

May 19, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Urban Renewal Plan Amendment



ACTION: For Vote Tuesday, May 27, 2014

Brief History

The City Council previously created the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") by resolution and adopted an Urban Renewal Plan (the "Plan") for the governance of projects and initiatives within the Areas.

In order to provide TIF funds for projects, the project sites must be located within the Urban Renewal Area. In addition, the Urban Renewal Plan must reflect the proposed expenditures.

Analysis of Issue

The first part of the proposed amendment to the Urban Renewal Plan would allow incentive payments in conjunction with the redevelopment project by the Iowa Outdoors Store at 1597 3rd Avenue NW.

The second part of the proposed amendment is a clarification to the legal description in a previous amendment that was approved in November of 2012 for the Fort Frenzy Project. This Urban Renewal amendment was being completed at the same time the property was being re-platted to create Diersen Subdivision. The new subdivision plat changed the legal description of the property. Therefore in order to reflect the correct legal description, a clarification amendment is being made

Budget Impact

Incentive payments in an amount not to exceed \$40,000 from the increment produced from the proposed project would be paid to the developer over three years through annual appropriations.

Strategic Plan Impact

Policy C.1.5: The rehabilitation, reuse, or removal of currently unused or underutilized structures, sites and infrastructure shall be accomplished.

Policy C.1.6: City government shall be an active participant, facilitator and partner in the creation of large and small business and industrial development opportunities capitalizing upon the unique human and economic resources of the area.

Policy C.1.7: Economic development efforts shall protect, enhance and encourage a high quality of life, image and cultural amenities as critical factors in business retention, recruitment and economic growth.

Existing Plan Impact

Consistent with the City's Urban Renewal Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Staff recommends approval of the attached amendment to the Urban Renewal Plan.

Alternatives

The only alternative would be to not approve the amendment, which would prohibit the City from providing TIF funds for the above-referenced project.

Implementation and Accountability

If approved the amendment to the Urban Renewal Plan will be executed, followed by an amendment to the TIF District and approval of an agreement with the Iowa Outdoors Store.

Signed



Vickie L. Reeck
Community Development Manager

Approved

David R. Fierke, City Manager

RESOLUTION NO. _____

A Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan Amendment for the May, 2014 Addition to the Center City and Industrial Park Urban Renewal Areas

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the “Urban Renewal Law”), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, the City Council of the City of Fort Dodge (the “City”) has previously established the Center City and Industrial Park Urban Renewal Areas (the “Urban Renewal Areas”), and has adopted urban renewal plans (the “Plans”) for the governance of activities and projects therein; and

WHEREAS, a proposal has been made which shows the desirability of expanding the Urban Renewal Areas to add and include all the property (the “Property”) lying within the legal description set out in Exhibit A hereto; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Property to be an economic development area; and

WHEREAS, an amendment (the “Amendment”) to the Plans has been prepared which (1) covers the addition of the Property to the Urban Renewal Areas; and (2) authorizes the undertaking of a new urban renewal project in the Urban Renewal Areas consisting of providing tax increment financing support to Gale W. McKinney in connection with the construction of an addition to the Iowa Outdoors Store retail facility situated at 1597 3rd Avenue NW, including the addition of a 3D archery range; and

WHEREAS, notice of a public hearing by the City Council of the City on the question of establishing the Property as part of the Urban Renewal Areas and the Amendment for the May, 2014 Addition to the Urban Renewal Areas was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on May 27, 2014; and

WHEREAS, notice of a consultation meeting with respect to the Amendment were mailed to Webster County and the Fort Dodge Community School District; the consultation meeting was held on the 13th day of May, 2014; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Fort Dodge, Iowa, as follows:

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa, is found to exist in the City on the Property.

Section 2. The Property is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the May, 2014 Addition to the Urban Renewal Areas.

Section 3. The development of the Property is necessary in the interest of the public health, safety or welfare of the residents of the City.

Section 4. It is hereby determined by this City Council as follows:

A. The Amendment and the projects and initiatives described therein conform to the general plan of the City as a whole;

B. Proposed economic development projects described in the Amendment are necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

Section 5. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved May 27, 2014.

