



Date March 6, 2023

RESOLUTION CONTINUING HEARING ON THE ADOPTION OF AN URBAN RENEWAL PLAN FOR THE UPPER EAST VILLAGE URBAN RENEWAL AREA

WHEREAS, the City Manager has caused an urban renewal plan titled Upper East Village Urban Renewal Plan (the "Plan") to be prepared for the proposed Upper East Village Urban Renewal Area which consists of approximately 22 acres generally located east of the Des Moines River on the south side of Interstate 235. It is bound by East 6th Street to the west, East 13th Street to the east, Interstate 235 on the north, and Des Moines Street to the south; and

WHEREAS, the purpose of the Upper East Village 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 redevelopment 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; and

WHEREAS, on February 6, 2023, by Roll Call No. 23-0160, it was duly resolved by the City Council that the adoption of the Upper East Village Urban Renewal Plan, be set down for hearing on March 6, 2023 at 5:00 P.M., in the Council Chamber at City Hall; and

WHEREAS, due notice of said hearing was published in the Des Moines Register, as provided by law, setting forth the time and place for hearing to consider the proposed Upper East Village Urban Renewal Plan; and

WHEREAS, the City Plan and Zoning Commission has advised that at a public hearing held on February 16, 2023, its members voted 12-0 in support of a motion to recommend **APPROVAL** to amend the PlanDSM: Creating Our Tomorrow future land use designation for the Upper East Village Urban Renewal Area from Public/Semi-Public to Downtown Mixed Use; and

WHEREAS, the City Plan and Zoning Commission reviewed the proposed urban renewal plan at its regular meeting on February 16, 2023 for conformity with the City's comprehensive plan, PlanDSM: Creating Our Tomorrow Plan, and voted 9-3 to find the Plan in conformance with PlanDSM, as amended, with the recommendation that language within the Plan be changed to prioritize other forms of transportation other than motor vehicles; and

WHEREAS, the Urban Design Review Board reviewed the proposed urban renewal plan at a meeting on February 21, 2023 and the Board voted unanimously to recommend approval of the Plan as presented; and

WHEREAS, the applicant has requested that the public hearing on the original adoption of the East Village Renewal Plan be continued to March 27, 2023.



Roll Call Number

Agenda Item Number

56

Date March 6, 2023

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, the public hearing to consider the proposed Upper East Village Urban Renewal Plan is hereby opened and continued to the City Council meeting on March 27, 2023 at 5:00 p.m. in the Council Chambers, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa.

(Council Communication No. 23-123)

MOVED BY _____ TO ADOPT SECOND BY _____

FORM APPROVED:

/s/ Chas M. Cahill
Chas M. Cahill
Assistant City Attorney

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

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, Laura Baumgartner, 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.

City Clerk

February 28, 2023

Communication from the City Plan and Zoning Commission advising that at their February 16, 2023 meeting, the following action was taken regarding the actions pertaining to the proposed Upper East Village Urban Renewal Plan:

- A) Amendment to the PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use classification from Public/Semi-Public to Downtown Mixed Use for the area bound by Pennsylvania Avenue on the west, Des Moines Street on the south, East 9th Street on the east, and the freeway (I-235) on the north.
- B) Determination as to whether the proposed Upper East Village Urban Renewal Plan is in conformance with the PlanDSM: Creating Our Tomorrow Comprehensive Plan.

COMMISSION RECOMMENDATION (Part A):

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

Commission Action:	Yes	Nays	Pass	Absent
Francis Boggus	X			
Dan Drendel	X			
Leah Rudolphi	X			
Carol Maher	X			
Abby Chungath	X			
Kayla Berkson				X
Chris Draper	X			
Todd Garner	X			
Johnny Alcivar				X
Justyn Lewis				X
Carolyn Jenison	X			
William Page	X			
Andrew Lorentzen	X			
Emily Webb	X			
Katie Gillette	X			

APPROVAL of part A) Approval of the request to amend PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use classification from Public/Semi-Public to Downtown Mixed Use for the area bound by Pennsylvania Avenue on the west, Des Moines Street on the south, East 9th Street on the east, and the freeway (I-235) on the north and B) The Commission finds the proposed Upper East Village Urban Renewal Plan in conformance with the PlanDSM: Creating Our Tomorrow Comprehensive

Plan, with the recommendation that language be changed to prioritize other forms of transportation other than motor vehicles.

COMMISSION RECOMMENDATION (Part B):

After public hearing, the members voted 9-3 as follows.

Commission Action:	Yes	Nays	Pass	Absent
Francis Boggus	X			
Dan Drendel	X			
Leah Rudolphi	X			
Carol Maher		X		
Abby Chungath	X			
Kayla Berkson				X
Chris Draper		X		
Todd Garner		X		
Johnny Alcivar				X
Justyn Lewis				X
Carolyn Jenison	X			
William Page	X			
Andrew Lorentzen	X			
Emily Webb	X			
Katie Gillette	X			

APPROVAL of part B) The Commission finds the proposed Upper East Village Urban Renewal Plan in conformance with the PlanDSM: Creating Our Tomorrow Comprehensive Plan, with the recommendation that language be changed to prioritize other forms of transportation other than motor vehicles.

STAFF RECOMMENDATION TO THE P&Z COMMISSION

A) Staff recommends approval of the request to amend PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use classification from Public/Semi-Public to Downtown Mixed Use for the area bound by Pennsylvania Avenue on the west, Des Moines Street on the south, East 9th Street on the east, and the freeway (I-235) on the north.

B) Staff recommends that the Commission find the proposed Upper East Village Urban Renewal Plan is in conformance with the PlanDSM: Creating Our Tomorrow Comprehensive Plan.

STAFF REPORT TO THE PLANNING COMMISSION

I. GENERAL INFORMATION

1. **Purpose of Request:** Included in the Commission’s packet is a draft version of the Upper East Village Urban Renewal Plan (URP).

