of one-hundred-and-fifteen (115) properties, fifty-nine (59) of which are documented by the Polk County Assessor’s

Office as having below normal, very poor, or poor conditions, or have been identified as having faulty lot layouts in relation to size, are underutilized, or have had buildings demolished and never redeveloped. An additional twenty-five (25) parcels noted with normal conditions have extremely low assessed valuations, many of which the building values are below the land values, which is an indicating factor that the building on the property is either vacant, has a non-active use such as storage, and/or is likely is falling into a condition that will be considered below normal without significant investment or redevelopment of the site.

Many of the buildings in the area are historic and contribute to the historic fabric of the neighborhood. Twenty-seven (27) of the buildings in the area are at least one-hundred (100) years old as originally constructed in 1920 or prior. Forty-three (43) of the buildings in the area are between fifty (50) and ninety-nine (99) years old having been constructed between the 1920s through 1970. Twelve (12) buildings in the area are between twenty-five (25) and forty-nine (49) years old and only two (2) buildings are less than twenty-five (25) years old. The age of the building stock in the area requires significant maintenance and reinvestment for it not to be considered obsolete for today's standards. Any combination of these factors substantially impairs the sound growth, investment and redevelopment of the surrounding area and has an impact on the City of Des Moines as whole. As demonstrated, a predominance of the buildings within the Oak Park – Highland Park Urban Renewal Area show signs of dilapidation, deterioration and obsolescence due to the age and current conditions of the properties. Because of the conditions noted, the Oak-Park – Highland Park Urban Renewal Area qualifies for designation as an urban renewal area on the basis that the Area is slum and blight, as well as economic development area.

II. BACKGROUND INFORMATION

A. General Information

In 2017, the City of Des Moines undertook an evaluation of its Neighborhood Revitalization Program and hired the consulting firm CZB to help with this analysis. In July 2019, the City Council adopted recommendations for four pilot areas to be designated as a Special Investment District. One of these areas is within the Oak Park and Highland Park neighborhoods. A portion of that work concentrated on the historic business district located at Euclid and 6th Avenues and this Urban Renewal Plan is a follow up to the work and recommendations provided in the Oak Park / Highland Park Special Investment District Plan.

Surrounded by Oak Park to the west and Highland Park to the east, the district emerged between 1915 and 1925 as the Main Street for a “streetcar suburb.” Of course, much has changed since the early 1920s. Everything that was new then is 100 years old now. And time has not been kind to many of the area's homes or to the business district. Decades of soft demand—as interest shifted to other parts of the region—have left a mark in the form of buildings and infrastructure with long repair lists.

Addressing those needs and adapting the business district to life in the 2020s and beyond will not be easy, inexpensive, or quick work. The energy surrounding the neighborhood today and the ground work that has been made with *PlanDSM*, the City's Comprehensive land use plan, designating the area as a Neighborhood Node, and the adoption of the Special Investment District Plan with the creation and funding of InvestDSM makes it clear that all that made this place special in the last century makes it worth fighting to revitalize in this one.

B. Existing Land Use

The Oak Park – Highland Park Urban Renewal Area consists of a mix of existing land uses including commercial, multi-family, residential, exempt residential, and public/semi-public. The area includes the historic commercial district along Euclid and 6th Avenues, the City’s Northside Library, as well as the Park Fair Mall and surrounding commercial properties.

C. Conformance with the City’s Comprehensive Land Use Plan

A prerequisite for an urban renewal plan is a comprehensive plan for the municipality. After the municipality has adopted such a plan, the municipality may prepare, adopt, and implement an urban renewal plan for the purpose of rehabilitation, conservation, redevelopment, development, or a combination thereof, of a designated urban renewal area to promote the public health, safety, or welfare of the residents of the municipality.

The City’s Comprehensive Plan, *PlanDSM*, which was adopted by the City Council on April 25, 2016, by Roll Call No. 16-0717, shows the land outside the street rights-of-way as a mix of community mixed use, neighborhood mixed use, and low density residential. Descriptions of each land use classification are provided below.

Community Mixed Use:

Small to medium scale mixed use development located on high capacity transit corridors or at the intersection of transportation corridors. Community mixed use areas include both a mix of medium density residential and a mix of retail and service establishments designed to attract customers from a large service area encompassing multiple neighborhoods and may include specialty retail that attracts regional customers.

Neighborhood Mixed Use:

Small scale mixed use development typically located at the intersections of collector and/or arterial streets and along transportation corridors. Non-residential development is designed to serve the immediate neighborhood and include small retail, offices, restaurants, and service oriented development. Low-medium density residential may be included in mixed use development.

Low Density Residential:

Areas developed with primarily single family and two family residential units with up to 6 dwelling units per net acre.

Land use goals identified in *PlanDSM* that will be included in the goals of this Urban Renewal Plan are Goal 2: Direct new growth and redevelopment to areas with existing infrastructure and nodes and corridors based on proximity to transit, shopping, services and public amenities; Goal 4: Continue to embrace the distinct character of Des Moines’ neighborhoods while allowing for new development and redevelopment; and Goal 6: Recognize the value of Des Moines’ historic building stock and landscapes and ensure their preservation for future residents. Map 2-*PlanDSM* Land Use Map further details the proposed land uses for this general area.

This Plan will also include goals from the various sections throughout the PlanDSM document including the following:

Housing:

Goal 1: Provide a diversity of housing options to accommodate residents of all ages, income levels, household sizes, and cultural backgrounds; Goal 2: Preserve, maintain, and improve the existing inventory of single-family and multi-family housing; Goal 3: Promote sustainable housing development that utilizes existing resources and supports compact, walkable, and bike-able neighborhoods; and Goal 4: Support development of and access to quality housing affordable to all income level households.

Transportation:

Goal 3: Provide opportunities for healthy lifestyles through walking as a primary mode of Transportation; Goal 4: Make transit a more attractive option for all City residents; and Goal 5: Enhance the bicycle network by expanding bicycle facilities that are safe, comfortable, and easily accessible.

Housing:

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Economic Development:

Goal 1: Foster economic prosperity and stability by retaining existing businesses and recruiting new businesses; Goal 2: Focus economic development efforts in strategic locations for continued vitality and growth; Goal 3: Recognize livability as a key aspect to economic development; and Goal 4: Foster a sustainable economy.

Public Infrastructure and Utilities:

Goal 1: Provide safe and reliable public infrastructure and utilities for current residents as well as future development needs; Goal 2: Evaluate capacity for implementation of and adaptation to green infrastructure in the city; and Goal 3: Reduce the consumption of energy in City owned buildings.

Community Character and Neighborhoods:

Goal 1: Embrace the distinct character offered in each of Des Moines' neighborhoods; Goal CCN3: Establish a program to encourage public art installations, mural projects, and distinctive landscaping in neighborhood nodes and along corridors; Goal 2: Further Des Moines' revitalization efforts to improve the strength, stability, and vitality of all neighborhoods; Goal 3: Promote the redevelopment and revitalization of neighborhood nodes and corridors; Goal 4: Protect Des Moines' historic and cultural assets that contribute to neighborhood and community identity; Goal 5: Expand opportunities for healthy and active living for all residents; and Goal 6: Strengthen the walkability and connectivity within and between neighborhoods.

Social Equity:

Goal 2: Ensure that all residents have convenient access to healthy food, health care, safe environments, and choices for an active lifestyle.

All goals and objectives of the Oak Park - Highland Park Urban Renewal Plan are in conformance with the City's Comprehensive Plan, *Plan DSM*, which was adopted by the City Council on April 25, 2016, by Roll Call No. 16-0717.

Possible additional amendments to *Plan DSM* may be identified through the ongoing planning process for the implementation of this Plan.

D. Conformance with the City's Zoning Requirements

The Oak Park - Highland Park Urban Renewal Area has a variety of zoning districts including MX1, MX3, RX1, N5 and P2 as shown as on *Map 4- Existing Zoning*.

