Council Communication

Department: Community Development Case No.: URN-21-02 Applicant: Community Development Department	Resolution No.: 21-	City Council: 5-24-2021 Planning Commission: 6-8-2021 First Reading: 6-28-2021 Second Reading: 7-12-2021 Third Reading: Request Waive

Subject/Title

Creation and adoption of the South Avenue Urban Renewal Area

Location

Generally located west of Harry Langdon Blvd, South of 18th Ave, east of South Expressway, north of I-80

Legal Description: Attached

Background/Discussion

Background

In 2021, the City began working with TSL Holding Company, Limited to assist with their multi-modal project from the railroad to the interstate. This $28 million project will relocate their business from Omaha to Council Bluffs and will relocate 38 positions to Council Bluffs. TSL plans to apply for a Targeted Jobs Withholding Tax Credit which requires a local match by the City and/or County. TSL has requested the City contribute $1,075,800 towards their match requirement in the form of Tax Increment Financing (TIF) through the Urban Renewal law.

Under Chapter 403 of the Iowa Code, Iowa law allows municipalities to establish urban renewal areas to finance public improvements such as streets, sewers, sidewalks, and other infrastructure related to residential, commercial, or industrial development; to redevelop slum or blighted areas; to fund private economic development; and to finance construction of low and moderate income housing.

Discussion

On May 24, 2021, the City Council passed a resolution of necessity which directed staff to initiate the process of creating the South Avenue Urban Renewal Plan and Area. This resolution established the following actions and timeframes:

6-8-2021 City Planning Commission hearing and review
6-9-2021 Consultation meeting to be held with other taxing jurisdictions
6-28-2021 City Council public hearing on the proposed urban renewal plan

The consultation hearing was held on June 9, 2021 and no public attended. Additionally, no written correspondence has been received by the Community Development Department either in support or against the proposed plan.

Iowa statutes require the City Planning Commission to review the plan for conformity to the comprehensive plan and to forward a recommendation to City Council prior to the public hearing. This was held June 8, 2021 and Planning Commission recommended approval of the South Avenue URN with a 10-0 vote.

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Urban renewal assistance has been requested to create new economic development through residential housing in the area. The resulting private development of land will be assisted to ensure adequate urban densities can be achieved which can sustain municipal services and facilities. Staff has reviewed the owner's proposal and believes the use of urban renewal/tax increment financing (TIF) is appropriate. A separate development agreement will be negotiated between the City Council and TSL regarding the specifics of the TIF incentives.

Staff Recommendation

The Community Development Department recommends approval of the South Avenue Urban Renewal Plan and Area and first consideration of the TIF ordinance.

Planning Commission Recommendation

The City Planning Commission concurs the South Avenue Urban Renewal Plan and Area conforms to the goals and objectives of the Bluffs Tomorrow: 2030 Comprehensive Plan with a 10-0 vote.

VOTE: AYE – Bass, Danielsen, Halm, Haner, Hutcheson, Rater, Rew, Scott, Stroebele and Van Houten. NAY – None. ABSTAIN – None. VACANT – One. Motion carried.

Attachments

1) The South Avenue Urban Renewal Plan
2) Resolution
3) TIF Ordinance

Submitted by: Courtney Harter, Housing and Economic Development Manager, Community Development Department