Council Communication

Department: Community Development Case/Project No.: URN-21-005	Ordinance No.: Resolution No.: 21-	City Council: 6-14-2021 Planning Commission: 7-13-2021 P.H. and First Reading: 7-26-2021 Second Reading: 8-9-2021 Third Reading: Request Waive

Subject/Title

Creation and adoption of the Arbor Creek Urban Renewal Area

Location

Generally located at the intersection of College Road and Railroad Avenue

Legal Description: Lot 2, Arbor Creek Subdivision, City of Council Bluffs, Pottawattamie County, Iowa

Background/Discussion

Background

In 2020, the City approved the offer to buy submitted by Neal Drickey for the property located at the corner of College Road and Railroad Avenue. Mr. Drickey proposed a 26-unit subdivision consisting of 12 attached single-family and 14 detached single-family housing units which would create an estimated $5.07 million in taxable value. As part of his commitment, Mr. Drickey proposed setting aside the attached units for the creation of affordable housing. The attached units will be sold for $159,999.00, and the other 19 single-family homes will be sold at market rate in the range of $210,000.00 - $265,000.00. Total site infrastructure construction and land costs are $830,133. The developer is requesting TIF assistance (100% over 10 years) with a maximum cap of $1,610,000 to complete the required infrastructure improvements and offset the loss from the construction of affordable units.

The primary goal of the Plan is to stimulate, through public involvement and commitment, private investment in new housing and residential development as defined in the Code of Iowa Section 403.17(12). With the adoption of this Plan, the City designates this Urban Renewal Area as an economic development area that is appropriate for the provision of public improvements related to housing and residential development.

Discussion

If the City Council concurs to utilize urban renewal powers for the area described above, a resolution will be necessary to cause several actions. These actions include the preparation of an urban renewal plan, establishing a date for consultation with other taxing jurisdictions, City Planning Commission hearing and review, setting a date for City Council hearing and other appropriate legal notices. A resolution, which calls for these activities, has been prepared and is attached for your review and consideration.

This resolution establishes the following timeframe:

6-24-2021 Consultation meeting to be held with other taxing jurisdictions
7-13-2021 City Planning Commission hearing and review
7-26-2021 City Council public hearing on the proposed urban renewal plan

The consultation hearing was held on June 24, 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 July 13, 2021 and Planning Commission voted 8-0 that the plan was in conformance with the *Bluffs Tomorrow: 2030 Comprehensive Plan*.

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Urban renewal assistance has been requested to create new economic development through residential hosuing 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 Neal Drickey regarding the specifics of the TIF incentives.

Staff Recommendation

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

Planning Commission Recommendation

The City Planning Commission found the Arbor Creek Urban Renewal Plan and Area in conformance with the *Bluffs Tomorrow: 2030 Comprehensive Plan*. Commission members present: Danielsen, Halm, Haner, Hutcheson, Opperman, Rew, Stroebele, and Van Houten.