The proposed urban renewal area consists of 42 lots/tax parcels containing approximately 22 acres of land. The area currently includes medium- to high-density multi-household residential uses, and commercial uses.

- 2. Applicable Regulations:** Taking into consideration the criteria set forth in Chapter 18B of the Iowa Code, the Commission reviews all proposals to amend the future land use map within the City of Des Moines' Comprehensive Land Use Plan. The recommendation of the Commission will be forwarded to the City Council. Taking into consideration the criteria set forth in Chapter 403 of the Iowa Code, the Commission reviews all proposals for a specific area that has been identified as a slum, blighted or economic development area or combination of the three to determine whether the proposed Urban Renewal Plan for the area is in conformance with the *PlanDSM: Creating Our Tomorrow* comprehensive plan. The recommendation of the Commission is forwarded to the City Council.

II. ADDITIONAL APPLICABLE INFORMATION

- 1. Urban Renewal Plan Goals and Objectives:** The Upper East Village Urban Renewal Area has goals and objectives that are intended to develop multi-family housing, commercial centers, professional offices, and/or mixed-use developments that enhance the neighborhood.

The goals and objectives of the Upper East Village Urban Renewal Area are as follows:

- Provide an attractive and appealing physical environment for residents to improve the livability of the Urban Renewal Area.
- Support the construction of quality, new multi-family residential infill development projects on underutilized parcels.
- Expand housing opportunities for residents and commercial service opportunities to support the neighborhood.
- Ensure that new development is of high quality, sustainable, and provides multi-modal transportation opportunities.
- Support the retention and expansion of affordable housing opportunities in an area proximate to amenities and job centers

The following guiding principles adopted by the Historic East Village Board would be supported by the Urban Renewal Plan:

- Walkability is a critical and defining feature of the East Village. The design concepts that promote walkability are empirically proven and well-documented. We will in general support initiatives and projects that are consistent with these concepts and oppose those that are not.
- The vitality of an urban mixed-use neighborhood depends on providing residents and visitors with a range of transportation options. These include use of personal

vehicles, taxis and ride-sharing, bicycles, and walking. We advocate a coordinated strategy that enhances all of these options over time, rather than favoring some at the expense of others.

- A well-developed infrastructure is essential to the continued growth of our neighborhood, and we recognize the prohibitive cost that is often assigned to developers and business owners to improve our aged infrastructure. As a result, we are committed to partnering with elected and appointed officials and others in order to advance infrastructure-related initiatives and projects such as burying power lines, installing fiber optic lines, and upgrading utility systems.

- 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: Creating Our Tomorrow*, was adopted by the City Council on April 25, 2016, by Roll Call 16-0717.

The portion of the proposed Upper East Village Urban Renewal Area that is west of Pennsylvania Avenue is currently designated as Downtown Mixed Use and the area the is east of Pennsylvania is currently designated as Public/Semi-Public. Descriptions of each land use classification are provided below.

Public/Semi-Public: Areas that are mostly open to public use or public access. May include government facilities, schools, hospitals, libraries, and community facilities.

Downtown Mixed Use: These nodes are the smallest in size and offer services that provide for basic daily needs of the local population in the surrounding neighborhood. May include restaurants, shops, and smaller scale businesses. Residential development including low-medium and medium densities may occur.

In order for the proposed Urban Renewal Plan to be found in conformance with PlanDSM, the future land use designation of the area located east of Pennsylvania Avenue needs to be amended from Public/Semi-Public to Downtown Mixed Use. Staff believes that the Downtown Mixed Use designation is appropriate.

Furthermore, the proposed objectives contained within the Upper East Village Urban Renewal Plan (listed in the previous section of this Staff Report) align with several goals contained in *PlanDSM: Creating Our Tomorrow*, including the following:

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.
- Goal 4: Foster a sustainable economy.

Land Use:

- 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.

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.
- Goal 5: Enhance the bicycle network by expanding bicycle facilities that are safe, comfortable, and easily accessible.

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.
- 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 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.
- Goal 6: Strengthen the walkability and connectivity within and between the 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.

SUMMARY OF DISCUSSION

Sreyoshi Chakraborty presented staff report and recommendation.

Carol Maher asked why walkability and bicycling are not promoted over vehicular transportation by the plan.

Whitney Baethke stated sustainability goals are important, but city staff have to be thoughtful of how projects work with all modes of transportation.

Carol Maher stated she is disappointed that all modes of transportation are being reviewed equally given the surrounding density.

Jason Van Essen stated it would be in the commission's purview to make a recommendation on those concerns within their motion.

Carol Maher asked if capitol viewshed is considered when constructing a 7-story building.

Whitney Baethke stated yes, all city process and requirements will apply to this project.

Jason Van Essen stated it is likely that this project will come before the commission for design alternatives.

Abby Chungath asked for the height limit within the DX zoning district.

Whitney Baethke stated 75 feet, the proposed building could potentially eclipse that, subject to the approval of design alternatives.

Will Page asked if the parking requirement could be waived.

Whitney Baethke stated this zoning district doesn't have a parking requirement, the parking stalls are proposed based on the market and what makes the product serviceable.

Will Page stated he would like the developer to know that the commission is concerned about parking within densely populated areas.

Chris Draper asked how equity is tested within this urban renewal plan.

Whitney Baethke stated city staff likes the surrounding amenities that will be provided and the housing mix being something that will drive social equity. Social equity is something that is hard to quantitatively describe and report.

Chris Draper asked if the inequitable data shown within the directors' report from Greater Des Moines Partnership were accounted for.

Whitney Baethke stated that is not a criterion for urban renewal plans, city staff does not quantitatively evaluate or report social equity.