Mixed-Use (X) Districts

Establish an appropriate mix of building forms and uses to enhance existing and create new compact, walkable nodes and corridors throughout the city:

MX1 is intended for mixed-use, neighborhood-scale nodes and corridors within the city, where daily uses are accessible by walking from surrounding neighborhoods.

MX3 is intended for mixed-use nodes and corridors in the city, where residents and visitors may access multiple uses by walking and automobile. The district accommodates higher intensity commercial uses at a smaller scale.

RX1 is intended for transitional areas between MX districts and N districts, providing for residential and office buildings at a scale and intensity appropriate for corridors adjacent to low-scale neighborhoods.

Public, Civic and Institutional (P) Districts:

Established to provide specific locations for public, private, quasi-public, and institutional facilities including parks and open space:

P2 is intended for civic and institutional facilities, such as religious assembly places, cultural or arts centers, community centers, schools, infrastructure, recreational facilities, and other institutional facilities.

Neighborhood (N) Districts:

Established to protect the character of existing residential neighborhoods and set character of new neighborhoods throughout the city:

N5 is intended to preserve the scale and character of neighborhoods developed with a mix of bungalow and two-story houses, predominantly in the Victorian, Revival, and Arts and Crafts styles.

Possible additional amendments to the Zoning Ordinance may be identified through the ongoing planning process for the implementation of this Plan.

E. Recognized Neighborhood Organizations

The Oak Park - Highland Park Urban Renewal Area is part of the Oak Park - Highland Park neighborhoods, which are represented by the Oak Park - Highland Park Neighborhood Associations. Both have designations as a "Recognized Neighborhood" by the City Council as having met the specified minimum standards of a neighborhood organization and communicates regularly with the City of Des Moines.

F. Appropriateness for Economic Development and Demonstration of Slum & Blight

The proposed Oak Park - Highland Park Urban Renewal Area is approximately 57 acres in size. The area consists of existing commercial, mixed-use, residential, residential exempt, and public/semi-public land uses. The area is proximate to the downtown Central Business District and is served by public utilities. The area has served the City of Des Moines and its citizens as one of the earliest established neighborhoods, providing affordable entry level workforce housing and a recognized neighborhood scale commercial district with several long term businesses that are destination sites. McHenry Park is a popular recreational amenity that serves the neighborhood and the broader community. As the regional bicycle and pedestrian network has evolved, this area has played a part in connectivity of the network, providing activity and commercial business patrons.

Low demands for commercial and retail space is driving poor property conditions and low assessments in the business district. The district contains roughly 90,000 square feet of ground floor space spread across 51 shops or office fronts in more than 20 buildings. As many as 35% of the commercial frontages appear to be vacant, in transition, or have ambiguous uses that are unclear to a passerby. This is both an indication that demand for space, especially retail, is low. Part of that is driven by space that is outdated and unappealing to commercial tenants, a byproduct of years of rents being insufficient to finance improvements, and part of that is a reflection of the modern retail economy.

The Oak Park – Highland Park Urban Renewal Area consists of one-hundred-and-fifteen (115) properties, fifty-nine (59) of which are documented by the Polk County Assessor's Office as having below normal, very poor, or poor conditions, or have been identified as having faulty lot layouts in relation to size, are underutilized, or have had buildings demolished and never redeveloped. An additional twenty-five (25) parcels noted with normal conditions have extremely low assessed valuations, many of which the building values are below the land values, which is an indicating factor that the building on the property is either vacant, has a non-active use such as storage, and/or is likely falling into a condition that will be considered below normal without significant investment or redevelopment of the site.

While the market is getting stronger, the Oak Park - Highland Park business district remains an underperforming market in Des Moines and Polk County with relatively soft demand and a large backlog of deferred maintenance to overcome. Many of the buildings in the area are historic and contribute to the historic fabric of the neighborhood. Twenty-seven (27) of the buildings in the area are at least one-hundred (100) years old as originally constructed in 1920 or prior. Forty-three (43) of the buildings in the area are between fifty (50) and ninety-nine (99) years old having been constructed between the 1920s through 1970. Twelve (12)

buildings in the area are between twenty-five (25) and forty-nine (49) years old and only two (2) buildings are less than twenty-five (25) years old. The age of the building stock in the area requires significant maintenance and reinvestment for it not to be considered obsolete for today's standards. Any combination of these factors substantially impairs the sound growth, investment and redevelopment of the surrounding area and has an impact on the City of Des Moines as whole. As demonstrated, a predominance of the buildings within the Oak Park – Highland Park Urban Renewal Area show signs of dilapidation, deterioration and obsolescence due to the age and current conditions of the properties. Because of the conditions noted, the Oak-Park – Highland Park Urban Renewal Area qualifies for designation as an urban renewal area on the basis that the Area is slum and blight, as well as economic development area.

III. URBAN RENEWAL PLAN ELEMENTS

A. Plan Goals and Objectives

The primary goal for the Oak Park - Highland Park Urban Renewal Plan is to encourage and assist with the redevelopment and/or removal of blighted, obsolete, and underutilized properties within the urban renewal area, facilitate the development and re-development of commercial, mixed use and residential uses for the creation and retention of jobs in the City of Des Moines, to provide a diversity of housing options, increase the overall tax base, and to maximize the return on past investment in road and public utility networks. Overarching goals identified from the City's Comprehensive Plan, *PlanDSM*, that are consistent goals for this Plan include: Goal 2: Directing new growth and redevelopment to areas with existing infrastructure and nodes and corridors based on proximity to transit, shopping, services and public amenities; Goal 4: Continue to embrace the distinct character of Des Moines' neighborhoods while allowing for new development and redevelopment; and Goal 6: Recognize the value of Des Moines' historic building stock and landscapes and ensure their preservation for future residents.

Objectives for the Plan include:

- Encourage and facilitate high quality commercial, mixed use and residential uses and the associated employment opportunities and slum and blight elimination within the Plan area.
- Coordination of resources to attract new quality economic development investment.
- Promote and coordinate additional land use and roadway network study as warranted to ensure the ability to attract quality development and the ability to accommodate and manage traffic circulation and provide for bicycle and pedestrian circulation to be incorporated.
- Encourage the use of low-impact development strategies and on site stormwater management best practices in the Plan area.

- Encourage the incorporation of long-term sustainability into site development and building construction, particularly the efficient use of energy in heating, ventilation and cooling system design.
- Ensure new development is of high quality, sustainable and provides adequate parking and pedestrian connections and access.
- Provide a diversity of housing options to accommodate residents of all ages, income levels, household sizes, and cultural backgrounds.
- Preserve, maintain, and improve the existing inventory of single-family and multi-family housing where feasible.
- Promote sustainable housing development that utilizes existing resources and supports compact, walkable, and bike-able neighborhoods.
- Foster economic prosperity and stability by retaining existing businesses and recruiting new businesses.
- Focus economic development efforts in strategic locations for continued vitality and growth.
- Recognize livability as a key aspect to economic development. Foster a sustainable economy.
- Provide safe and reliable public infrastructure and utilities for current residents as well as future development needs.
- Evaluate capacity for implementation of and adaptation to green infrastructure in the city.
- Reduce the consumption of energy in City owned buildings.
- Further Des Moines' revitalization efforts to improve the strength, stability, and vitality.
- Promote the redevelopment and revitalization to this neighborhood node and corridor.
- Protect Des Moines' historic and cultural assets that contribute to neighborhood and community identity.
- Expand opportunities for healthy and active living for all residents by strengthening the walkability and connectivity within and between neighborhoods.
- Provide opportunities for healthy lifestyles through walking as a primary mode of transportation.
- Make transit a more attractive option for all City residents.

