Council Communication

Department: Community Development CASE#URV-20-001	Resolution No. 20-69	City Council: 3/23/2020 City Council Public Hearing: 5/4/2020

Subject/Title

Establishment of the Veterans Memorial Highway Urban Revitalization Area.
Location: 706 Veterans Memorial Highway.

Background/Discussion

Background

McGregor Interests, Inc. has a purchase agreement with the current owner of the subject property and intends to redevelop it as a commercial storage facility to be known as 'Lockbox Storage.' The proposed location at 706 Veterans Memorial Highway will be one of the multiple locations of 'Lockbox Storage' across Iowa and Nebraska. McGregor Interests, Inc. proposes to construct eight storage buildings on the subject property.

Discussion

Iowa Code permits the City to establish urban revitalization areas which satisfy one of the five conditions outlined in Section 404.1. Staff believes this project meets the criteria under 404.1.2: An area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, or welfare in its present condition and use.

Staff has prepared a resolution of intent to establish this project area as an urban revitalization area. The resolution directs staff to develop an urban revitalization plan as required by the Iowa Code, notify property owners and occupants and set May 4, 2020 as a public hearing date. Concurrent with the adoption of an urban revitalization plan, an ordinance establishing the urban revitalization area can be considered. Upon adoption of the area, the City is permitted to grant tax abatement to qualified projects.

If approved, the project as proposed could be eligible for either a full exemption from taxation for three years, or a ten year declining property tax abatement on the actual value added by the improvements.

Recommendation

The Community Development Department recommends City Council adopt a resolution of necessity and intent to establish an urban revitalization plan and area for 706 Veterans Memorial Highway.

Attachments

Boundary Map and Draft Plan