Chris Draper asked if there has been any return on investment in a TIF project that is at least 10 years old.

Whitney Baethke stated those calculations can be shown on a number of projects, tax receipts and rebates are public information. Things like spinoff development, economic impact and the dollars that residents spend cannot be quantified.

Chris Draper asked what other economical tools were considered for this project.

Whitney Baethke stated over the past few decades, the city's tools for economic development have been largely stripped away, so TIF is the most impactful.

Chris Draper asked what other city incentives were considered besides TIF.

Whitney Baethke stated there is not another city incentive to consider.

Chris Draper asked if anything is being done within this urban renewal plan to stop the inequities that are associated with areas that have intensive commuter traffic.

Ryan Moffatt stated those type of requirements would put us at a disadvantage as the City of Des Moines is in competition with other communities.

Todd Garner stated he struggles saying this is the right way to approve an urban renewal plan, as it is being created for a project that has a financial gap that is likely driven by the cost of providing parking. This incentivizes one mode of transportation over others.

Andrew Lorentzen asked if parking is allowed within a DX2 zoning district.

Whitney Baethke stated structured parking is allowed, surface parking is not.

Ryan Moffatt stated the developer did approach the State of Iowa about utilizing their existing parking ramp but were unable to come to an agreement.

Carol Maher asked if the mixed use within this project will satisfy the grocery and healthy food options goal.

Whitney Baethke stated that would be satisfied by location and proximity to healthy food options in the area.

Carol Maher stated it appears they will receive \$4.5 million on day zero.

Whitney Baethke stated the \$4.5 million will be dispersed over the course of 20 years.

Carol Maher asked if they are paying taxes within those 20 years.

Whitney Baethke stated yes, they will always pay taxes on the property and on the value that exceeds their initial 10-year tax abatement.

Carol Maher asked if the city would create a bond for that.

Whitney Baethke stated no.

Carol Maher asked if the existing single-family homes in the urban renewal area would be torn down.

Whitney Baethke stated no.

CHAIRPERSON OPENED THE PUBLIC HEARING

No one was present or requested to speak.

CHAIRPERSON CLOSED THE PUBLIC HEARING

COMMISSION ACTION:

Chris Draper made a motion for:

A) Approval of the request to amend PlanDSM: Creating Our Tomorrow Comprehensive Plan to revise the future land use classification from Public/Semi-Public to Downtown Mixed Use for the area bound by Pennsylvania Avenue on the west, Des Moines Street on the south, East 9th Street on the east, and the freeway (I-235) on the north.

THE VOTE: 12-0

Chris Draper made a motion for:

B) The Commission finds the proposed Upper East Village Urban Renewal Plan not in conformance with PlanDSM: Creating Our Tomorrow Comprehensive Plan.

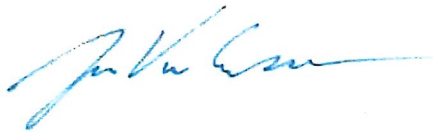
THE VOTE: 3-9 (Katie Gillette, Leah Rudolphi, Carolyn Jenison, Will Page, Abby Chungath, Dan Drendel, Emily Webb, Andrew Lorentzen and Francis Boggus voted in opposition). The motion failed.

Will Page made a motion for:

B) The Commission finds the proposed Upper East Village Urban Renewal Plan in conformance with the PlanDSM: Creating Our Tomorrow Comprehensive Plan, with the recommendation that language be changed to prioritize other forms of transportation other than motor vehicles.

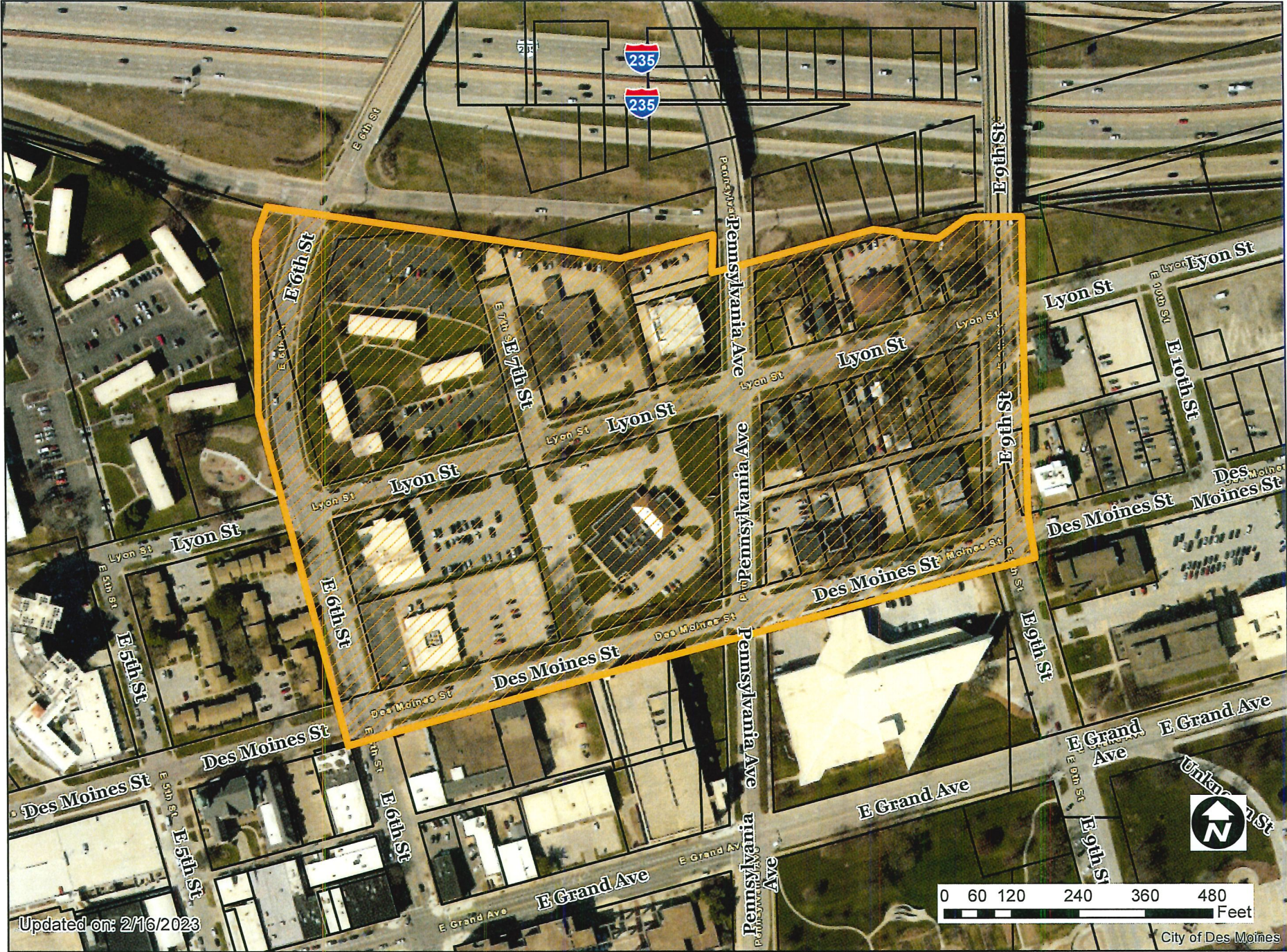
THE VOTE: 9-3 (Todd Garner, Chris Draper and Carol Maher voted in opposition).