- Enhance the bicycle network by expanding bicycle facilities that are safe, comfortable, and easily accessible.
- Promote and expand on the beautification and public art elements throughout the business district.
- Further Des Moines' social equity goals in ensuring that all residents have convenient access to healthy food, health care, safe environments, and choices for an active lifestyle.
- Further the goals of *LiveDSM*, the City's Parks and Recreation Comprehensive Plan, goal in making parks and trails the heart of the community. Elements of this goal include all residents to be within a ten-minute walk to a park or trail and improving signage for wayfinding to the area's parks and trails.

B. Public Purpose Activities to be Undertaken

To meet the objectives of this Plan, the City of Des Moines will support development and redevelopment of the Oak Park - Highland Park Urban Renewal Area through, among other things, the following public purpose activities:

1. Provision of technical support in furtherance of this Plan;
2. Evaluation of property's potential for development and redevelopment purposes, including but not limited to activities such as appraisals and architectural, engineering and environmental studies;
3. Preparation of building site(s) for development and redevelopment purposes through activities that include but are not limited to grading, filling, the extension of utilities and landscaping;
4. Improvement, installation, construction and reconstruction of streets, utilities, green infrastructure, sidewalks, multi-modal infrastructure, streetscapes, and other public improvements and rights-of-way;
5. Energy efficiency enhancements to public buildings and facilities;
6. Enforcement of applicable local, state and federal laws, codes and regulations; and
7. Use of tax increment financing, loans, grants and other appropriate financial tools in support of eligible public and private development and redevelopment efforts.

All public purpose activities shall be conditioned upon and shall meet the restrictions and limitations placed upon the Urban Renewal Area by this Plan.

C. Land and Development Requirements

The physical development of the Urban Renewal Area will be regulated through the standards and guidelines contained within the City of Des Moines' Zoning Ordinance, the Planning and Design Ordinance, and other applicable local, state and federal codes and

ordinances. In addition, all projects requesting financial assistance through tax increment financing must conform to Plan DSM, and undergo review by the Urban Design Review Board.

The criteria to be used by the Board for making recommendations on design shall include but are not limited to:

- Scale, proportion, color, articulation, massing, patterning, setbacks and exterior materials.
- Permanence and quality of materials and site design, as well as details that add character and define depth are desired.
- How the project promotes an attractive and appealing physical environment.
- Encourage the incorporation of long term sustainability into site development and building construction, particularly the efficient use of materials and energy in heating, ventilation and cooling system design.
- Encourage the use of low impact development and on-site stormwater management best practices in the Urban Renewal Area, and coordinate the evaluation and assessment of natural resources proactively.
- Encourage a mix of market rate, workforce and affordable housing options where applicable in mixed use, multi-residential, and residential projects.

D. Financial Condition Report

Tax Increment Financing districts will be incorporated into the Plan in the future as projects come forward and are approved for financial assistance utilizing tax increment financing revenues, wherein a portion of the taxes levied on taxable properties each year shall be allocated to and when collected be paid into the special fund of the City for the Oak Park - Highland Park Urban Renewal Area to pay the principal of and interest on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, including bonds issued under the authority of Iowa Code §403.9, incurred by the City to finance or refinance, in whole or in part, urban renewal projects within the Urban Renewal Area, and to provide assistance for low and moderate income family housing, as provided in and limited by Iowa Code §403.19.

Appendix C to this Plan, as amended from time to time, is a Financial Condition Report which contains the financial information required by Iowa Code §403.17(24).

Any future amendment to this Plan which provides for the use of tax revenues allocated to the Special Fund for the Oak Park - Highland Park Urban Renewal Area pursuant to Iowa Code §403.19, shall include an amendment to Appendix C and D to update the Financial Condition Report and to identify each project to be assisted with such revenues.

IV. URBAN RENEWAL PLAN IMPLEMENTATION

The City of Des Moines will take necessary action to achieve the goals and objectives of the Oak Park - Highland Park Urban Renewal Plan. This will include involvement in the following activities:

A. Continued Planning Efforts

The City shall continue to evaluate the needs of the Urban Renewal Area, identifying issues and coordinating a response to these issues. A comprehensive approach will be taken to gathering input from landowners, neighborhoods, businesses and development interests.

B. Technical Assistance

The City may provide technical assistance to landowners and prospective developers where appropriate. The City will work to coordinate efforts related to development proposals, ongoing planning, coordination with other agencies and levels of government, and other activities that will assist with meeting the objectives of this Plan.

C. Funding and Financing: Economic Development Assistance

The City will pursue funding sources required to meet the objectives of this Plan. Sources may include, but are not limited to, loans, grants, general fund expenditures, tax increment financing, special assessments, bond issuance, and participation in state/federal programs.

More specifically, the use of tax increment financing and the review steps and requirements for proposed economic development assistance are specified as follows:

1. Tax Increment Financing. The City believes that the use of tax increment revenues to assist in the financing of new development in the Oak Park - Highland Park Urban Renewal Area is necessary in the public interest to achieve the objectives of this Plan. Without the use of this special financing tool, new investment may not otherwise occur or may occur within other jurisdictions. The use of tax increment financing to spur the development of the Area pursuant to this Plan is expected to provide greater future property tax revenues for the City, Polk County and Des Moines Independent School District, that would otherwise not be available if this Plan were not implemented.
2. Tax increment financing will be used where it is anticipated to provide a long-term payback in overall increased tax base for the City, County and School District, and the creation or retention of jobs. The initial public investment required to generate new private investment is anticipated to ultimately increase the taxable value of the Area beyond its existing base value.

Tax increment reimbursement may be sought for, among other things, the following costs to the extent they are incurred by the City:

- a. Planning and administration of this Plan;
- b. Construction of public infrastructure improvements and facilities within the Urban Renewal Area;
- c. Acquisition, installation, maintenance and replacement of public investments throughout the Area;

- d. Loans or grants to qualified businesses and property owners for renovation or redevelopment of property within the Oak Park - Highland Park Urban Renewal Area in conformance with this Plan.

D. Responsibility of Developer

Developers shall work with the City to coordinate the realization of the intent and purpose of this Plan. This will include limiting tax abatement for exemption from taxes on the value added by the improvements where possible. It is recognized that when tax abatement is in place, it will reduce the amount of tax increment created by the district. Therefore, in certain cases, it may be necessary for developers to forego tax abatement to create sufficient increment. This would include cases where a developer may upfront the cost of site development when there is a negotiated agreement with the City to rebate a portion of that investment back to the developer over time through the increment created by the improvements to the property. The City reserves the ability to negotiate what will be in the best interest of the community and the furtherance of the Plan, while working with developers to facilitate new projects.

E. Activities Under Chapter 15A

The City may as part of its action to carry out this Plan engage in economic development activities within the Oak Park - Highland Park Urban Renewal Area pursuant to Iowa Code Chapter 15A for the creation of new jobs and income, and for the retention of existing jobs and income that would otherwise be lost, when such economic development activities are found by the City Council to further the objectives of the Plan. The City may solicit and/or package such economic development activity proposals in the form of direct financial assistance through grants or loans.

V. DURATION OF URBAN RENEWAL PLAN

This Plan for use of tax increment financing within the Oak Park - Highland Park Urban Renewal Area shall continue in effect until terminated by action of the City Council of the City but in no event before the City has received full reimbursement from incremental taxes of its advances to carry out the objectives of the Plan.

VI. SEVERABILITY

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

VII. AMENDMENT OF URBAN RENEWAL PLAN

The City of Des Moines may amend this Plan from time to time in accordance with applicable state and local law. The amendments may include additional objectives, revised land use regulations, revised boundaries, and/or property to be acquired and disposed of for redevelopment.

The City Council shall request public input from designated neighborhood group(s), City appointed committees, and others as appropriate upon any proposed amendment to this Plan.