AYES: _____

NAYS: _____

OTHER: _____

City of Fort Dodge, Iowa

By: Matt Bemrich, Mayor

Attest:

Jeff Nemmers, City Clerk

EXHIBIT A
Legal Description
Expanded Center City and Industrial Park Urban Renewal Areas
(May, 2014 Addition)

1) Certain real property situated in the City of Fort Dodge, County of Webster, State of Iowa more particularly described as follows:

Lot 12, in County Auditor's Taxation Plat of the N ½ to the NW ¼ of Section 24, Township 89 North, Range 29, West of the 5th P.M., Lands Inside the City of Fort Dodge, Iowa, together with right of easement for ingress and egress 24 feet in width to above tract, bounded and described as follows: Beginning at a point 1,263.5 feet East and 70 feet South of the Northwest corner of said Section 24-89-29; thence East 24 feet; thence S 00°18'W 24 feet; thence West 23.87 feet; thence North 24 feet to the point of beginning, and a road easement over and along the North 12 feet of Lot 13, in County Auditor's Taxation Plat of the N ½ to the NW ¼ of Section 24, Township 89 North, Range 29, West of the 5th P.M., Lands in the City of Fort Dodge, Iowa, for the purpose of ingress and egress, subject to easements of record.

AND

A part of Lot 13, East of and adjoining Lot 12, located in County Auditor's Taxation Plat "Junction 169 and 7" located in the NW ¼ of Section 24, Township 89 North, Range 29 West of the 5th P.M., City of Fort Dodge, Webster County, Iowa, described as follows: Beginning at the Northwest corner of the said Lot 13 (NE corner of Lot 12); thence South 89°51'19" East 108.05 feet along the North line of the said Lot 13; thence South 00°04'28" East 177.50 feet; thence North 89°51'19" West 108.05 feet to a point on the West line of the said Lot 13; thence North 00°04'28" West 177.50 feet along the said West line to the point of beginning, containing 0.44 acres.

2) All of Diersen Addition to the City of Fort Dodge (*By virtue of the City's November, 2012 Amendment to the Urban Renewal Plans for the Center City and Industrial Park Urban Renewal Areas, the City previously added a portion of this property to the Areas. This action to add the entire Diersen Addition is to clarify all of the property intended for inclusion in 2012.*)

CITY OF FORT DODGE, IOWA

URBAN RENEWAL PLAN AMENDMENT
CENTER CITY AND INDUSTRIAL PARK URBAN RENEWAL AREAS

May, 2014

The Urban Renewal Plans (the “Plans”) for the Center City and Industrial Park Urban Renewal Areas (the “Areas”) are being amended for the purposes of (1) adding property to the Areas; and (2) identifying a new urban renewal project to be undertaken therein.

1) Addition of Property. By virtue of this amendment, the legal description of the properties contained within the Areas is expanded to add the real property (the “Property”) described on Exhibit A hereto. As set forth on Exhibit A hereto, a portion of the Property is being added for the purpose of updating and clarifying the legal description of the real property intended to be added to the Areas by virtue of the City’s November, 2012 Amendment to the Plans. It is anticipated that the City will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

2) Identification of Project. By virtue of this amendment, the list of authorized urban renewal projects in the Plans is hereby amended to include the following project description:

Name of Project: Iowa Outdoors Store Expansion Project (the “Project”)

Name of Urban Renewal Area: Center City and Industrial Park Urban Renewal Areas

Year of Establishment of Urban Renewal Areas: June 30, 1978

Date of Council Approval of Project: May 26, 2014

Description of Project: Gale W. McKinney (the “Developer”) has proposed to undertake the construction of an addition to the Iowa Outdoors Store retail facility situated at 1597 3rd Avenue NW (the “Development Property”) in the Areas, including the addition of a three-dimensional archery range. It is anticipated that the Project will be completed by December 31, 2014.

Description of Public Infrastructure: The City will not install any public infrastructure in connection with the Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire any property in connection with the Project.

Description of Use of TIF: The City intends to enter into a Development Agreement with the Developer with respect to the Project and to provide annual appropriation

economic development payments (the “Payments”) thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Development Property. It is anticipated that the City’s total commitment of incremental property tax revenues under the Development Agreement with respect to the Project will not exceed \$40,000.

3) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$50,643,872</u>
Outstanding general obligation debt of the City:	<u>\$30,290,000</u>
Proposed debt to be incurred under the October, 2013 Amendment*:	<u>\$ 40,000</u>

*It is anticipated that some or all of the debt incurred hereunder will be subject to annual appropriation by the City Council.