Respectfully submitted,



Jason Van Essen, AICP
Planning & Urban Design Administrator

JMV:tjh



1 inch = 229 feet

Prepared by: Whitney L. Baethke, 400 Robert D. Ray Drive, Des Moines, IA 50309
Phone: 515-283-4004
Return Address: City Clerk – City Hall, 400 Robert D. Ray Drive, Des Moines, IA 50309
Taxpayer: No change
Title of Document: Upper East Village Urban Renewal Plan
Grantor/Grantee: City of Des Moines, Iowa
Legal Description: See Exhibit "A" at page 8, below

UPPER EAST VILLAGE URBAN RENEWAL PLAN

City of Des Moines, Iowa



Urban Design Review Board Action:	<i>February 6, 2023</i>
Taxing Entities Consultation:	<i>February 15, 2023</i>
Plan & Zoning Commission Action:	<i>February 16, 2023</i>
City Council Approval:	<i>March 6, 2023</i>

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- Map 1 – Urban Renewal and TIF District Area
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I. INTRODUCTION

A. General Description of the Upper East Village Urban Renewal Area

The general location and boundary of the Upper East Village Urban Renewal Area is shown on *Map 1 – Urban Renewal and TIF District Area*.

This Urban Renewal Area consists of 42 lots/tax parcels containing approximately 22 acres of land, and is generally located east of the Des Moines River on the south side of Interstate 235. It is bound by East 6th Street to the west, East 13th Street to the east, Interstate 235 on the north, and Des Moines Street to the south.

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 Upper East Village Urban Renewal Plan is to encourage removal and/or redevelopment of the blighted, obsolete, and underutilized property within the urban renewal area and to encourage targeted revitalization and new economic investment in the form of residential and commercial uses.

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 Comprehensive Plan, and that provides for the physical and economic enhancement of the area.
2. Provide for the planned and unified development of high density residential and commercial uses.
3. Creation of a safe and attractive physical environment through the construction and installation of necessary infrastructure and other public improvements in conformance with the City's ConnectDSM Transportation Master Plan, or actions supportive of the Urban Renewal Area.
4. Creation of financial incentives as necessary to encourage quality new housing opportunities, including improving and maintaining existing housing stock that can provide a variety of housing options, and support the development and retention of access to quality affordable housing within the Urban Renewal Area.
5. Expansion of the property tax base of the Urban Renewal Area and subsequently contributing to the economic betterment of the entirety of the 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.

For the reasons set forth below, the proposed Upper East Village Urban Renewal Area qualifies for designation as an Urban Renewal Area on the basis of existing slum and blight conditions as well as its suitability for economic development. Investment is desired in this underutilized area to promote economic development by removing blighted, obsolete, and underutilized properties to increase land values and creating housing and commercial opportunities for the area residents. But for tax increment financing, new investment in the area will not take place.

II. BACKGROUND INFORMATION

A. General Information

The area within and around the Upper East Village Urban Renewal Area is characterized by moderately-sized commercial structures, underutilized surface parking lots, places of religious assembly, a small cluster of single-family homes, and smaller multi-family buildings, several constructed as far back as the 1880s. The East Village enjoys good walkability and connectivity to downtown Des Moines and its Central Business District.

B. Existing Land Use

The Upper East Village Urban Renewal Area currently includes medium- to high-density multi-family residential uses and smaller commercial and medical office uses. These uses are shown in *Map 2 – Existing Land Use*

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

A prerequisite for an urban renewal plan is a comprehensive land use 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.

All goals and objections of the Upper East Village Urban Renewal Plan are in conformance with the City’s Comprehensive Plan, *PlanDSM, Creating our Tomorrow*, adopted by the City Council on April 26, 2016 by Roll Call 16-0717. PlanDSM Future Land Use designates all the land within the urban renewal area outside the street rights-of-way as “Downtown Mixed-Use”. Map 3-Plan DSM Future Land Use Map further details the proposed land uses for this general area.

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

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 3: Promote sustainable housing development that utilizes existing resources and supports compact, walkable, and bikeable neighborhoods; and Goal 4: Support development of, and access to, quality housing that is affordable to all income levels.

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.