Appendix A
Legal Description(s)
Oak Park - Highland Park Urban Renewal Area
and TIF District(s)

Oak Park - Highland Park Urban Renewal Area

Beginning at the intersection of the North Right of Way line of Euclid Avenue and the West Right of Way line of 2nd Avenue; Thence North along said West Right of Way line of 2nd Avenue to the South line of Lot 7 in Block 19 of Highland Park, an Official Plat; Thence West along said South line of Lot 7 in said Block 19 to the Southwest corner of said Lot 7 in said Block 19; Thence continuing West along the Westerly extension of said South line of Lot 7 in said Block 19 to the West Right of Way line of the North/South alley in said Block 19; Thence North along said West Right of Way line of the North/South alley in said Block 19 to the Northeast corner of Lot 24 in said Block 19; Thence continuing North along the Northerly extension of the West Right of Way line of said North/South alley in said Block 19 to the North Right of Way line of Douglas Avenue; Thence East along said North Right of Way line of Douglas Avenue to said West Right of Way line of 2nd Avenue; Thence North along said West Right of Way line of 2nd Avenue to the Westerly extension of the South line of Block 13 in said Highland Park; Thence East along said Westerly extension to the Southwest corner of said Block 13; Thence continuing East along said South line of said Block 13 to the East Right of Way line of the North/South alley in said Block 13; Thence North along said East Right of Way line of the North/South alley in said Block 13 to the North line of the South 10 feet of Lot 6 in said Block 13; Thence East along said North line of the South 10 feet of said Lot 6 in said Block 13 to the East line of said Lot 6 in said Block 13; Thence continuing East along the Easterly extension of said North line of the South 10 feet of said Lot 6 in said Block 13 to the East Right of Way line of 1st Street; Thence South along said East Right of Way line of 1st Street to the South line of the North 20 feet of Lot 9 of Block A in the Subdivision of Blocks A and B of Highland Park, an Official Plat; Thence East along said South line of the North 20 feet of said Lot 9 in Said Block A to the East line of said Lot 9 in said Block A; Thence continuing East along the Easterly extension of said South line of the North 20 feet of said Lot 9 in said Block A to the East Right of Way line of the North/South alley in said Block A; Thence South along said East Right of Way line of the North/South alley in said Block A to the North Right of Way line of East Douglas Avenue; Thence East along said North Right of Way line of East Douglas Avenue to the East Right of Way line of Cambridge Street; Thence South along said East Right of Way line of Cambridge Street to the Easterly extension of the South line of Lot 4 in Block 29 of said Highland Park; Thence West along said Easterly extension of the South line of said Lot 4 in said Block 29 to the Southeast corner of said Lot 4 in said Block 29; Thence continuing West along said South line of said Lot 4 in said Block 29 to the East Right of Way line of the North/South alley in said Block 29; Thence South along said East Right of Way line of the North/South alley in said Block 29 to the Easterly extension of the South line of Lot 18 in said Block 29; Thence West along said Easterly extension of the South line of said Lot 18 to the Southeast corner of said Lot 18 in said Block 29; Thence continuing West along said South line of said Lot 18 in said Block 29 to the Southwest corner of said Lot 18 in said Block 29; Thence continuing West along the Westerly extension of said South line of said Lot 18 in said Block 29 to the West Right of Way line of Oxford Street; Thence North along said West Right of Way line of Oxford Street to the South line of Lot 3 in Block 28 of said Highland Park; Thence West along said South line of

said Lot 3 in said Block 28 to the Southwest corner of said Lot 3 in said Block 28; Thence continuing West along the Westerly extension of said South line of said Lot 3 in said Block 28 to the West Right of Way line of the North/South alley in said Block 28; Thence North along said North/South alley in said Block 28 to the South line of Lot 21 in said Block 28; Thence West along said South line of said Lot 21 in said Block 28 to the Southwest corner of said Lot 21; Thence West along a straight line to the Southeast corner of Lot 2 in Block 27 of said Highland Park; Thence West along the South line of said Lot 2 in said Block 27 to the East Right of Way line of the North/South alley in said Block 27; Thence South along said East Right of Way line of the North/South alley in said Block 27 to the Easterly extension of the South line of the North 45 feet of Lot 20 in said Block 27; Thence West along said Easterly extension of the South line of the North 45 feet of said Lot 20 in said Block 27 to the East line of said Lot 20 in said Block 27; Thence continuing West along said South line of the North 45 feet of said Lot 20 in said Block 27 to the East Right of Way line of 2nd Avenue; Thence South along said East Right of Way line of 2nd Avenue to the Easterly extension of the South line of Lot 7 in Block 26 of said Highland Park;

Thence West along said Easterly extension of the South line of said Lot 7 in said Block 26 to the Southeast corner of said Lot 7 in said Block 26; Thence continuing West along the South line of said Lot 7 in said Block 26 to the Southwest corner of said Lot 7 in said Block 26; Thence continuing West along the Westerly extension of said South line of said Lot 7 in said Block 26 to the West Right of Way line of the North/South alley in said Block 26; Thence North along said West Right of Way line of the North/South alley in said Block 26 to the South line of Lot 21 in said Block 26; Thence West along said South line of said Lot 21 in said Block 26 to the West line of the East 44 feet of said Lot 21 in said Block 26; Thence North along said West line of the East 44 feet of said Lot 21 in said Block 26 to the North line of said Lot 21 in said Block 26; Thence West along said North line of said Lot 21 in said Block 26 to the Northwest corner of said Lot 21 in said Block 26; Thence South along the West line of said Lot 21 in said Block 26 to the Southwest corner of said Lot 21 in said Block 26; Thence West along a straight line to the Southeast corner of Lot 2 in Block 25 of said Highland Park; Thence continuing West along the South line of said Lot 2 of said Block 25 to the Southwest corner of said Lot 2 in said Block 25; Thence continuing West along the Westerly extension of said South line of said Lot 2 of said Block 25 to the West Right of Way line of the North/South alley in said Block 25; Thence North along said West Right of Way line of the North/South alley in said Block 25 to the North line of the South 5.4 feet of Lot 21 in said Block 25; Thence West along said North line of the South 5.4 feet of said Lot 21 in said Block 25 to the East Right of Way line of 4th Street; Thence South along said East Right of Way line of 4th Street to the Easterly extension of the South line of Lot 4 in Block 24 of said Highland Park; Thence West along said Easterly extension of said South line of said Lot 4 in said Block 24 to the Southeast corner of said Lot 4 in said Block 24; Thence continuing West along said South line of said Lot 4 in said Block 24 to the Southwest corner of said Lot 4 in said Block 24; Thence continuing West along a straight line to the Southeast corner of Lot 19 in said Block 24; Thence continuing West along the South line of said Lot 19 in said Block 24 to the East Right of Way line of 5th Avenue; Thence South along said East Right of Way of said 5th Avenue to the Easterly extension of the South line of Lot 7 in Block 23 in said Highland Park; Thence West along said Easterly extension of said South line of said Lot 7 in said Block 23 to the Southeast corner of said Lot 7 in said Block 23; Thence continuing West along said South line of said Lot 7 in said Block 23 to the Southwest corner of said Lot 7 in said Block 23; Thence continuing West along the Westerly extension of South line of said Lot 7 in said Block 23 to the West Right of Way line of the North/South alley in said Block 23; Thence North along said West Right of Way line of the North/South alley in said Block 23 to the South