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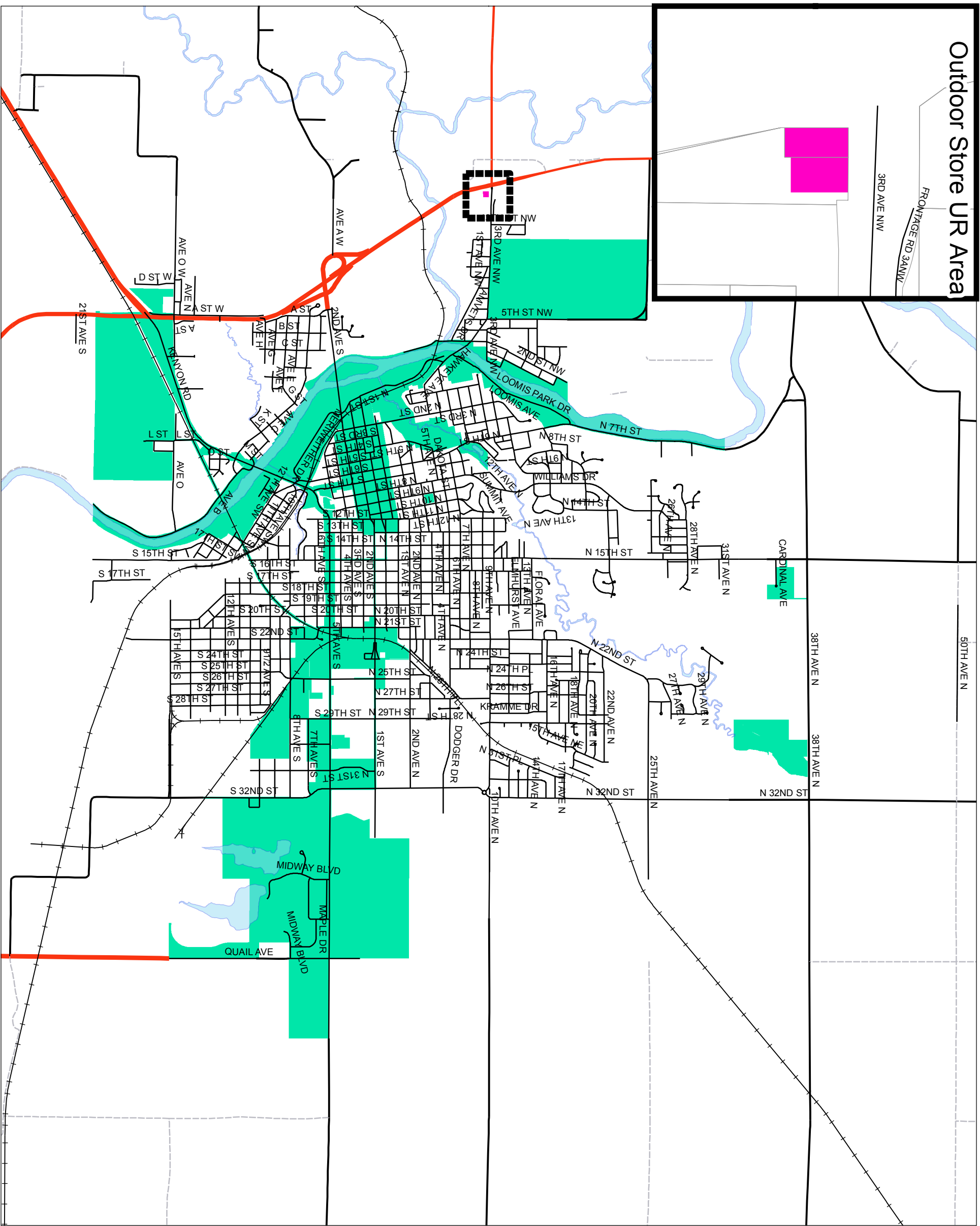
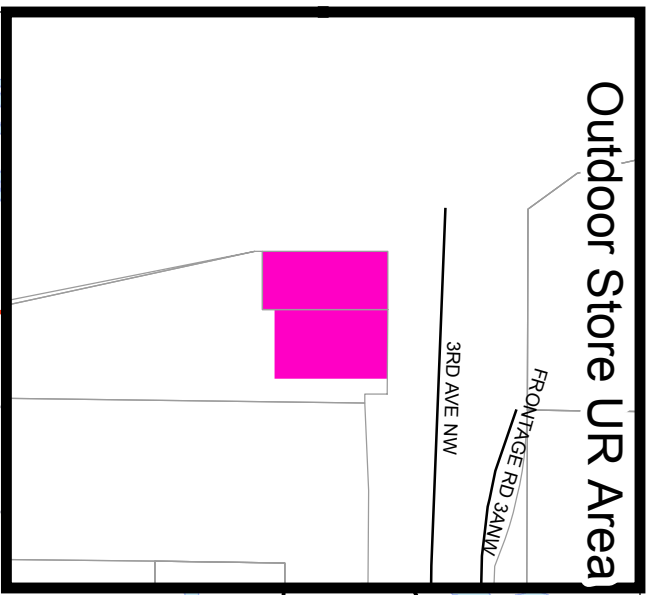
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Outdoor Store UR Area



URBAN RENEWAL AMENDMENT May 2014

Legend

- Proposed UR Area
- Urban Renewal
- Streets 2014
- Rivers and Creeks
- Railroads
- County Paved
- State
- US

County Roads MapSymbol

- City
- County
- County Paved
- State
- US