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 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 the 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.

D. Conformance with the City's Zoning Requirements

Existing zoning in the urban renewal area (exclusive of the street rights-of-way) as shown on *Map 4 - Existing Zoning*, include:

- P2: 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. Infrastructure includes public or private infrastructure, including rail corridors and utility corridors or sites.

- DX2: intended for the mid-level intensity of activity in downtown, where storefronts, offices, and residences are mixed.
- DXR: intended for the mainly residential neighborhoods of the downtown, surrounding the downtown, and across the rivers from downtown.

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 Upper East Village Urban Renewal is geographically part of the Historic East Village Neighborhood, designated as a “Recognized Neighborhood” by the City Council as having met the specified minimum standards of a neighborhood organization and that communicates regularly with the City of Des Moines.

F. Recognition of Blight Conditions and Appropriateness for Development

The area qualifies for designation as an urban renewal area on the basis of blight due to existing conditions. The urban renewal area is characterized by vacant or underutilized parcels, parcels that are not adequately sized for redevelopment without assemblage with other land, dilapidated or obsolete buildings. As of the adoption of this Plan, eight parcels are listed by the Polk County Assessor as vacant. All of these conditions can have an impact of pulling down the economic viability of the Area and create a need for revitalization.

The proposed Upper East Village Urban Renewal Area is identified in Plan DSM and the City’s future land use map as conducive for the development of new multi-family dwellings and mixed-use development. The development area is in the Historic East Village Neighborhood, located near the Central Business District, served by mass transit, and is proximate to employment centers, schools, commercial, medical, and other services. Future additional amendments to *Plan DSM* may be identified through the ongoing planning process for the implementation of this Plan.

The construction of quality, new multi-family residential housing stock and the development of underutilized commercial and public spaces would add taxable valuation and promote new economic opportunities within the City of Des Moines.

III. URBAN RENEWAL PLAN ELEMENTS

A. Plan Goals and Objectives

The Upper East Village Urban Renewal Area has goals and objectives that are intended to develop quality multi-family housing, commercial centers, professional offices or mixed-use developments that enhance the neighborhood.

The goals and objectives of the Upper East Village Urban Renewal Area are as follows:

- Provide an attractive and appealing physical environment for residents to improve the livability of the Urban Renewal Area.

- Support the construction of quality, new multi-family residential infill development projects on underutilized parcels.
- Expand housing opportunities for residents and commercial service opportunities to support the neighborhood.
- Ensure that new development is of high quality, sustainable, and provides multi-modal transportation opportunities.
- Support the retention and expansion of affordable housing opportunities in an area proximate to amenities and job centers

The following guiding principles adopted by the Historic East Village Board will be supported by the Urban Renewal Plan:

- Walkability is a critical and defining feature of the East Village. The design concepts that promote walkability are empirically proven and well-documented. We will in general support initiatives and projects that are consistent with these concepts and oppose those that are not.
- The vitality of an urban mixed-use neighborhood depends on providing residents and visitors with a range of transportation options. These include use of personal vehicles, taxis and ride-sharing, bicycles, and walking. We advocate a coordinated strategy that enhances all of these options over time, rather than favoring some at the expense of others.
- A well-developed infrastructure is essential to the continued growth of our neighborhood, and we recognize the prohibitive cost that is often assigned to developers and business owners to improve our aged infrastructure. As a result, we are committed to partnering with elected and appointed officials and others in order to advance infrastructure-related initiatives and projects such as burying power lines, installing fiber optic lines, and upgrading utility systems.

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 Upper East Village 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 properties' potential for development and redevelopment purposes, including, but not limited to, activities such as valuation appraisals and architectural, engineering, and environmental studies;

3. Improvement, installation, construction and reconstruction of streets, utilities, and other public improvements and rights-of-way to serve the property;
4. Enforcement of applicable local, state, and federal laws, codes, and regulations; and
5. 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 Area by this Plan or any amendment thereto.

C. Land and Development Requirements

The physical development of the Area will be regulated through the standards and guidelines contained within the City of Des Moines' Zoning and Design Ordinances, the Des Moines Site Plan Regulations, 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:

- How the project uses 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.
- How the project incorporates long-term sustainability into site development and building construction, particularly the efficient use of materials and energy in heating, ventilation, and cooling system design.
- How the project uses low-impact development and on-site stormwater management best practices in the Area and coordinates the evaluation and assessment of natural resources proactively.

D. Financial Condition Report

The urban renewal area may be concurrently designated as a tax increment district. A financial condition report is included as *Attachment C-Financial Condition Report*. Property tax revenues anticipated to result from creation of the district would be available to service any indebtedness incurred in financing actions pursuant to this Plan

IV. URBAN RENEWAL PLAN IMPLEMENTATION

The City of Des Moines will take necessary action to achieve the goals and objectives of the Upper East Village 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 Area, identify issues and coordinate a response to these issues. A comprehensive approach will be taken to gather 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 or redevelopment in the Upper East Village 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 Community School District that would otherwise 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. 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. Development and administration of this Plan;
- b. Construction of public infrastructure improvements and facilities within the Area;
- c. Acquisition, installation, maintenance, and replacement of public improvements throughout the Area;
- d. Provision of loans or grants to qualified property owners for redevelopment of property within the Upper East Village Urban Renewal Area in conformance with this Plan.

D. Responsibility of Developer

The City will work with property owners, developers, neighborhood organizations, and their designees to implement this Plan. City expects to provide financial incentives for projects consisting of economic development grants payable in installments equal to a percentage of the incremental tax revenues generated by each project, as more specifically shown in the Financial Conditions report. The City reserves the ability to negotiate what will be in the best interest of the community and in furtherance of this Plan, while working with property owners,

developers, neighborhood organizations, or their designees to facilitate development and redevelopment projects.