line of Lot 21 in said Block 23; Thence West along said South line of said Lot 21 in said Block 23 to the East Right of Way line of 6th Avenue; Thence South along said East Right of Way line of 6th Avenue to the Northwest corner of Lot 19 in Tremont Place, an Official Plat; Thence continuing South along said East Right of Way of 6th Avenue to the Easterly extension of the South Right of Way line of Ovid Avenue; Thence West along said Easterly extension of said South Right of Way line of Ovid Avenue to the intersection of said South Right of Way line of Ovid Avenue and the West Right of Way line of 6th Avenue; Thence continuing West along said South Right of Way line of Ovid Avenue to the Southerly extension of the West line of Lot 24 in Block 4 in Oak Park, an Official Plat; Thence North along said Southerly extension of said West line of said Lot 24 in said Block 4 to the Southwest corner of said Lot 24 in said Block 4; Thence continuing North along said West line of said Lot 24 in said Block 4 to the Northwest corner of said Lot 24 in said Block 4; Thence continuing North along a straight line to the Southwest corner of Lot 3 in said Block 4; Thence continuing North along the West line of said Lot 3 in said Block 4 to the Northwest corner of said Lot 3 in said Block 4; Thence continuing North along a straight line to the Southwest corner of Lot 24 in Block 3 of said Oak Park; Thence continuing North along the West line of said Lot 24 in said Block 3 to the Northwest corner of said Lot 24 in said Block 3; Thence continuing North along a straight line to the Southwest corner of Lot 3 in said Block 3; Thence continuing North along the West line of said Lot 3 in said Block 3 to the South Right of Way line of Euclid Avenue; Thence West along said South Right of Way line of Euclid Avenue to the Southerly extension of the East line of the West 10 feet of Lot 21 in Block 2 of said Oak Park; Thence North along said Southerly extension of the East line of the West 10 feet of said Lot 21 in said Block 2 to the South line of said Lot 21 in said Block 2; Thence continuing North along said East line of the West 10 feet of said Lot 21 in said Block 2 to the North line of said Lot 21 in said Block 2; Thence continuing North along the Northerly extension of the East line of the West 10 feet of said Lot 21 in said Block 2 to the North Right of Way line of the East/West alley in said Block 2; Thence East along said North Right of Way line of the East/West alley in said Block 2 to the Southwest corner of Lot 4 in said Block 2; Thence North along the West line of said Lot 4 in said Block 2 to the South Right of Way line of Clinton Avenue; Thence West along said South Right of Way line of Clinton Avenue to the Southerly extension of the West line of Lot 21 in Block 1 of said Oak Park; Thence North along said Southerly extension of said West line of said Lot 21 in said Block 1 to the Southwest corner of said Lot 21 in said Block 1; Thence continuing North along said West line of said Lot 21 in said Block 1 to the Northwest corner of said Lot 21 in said Block 1; Thence continuing North along the Northerly extension of said West line of said Lot 21 in said Block 1 to North Right of Way line of the East/West alley in said Block 1; Thence East along said North Right of Way line of the East/West alley in said Block 1 to the Southwest corner of Lot 2 in said Block 1; Thence North along the West line of said Lot 2 in said Block 1 to the South Right of Way line of Douglas Avenue; Thence West along said South Right of Way line of Douglas Avenue to the Southerly extension of the East line of Lot 8 in Allen Built Addition, an Official Plat; Thence North along said Southerly extension of said East line of said Lot 8 to the Southeast corner of said Lot 8; Thence continuing North along said East line of said Lot 8 to the South line of the North 50 feet of said Lot 8; Thence West along said South line of the North 50 feet of said Lot 8 to the West line of said Lot 8; Thence North along said West line of said Lot 8 to the South line of Lot 11 in said Allen Built Addition; Thence East along said South line of said Lot 11 to the Southeast corner of said Lot 11; Thence North along the East line of Lots 11 through 15 in said Allen Built Addition to the Northeast corner of said Lot 15; Thence continuing North along a straight line to the point of the intersection of the South line of North Oak Park, an Official Plat, and the centerline of the North/South alley Right of Way in Block 12 of said North Oak

Park; Thence continuing North along said centerline of the North/South alley Right of Way in said Block 12 to the North line of said Block 12; Thence West along said North line of said Block 12 to the Northeast corner of Lot 24 in said Block 12; Thence North along a straight line to the Southeast corner of Lot 7 in Block 1 of said North Oak Park; Thence North along the East line of Lots 7 and 8 in said Block 1 to the Northeast corner of said Lot 8 in said Block 1; Thence East along a straight line to the Northwest corner of Lot 5 in said Block 1; Thence continuing East along the North line of said Lot 5 in said Block 1 to the Northeast corner of said Lot 5 in said Block 1; Thence continuing East along the Easterly extension of said North line of said Lot 5 in said Block 1 to the East Right of Way line of 6th Avenue; Thence South along said East Right of Way line of 6th Avenue to the North Right of Way line of Seneca Avenue; Thence East along said North Right of Way line Seneca Avenue to the Southwest corner of Lot 12 in Block 8 of said Highland Park; Thence South along a straight line to the Northwest corner of Lot 1 in Block 9 of said Highland Park; Thence continuing South along the West line of Lots 1 through 11 in said Block 9 to the Northwest corner of Lot 12 in said Block 9; Thence East along the North line of said Lot 12 in said Block 9 to the West Right of Way of 5th Avenue; Thence South along said West Right of Way of 5th Avenue to the Northeast corner of Lot 5 in Block 22 of said Highland Park; Thence West along the North line of said Lot 5 in said Block 22 to the Northwest corner of said Lot 5 in said Block 22; Thence South along the West lines of Lots 5 through 8 in said Block 22 to the Southwest corner of said Lot 8 in said Block 22; Thence East along the South line of said Lot 8 in said Block 22 to the Southeast corner of said Lot 8 in said Block 22; Thence continuing East along a straight line to the Southwest corner of Lot 17 in Block 21 of said Highland Park; Thence continuing East along the South line of said Lot 17 in said Block 21 to the Southeast corner of said Lot 17 in said Block 21; Thence North along the East line of said Lot 17 in said Block 21 to the Northeast corner of said Lot 17 in said Block 21; Thence East along a straight line to the Northwest corner of Lot 8 in said Block 21; Thence East along the North line of said Lot 8 in said Block 21 to the Northeast corner of said Lot 8 in said Block 21; Thence continuing East along a straight line to the Southwest corner of Lot 18 in Block 20 of said Highland Park; Thence continuing East along the South line of said Lot 18 in said Block 20 to the Southeast corner of said Lot 18 in said Block 20; Thence North along the East line of said Lot 18 to the Northeast corner of said Lot 18 in said Block 20; Thence East along a straight line to the Northwest corner of Lot 7 in said Block 20; Thence continuing East along the North line of said Lot 7 in said Block 20 to the Northeast corner of said Lot 7 in said Block 20; Thence continuing East along the Easterly extension of the North line of said Lot 7 in said Block 20 to the East Right of Way line of 3rd Street; Thence South along said East Right of Way line of 3rd Street to said North Right of Way line of Euclid Avenue; Thence East along said North Right of Way line of Euclid Avenue to said West Right of Way line of 2nd Avenue and to the Point of Beginning.

Oak Park - Highland Park TIF District No. 1

{insert legal description} Note – none with initial adoption of Plan. These will be developed as projects come forward and go through the approval process requiring updates/amendments to this Plan.

Appendix B

Financial Condition Report – Oak Park - Highland Park Urban Renewal Area

The City has, by Ordinance No. [REDACTED] passed June, 8, 2020, designated the Oak Park - Highland Park Urban Renewal Area as an urban renewal area in which “Tax Increment Financing,” as defined in Chapter 403, Code of Iowa, may be utilized. The expected financial undertakings and tax increment revenue with regard to this urban renewal area are discussed in this Financial Condition Report.

Introduction

Urban renewal is one of the few ways an Iowa municipality can undertake and financially assist community revitalization and economic development. In Des Moines, especially in the older areas with limited redevelopment opportunities, urban renewal is an important way cities can assist the private sector in the creation and retention of jobs and in the development and redevelopment of blighted, vacant and underutilized parcels that would not occur without the City's assistance.

Urban renewal can provide flexibility in phasing development over a long-term period. In Iowa, a city may designate an "urban renewal area" by following the requirements specified in Chapter 403, Code of Iowa, upon finding that the area qualifies for designation as a slum area, a blighted area or an economic development area as those terms are defined in Iowa Code §403.17. The Oak Park - Highland Park Urban Renewal Plan Area was designated by the City as an urban renewal area upon a finding by the City Council that the area qualified as a slum and blighted area and economic development area.

As part of the designation of an urban renewal area, the city council must adopt an urban renewal plan. The plan text includes a legal description and map of the area; a description of existing land uses and conditions; the actions the city proposes to undertake in the area such as public improvements, public services, the sale or purchase of property; and any conditions the city may want to impose on the development projects. The Des Moines City Council adopted the original Urban Renewal Plan for the Oak Park - Highland Park Urban Renewal Area on June 8, 2020, by Roll Call No. XX-XXXX. If the city wants to undertake an action not specified in the urban renewal plan, it must adopt the proposed change by an amendment. Before the urban renewal plan or any amendment can be adopted by the city council, notice of a public hearing on the plan or amendment must be published in the newspaper.

In addition, if the urban renewal area uses tax increment financing, a consultation and comment period with other taxing entities is offered prior to the public hearing. This document has been prepared in response to this consultation requirement.

Tax Increment Financing

Tax increment financing ("TIF") is a financing tool that is only available in designated urban renewal areas. It allows the use of a portion of the future property tax revenues of all taxing

jurisdictions (the "Tax Increment Revenue") created by an increase in the total assessed value of all the taxable property within the urban renewal area, to be used to fund obligations incurred by the city in implementing the urban renewal plan.

The Tax Increment Revenue can only be used for the activities or items authorized in the urban renewal plan. If the Tax Increment Revenue is not used to pay eligible expenses incurred in the implementation of the urban renewal plan, the revenue is released back to general revenues of the local taxing jurisdictions. On March 24, 1997, the Des Moines City Council adopted a policy that commencing in FY1997/98, the City will use, and has used, no more than 75% of the total annual Tax Increment Revenues generated by all urban renewal areas. This assures that the local taxing entities receive the benefit of at least 25% any future growth in the valuation of taxable properties in the urban renewal areas utilizing tax increment financing.

Current TIF Bonding and Outstanding Indebtedness

Overall, as of June 30, 2019, the City of Des Moines has about \$399 million in general obligation debt. Of this debt, approximately \$83 million is being serviced with tax increment revenues from specific urban renewal areas. The Oak Park – Highland Park Urban Renewal Area is not currently funding any of the outstanding general obligation debt. The State of Iowa Constitutional debt-ceiling limit for general debt obligations by the City of Des Moines is approximately \$634 million.

Property Tax Assessments and Revenues

The base assessed value used to calculate the projected Tax Increment Revenue for the Oak Park - Highland Park Urban Renewal Area will be determined based upon the timing for the first certification of debt for this Area. As of January 1, 2019, there is approximately \$20.4 million in assessed valuations in the Oak Park – Highland Park Urban Renewal Area. This section will be updated to reflect base valuation information once debt has been certified and a base valuation date has been determined.

Future Financial Condition

Shown below is a table that projects estimated property tax revenues and expenditures from the Oak Park - Highland Park Urban Renewal Area. In this Financial Condition Report, the estimated property tax revenues are based on a property tax levy rate of \$40 / \$1,000. This levy rate reflects the tax levy rate after subtracting payment of the 'protected debt levy' (various mandated debt expenses collected as part of the property tax levy).

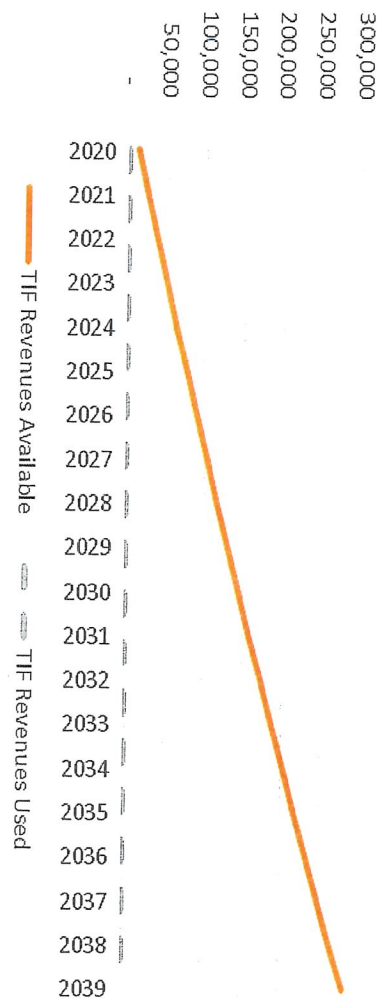
The revenue projections shown are based on increases in property tax revenues conservatively estimated with an annual growth rate of 1.5%. The Tax Increment Revenue generated by the assessed value existing on any January 1st is paid and collected in the fiscal year commencing 18 months later. The "TIF Valuation Used" in the financial projection below will be updated to reflect any projects as they are approved and added to the Plan.

The following table and graphic represent new information formulated for this new Plan.

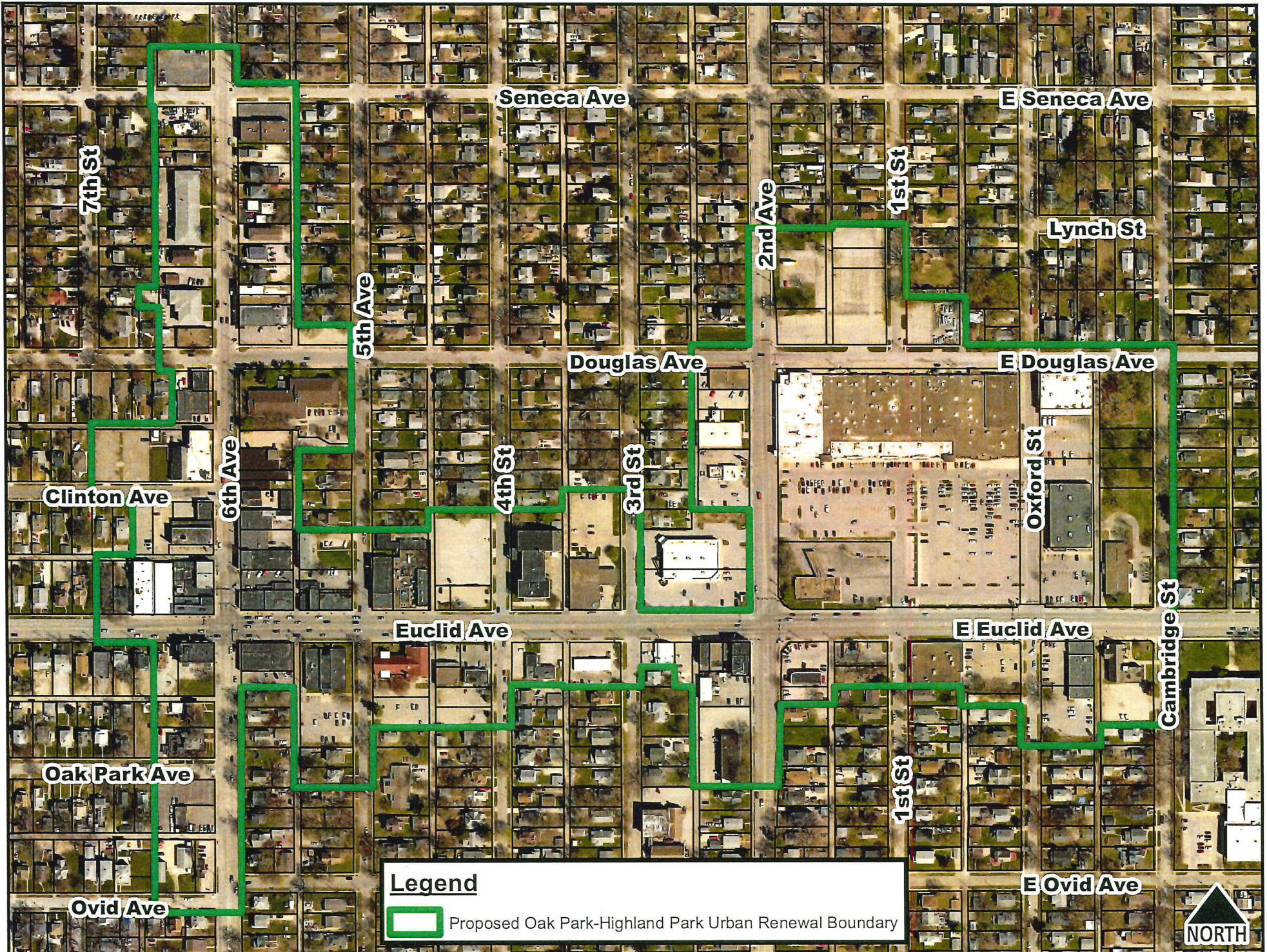
Assessment Year	Base Valuation	Total Assessed Valuation	New Increment Valuation	TIF Valuation Used	Estimated TIF Revenue Available	Estimated TIF Revenue Used by City	Percent Valuation Used
2019	20,364,200	20,364,200	-	-	-	-	0%
2020	20,364,200	20,669,663	305,463	-	12,219	-	0%
2021	20,364,200	20,979,708	615,508	-	24,620	-	0%
2022	20,364,200	21,294,404	930,204	-	37,208	-	0%
2023	20,364,200	21,613,820	1,249,620	-	49,985	-	0%
2024	20,364,200	21,938,027	1,573,827	-	62,953	-	0%
2025	20,364,200	22,267,097	1,902,897	-	76,116	-	0%
2026	20,364,200	22,601,104	2,236,904	-	89,476	-	0%
2027	20,364,200	22,940,120	2,575,920	-	103,037	-	0%
2028	20,364,200	23,284,222	2,920,022	-	116,801	-	0%
2029	20,364,200	23,633,485	3,269,285	-	130,771	-	0%
2030	20,364,200	23,987,988	3,623,788	-	144,952	-	0%
2031	20,364,200	24,347,808	3,983,608	-	159,344	-	0%
2032	20,364,200	24,713,025	4,348,825	-	173,953	-	0%
2033	20,364,200	25,083,720	4,719,520	-	188,781	-	0%
2034	20,364,200	25,459,976	5,095,776	-	203,831	-	0%
2035	20,364,200	25,841,875	5,477,675	-	219,107	-	0%
2036	20,364,200	26,229,504	5,865,304	-	234,612	-	0%
2037	20,364,200	26,622,946	6,258,746	-	250,350	-	0%
2038	20,364,200	27,022,290	6,658,090	-	266,324	-	0%
2039	20,364,200	27,427,625	7,063,425	-	282,537	-	0%