V. DURATION OF URBAN RENEWAL PLAN

The Plan for the Upper East Village 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, but not limited to, designated neighborhood group(s) and City-appointed committees as appropriate upon any proposed amendment to this Plan.

Appendix A
Legal Description – Upper East Village Urban Renewal Area

Beginning at the intersection of the Southerly Right of Way line of Des Moines Street and the East Right of Way line of East 9th Street; Thence Southwesterly along said Southerly Right of Way line of Des Moines Street to the Westerly Right of Way line of East 6th Street; Thence Northwesterly along said Westerly Right of Way line of East 6th Street to the Northeast corner of Lot 2, Block D, River Hills Plat Three, an Official Plat; Thence Northerly along a straight line to a corner of Block B in said River Hills Plat Three, said corner being 460.427 feet (Platted) Northerly along the Westerly line of said Block B from the Southwest corner of said Block B; Thence Northeasterly along a Northwesterly line of said Block B to the North line of Block B in said River Hills Plat Three, said North line of said Block B also being the South Right of Way line of Interstate 235; Thence Easterly along the meandering line of said South Right of Way line of Interstate 235 to the East Right of Way of East 9th Street; Thence South along said East Right of Way line of East 9th Street to the Point of Beginning.

Appendix B
Legal Description – Upper East Village TIF District #1

The South half (S ½) of the West 333.50 feet of Block A, River Hills, Plat Three, on Official Plat, now included in and forming a part of the City of Des Moines, Iowa.

Locally known as 603 East 6th Avenue, Des Moines, Iowa

Appendix C

Financial Condition Report – Upper East Village Urban Renewal Area

The City has, by Ordinance No. _____ passed March 6, 2023, designated the Upper East Village 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, the creation of affordable housing, and 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 Upper East Village Urban Renewal Plan Area has been designated by the City as an urban renewal area upon a finding by the City Council that slum and blighted conditions exist and that the area is appropriate for economic development.

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 Upper East Village Urban Renewal Area on March 6, 2023, 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 July 1, 2022, the City of Des Moines has approximately \$507.3 million in general obligation debt. Of this debt, approximately \$111.3 million is being serviced with Tax Increment Revenues from various urban renewal areas. The State of Iowa Constitutional debt-limit for general debt obligations by the City of Des Moines is approximately \$792.7 million. The Upper East Village Urban Renewal Area does not have any outstanding debt arising from the issuance of tax increment notes or bonds.

Property Tax Assessments and Revenues

The base assessed value used to calculate the Tax Increment Revenue for the Upper East Village Urban Renewal Area projection as of 1/1/2022 is \$464,000. At the time of designation as a tax increment financing district, any property tax assessments within the legally-described district will be "frozen". Any additional increase in the property tax assessment may be "captured" for use in the TIF district by the City.

The property tax assessment and revenue projections will be updated with any amendments that are made to the plan.

Future Financial Condition

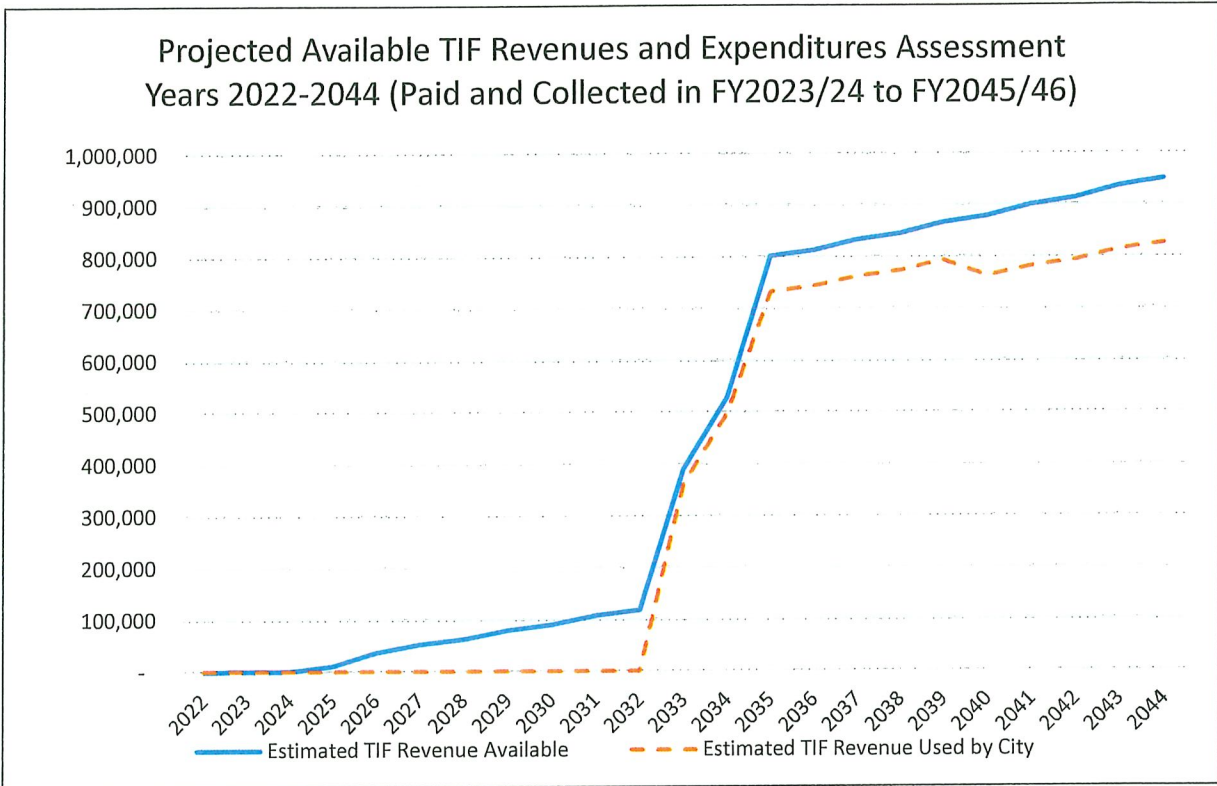
Shown below is a table that projects estimated property tax revenues and expenditures from the Upper East Village Urban Renewal Area – TIF District #1. In this Financial Condition Report, the estimated property tax revenues are based on a property tax levy rate of approximately \$36 / \$1,000. This levy 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 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 following table and graphic represent new information formulated for this amendment.