The graphic below shows the projected property tax revenues and expenditure estimates detailed in the table above. Note: The Tax Increment Revenue generated by the assessed value existing on any January 1st is paid and collected in the fiscal year commencing 18 months later.

**Projected Available TIF Revenues and
Expenditures Assessment Years 2020-2039
(Paid and Collected in FY2021/22 to FY2040/41)**



This information will change as future projects, subject to the urban renewal amendment process with the individual review of each amendment and projects by the City Council and other authorities as directed by the Code of Iowa, are approved.



Seneca Ave

E Seneca Ave

7th St

5th Ave

2nd Ave

1st St

Lynch St

Douglas Ave

E Douglas Ave

Clinton Ave

6th Ave

4th St

3rd St

Oxford St

Euclid Ave

E Euclid Ave

Cambridge St

Oak Park Ave

1st St

E Ovid Ave

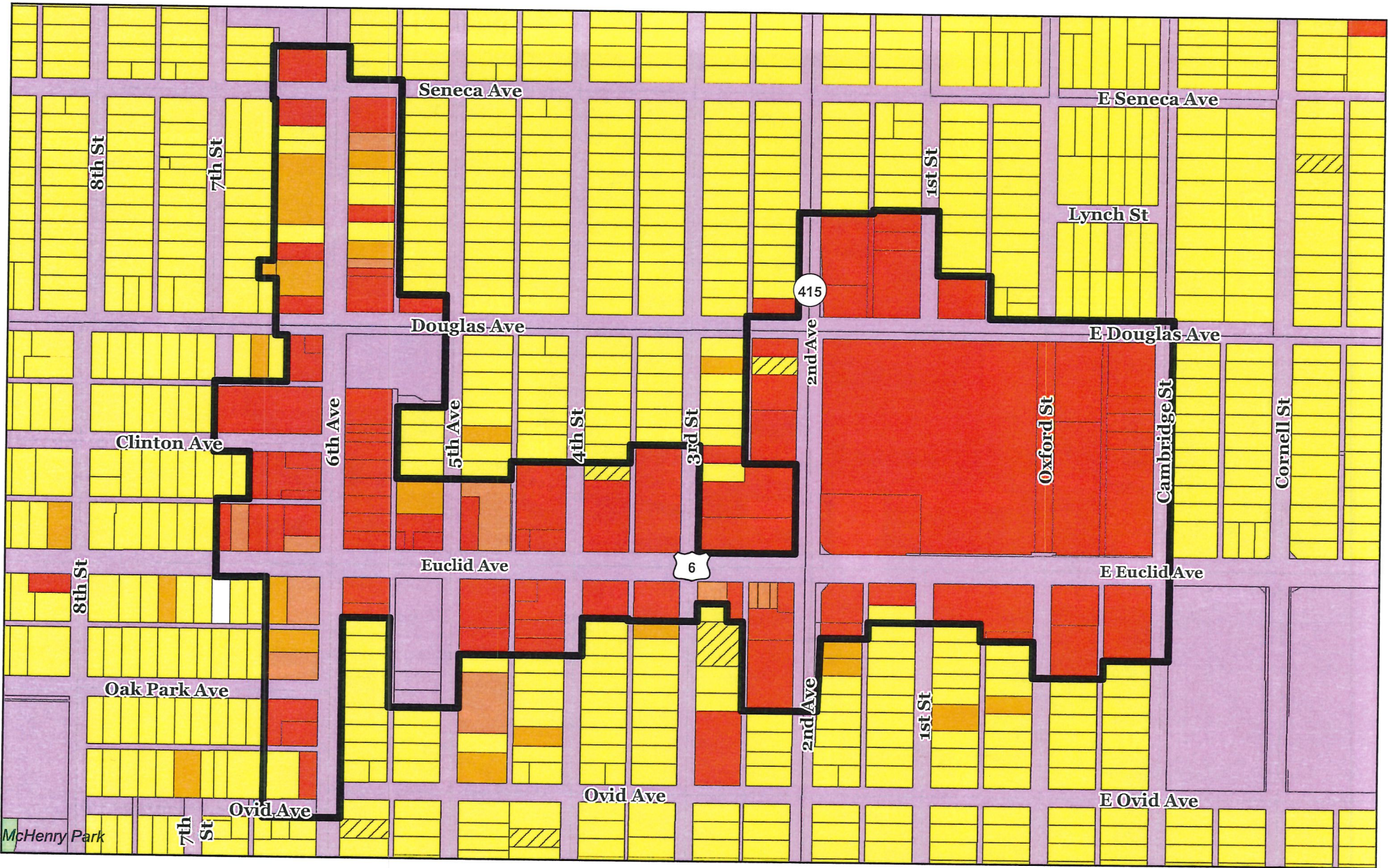
Ovid Ave

Legend

 Proposed Oak Park-Highland Park Urban Renewal Boundary



Oak Park - Highland Park Urban Renewal Plan



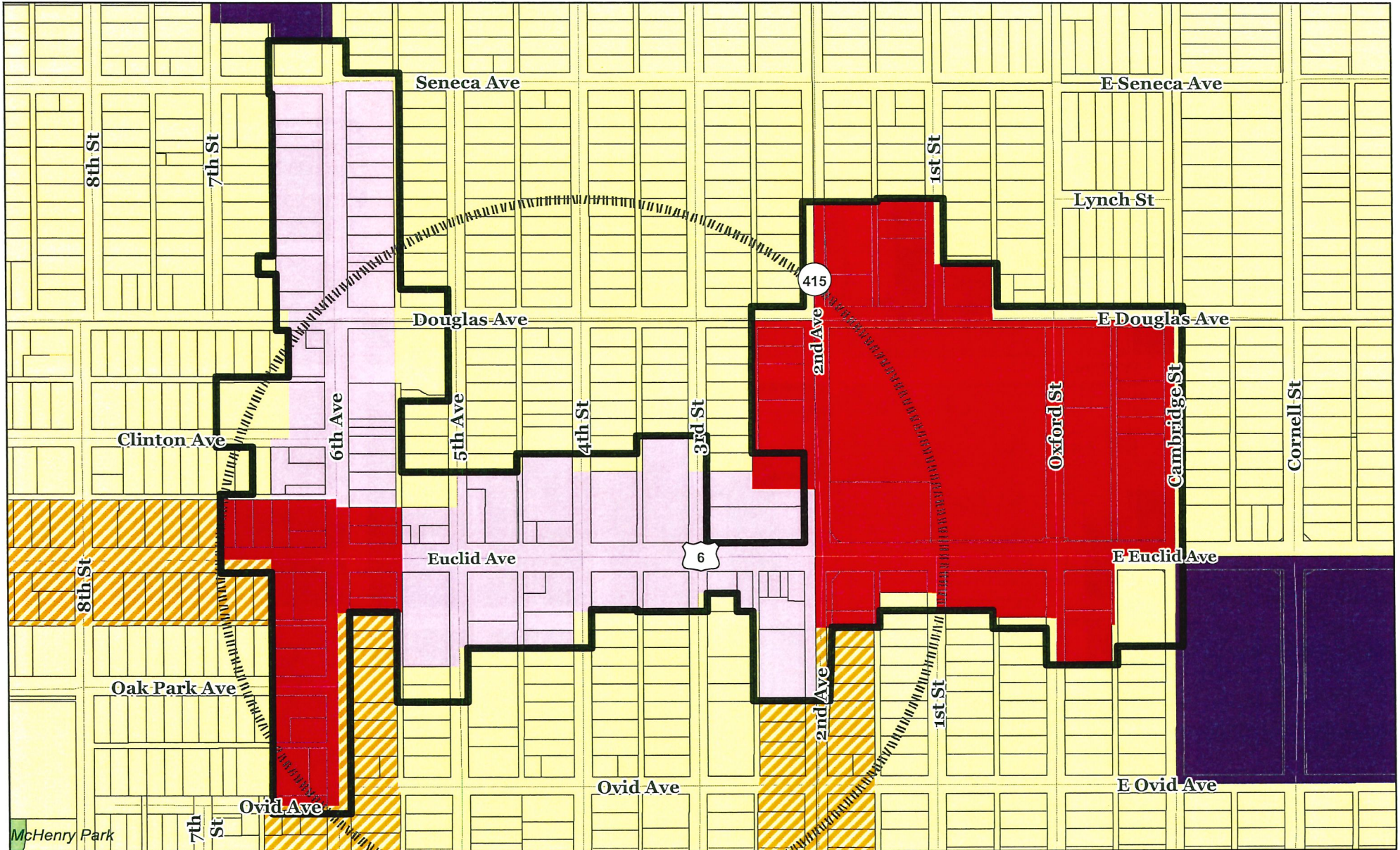
Map 2 - Existing Land Use



Map prepared by:
 City of Des Moines
 Community Development Department
 Date: 4/12/2020



Oak Park-Highland Park Urban Renewal Plan



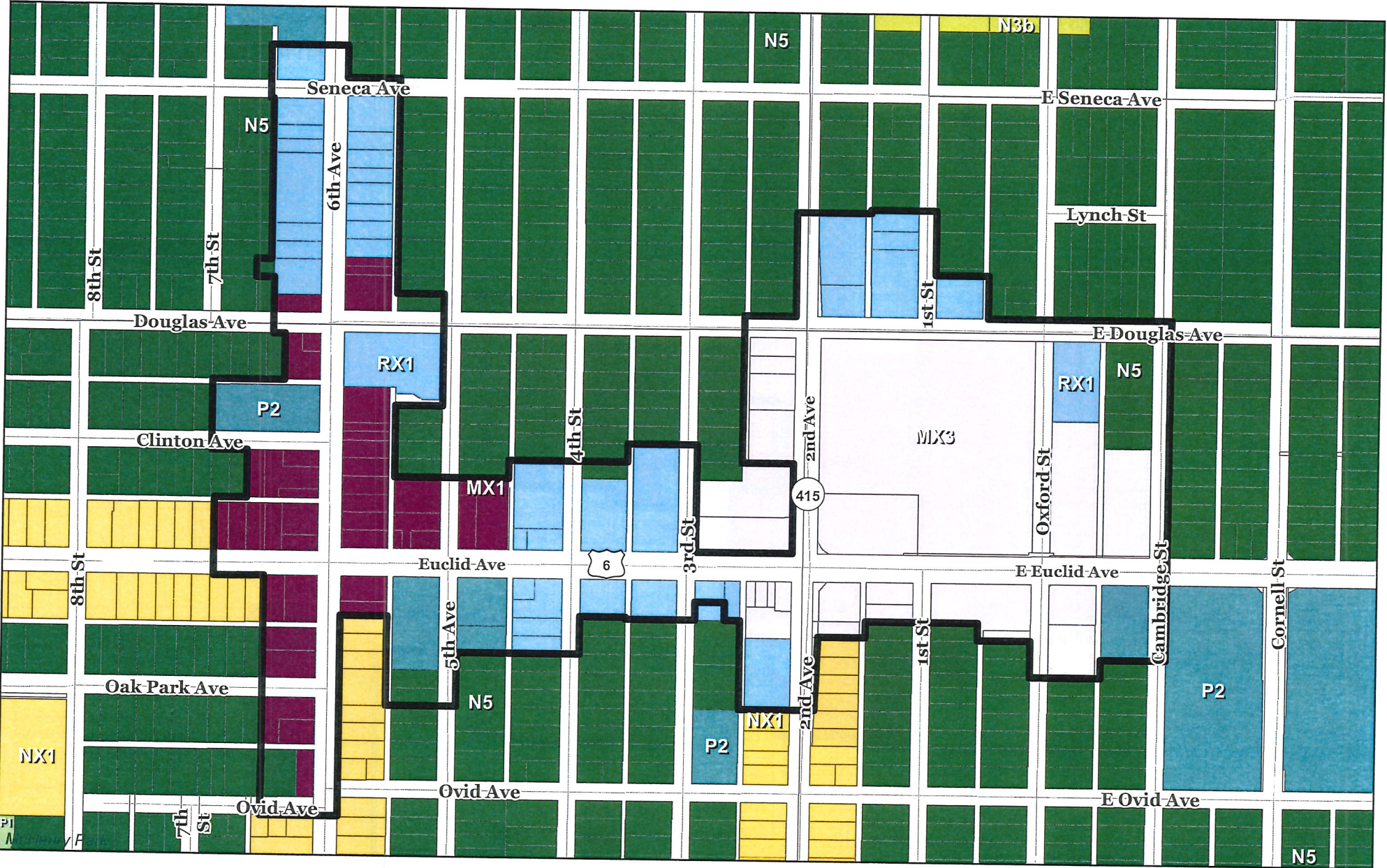
Map 3 - PlanDSM Future Land Use



Map prepared by:
 City of Des Moines
 Community Development Department
 Date: 4/12/2020



Oak Park-Highland Park Urban Renewal Plan



Map 4 - Existing Zoning

 Proposed OP - HP URA	 MX3	 N5	 P1
 MX1	 NX1	 P2	
 N3b	 RX1		

Zoning District

ROW

Map prepared by:
 City of Des Moines
 Community Development Department
 Date: 4/12/2020