Assessment Year	Adjusted Base Valuation	Total Adjusted Assessed Valuation	New Adjusted Increment Valuation	TIF Valuation Used	Estimated TIF Revenue Available	Estimated TIF Revenue Used by City	Percent Valuation Used
2022	464,000	464,000	-	-	-	-	0%
2023	464,000	475,600	11,600	-	418	-	0%
2024	464,000	482,734	18,734	-	674	-	0%
2025	221,496	534,150	312,654	-	11,256	-	0%
2026	75	1,021,862	1,021,788	-	36,784	-	0%
2027	-	1,472,412	1,472,412	-	53,007	-	0%
2028	-	1,749,455	1,749,455	-	62,980	-	0%
2029	-	2,218,118	2,218,118	-	79,852	-	0%
2030	-	2,506,346	2,506,346	-	90,228	-	0%
2031	-	2,993,932	2,993,932	-	107,782	-	0%
2032	-	3,293,797	3,293,797	-	118,577	-	0%
2033	-	10,831,541	10,831,541	10,011,701	389,935	360,421	92%
2034	-	14,668,291	14,668,291	13,843,113	528,058	498,352	94%
2035	-	22,244,727	22,244,727	20,339,994	800,810	732,240	91%
2036	-	22,572,234	22,572,234	20,645,851	812,600	743,251	91%
2037	-	23,126,268	23,126,268	21,163,258	832,546	761,877	92%
2038	-	23,466,998	23,466,998	21,481,464	844,812	773,333	92%
2039	-	24,043,401	24,043,401	22,019,761	865,562	792,711	92%
2040	-	24,397,888	24,397,888	21,174,456	878,324	762,280	87%
2041	-	24,997,563	24,997,563	21,705,012	899,912	781,380	87%
2042	-	25,366,363	25,366,363	22,031,304	913,189	793,127	87%
2043	-	25,990,249	25,990,249	22,583,281	935,649	812,998	87%
2044	-	26,373,940	26,373,940	22,922,747	949,462	825,219	87%

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



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.

Appendix D

Approved Economic Development and Redevelopment Projects and Activities

The following listing provides a summary of Economic Development and Redevelopment Projects approved by the Des Moines City Council for receipt of tax increment funding.


Projects marked with “*” have had preliminary terms of agreement approved by the Des Moines City Council. This information is updated when the City Council approves a development agreement.

***HOA Development LLC – 603 E 6th Street**

New construction of a 7-story building with 186 units, and approximately 150 enclosed parking stalls on the sub-level in accordance with the preliminary terms of an Urban Renewal Development Agreement with HOA Development LLC, presented to the City Council on March 6, 2023. The financial terms provide for an economic development grant capped at a net present value of \$4,500,000 to be paid with \$50,000 in project year 8, 95% the project generated tax increment from the building valuations, exclusive of land in years 9 -15, 90% in years 16-20, commencing in the fiscal year when taxes are first due and payable on the completed improvements.

Map 1 Urban Renewal and TIF District Area





 CITY OF DES MOINES

Upper East Village Urban Renewal Area


Legend

- Upper East Village Urban Renewal Area
- Parcel Boundary
- TIF District #1

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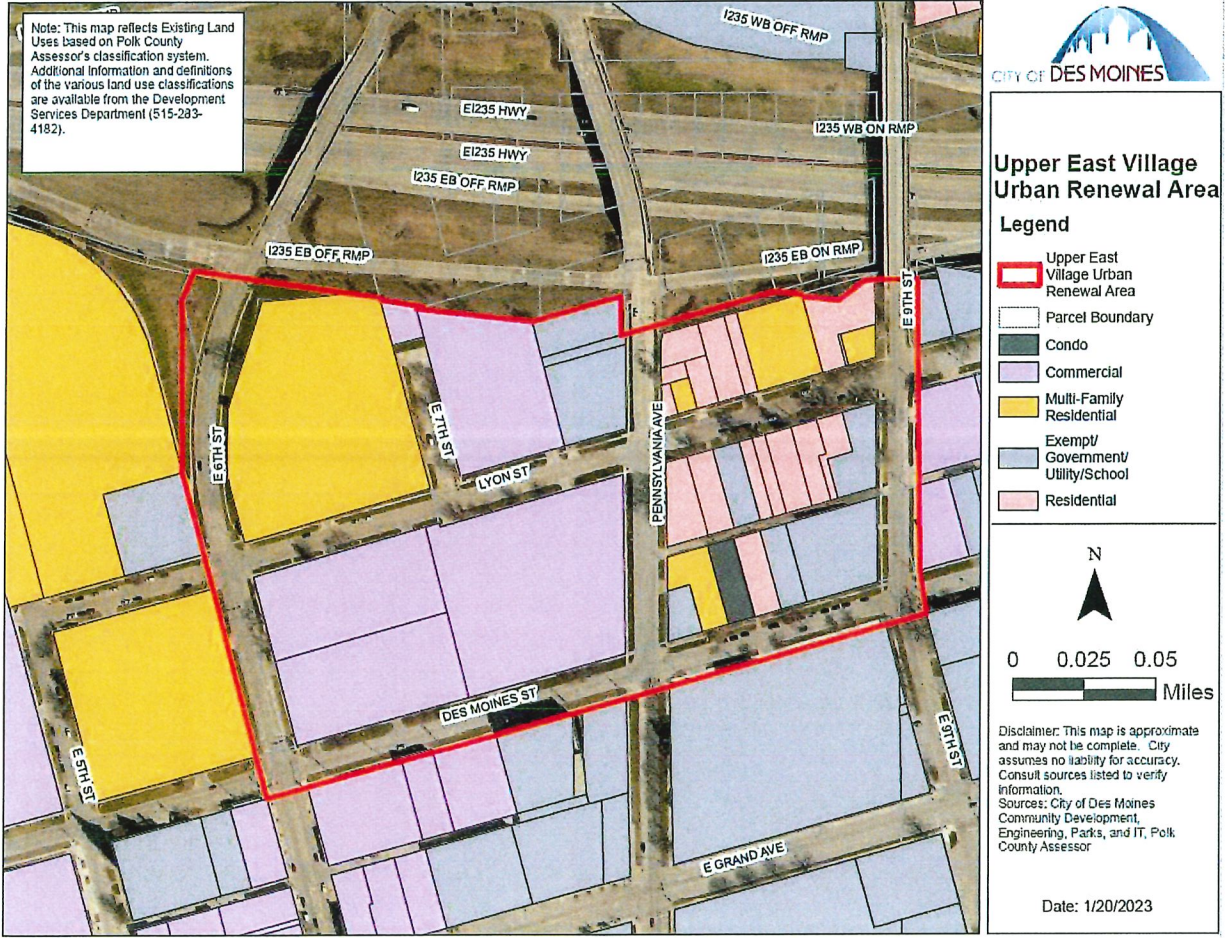
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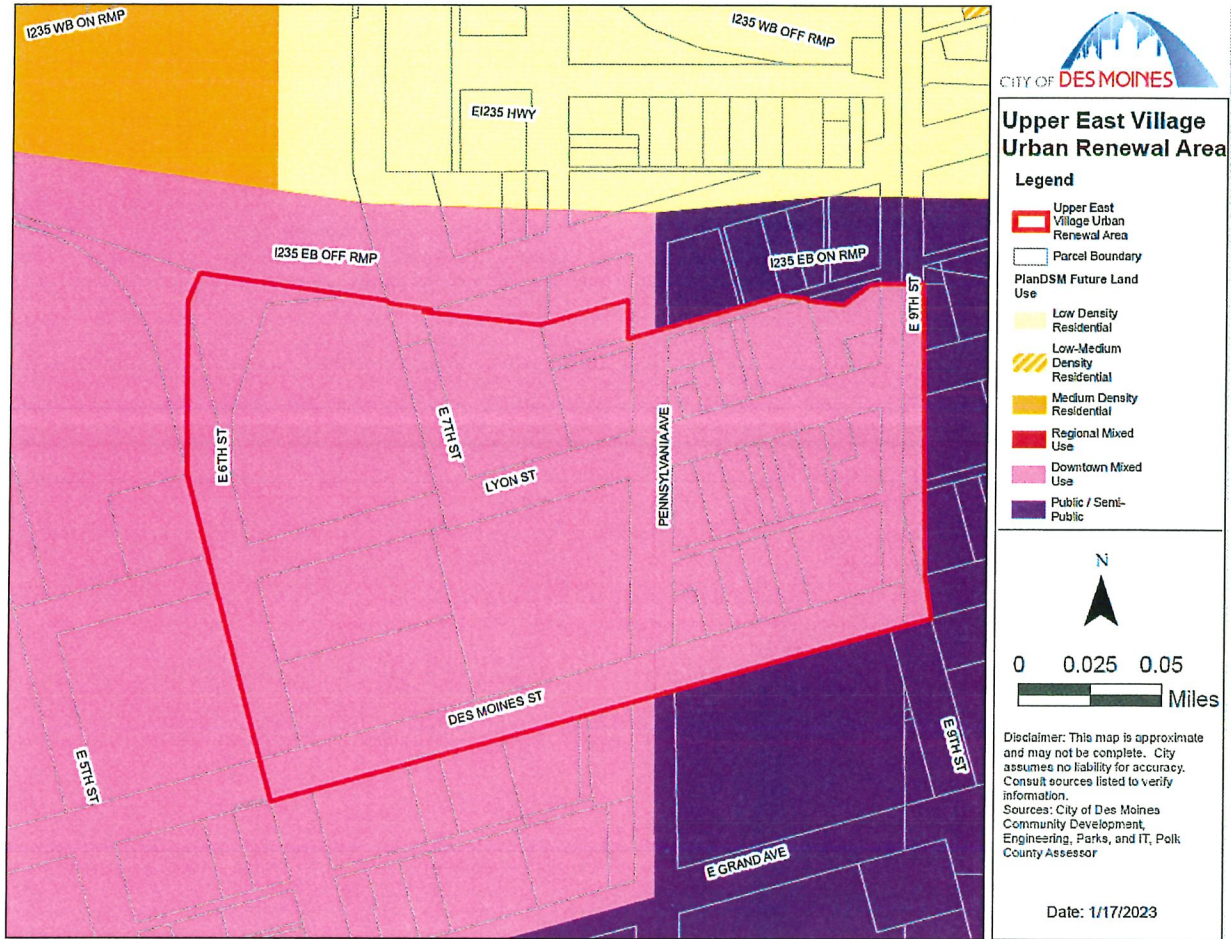
Disclaimer: This map is approximate and may not be complete. City assumes no liability for accuracy. Contact sources listed to verify information.
Sources: City of Des Moines, Community Development, Engineering, Parks, and IT, Polk County Assessor

Date: 11/8/2022

Map 2 Existing Land Use



Map 3 Future Land Use



Map 4 Existing Zoning

