

AGENDA

PUBLIC MEETING:

Zoning Commission

Monday, November 5, 2018

5:00 p.m.

LOCATION:

City Hall

1302 Melrose Avenue

University Heights, Iowa 52246

Time*	Item	Owner
5:00 p.m.	Call to Order Election of Zoning Commission Chair	Zoning Commission
5:05 p.m.	One University Place – proposed Amendment to Urban Renewal Plan to include additional property and approve new projects - Presentation of Plan Amendment from City’s TIF Counsel - Review and recommendations concerning Plan Amendment	Steve Ballard Commission
6:00 p.m.	Adjournment	

*Times are approximate.

MEMORANDUM

To: City of University Heights Zoning Commission

From: Steven E. Ballard
City Attorney

Date: November 4, 2018

**Re: University Heights One University Place Urban Renewal Area/
Urban Renewal Plan Amendment**

A public hearing will be held by the City Council on November 12, 2018 on a proposed amendment to the urban renewal plan for the University Heights One University Place Urban Renewal Area to add the property legally described in the proposed amendment and to approve a new urban renewal project. This memorandum is to assist the Commission in performing its role in this process.

The following property is proposed to be added to the Urban Renewal Area:

- Melrose Avenue public right-of-way (i.e., the street itself and adjoining ROW – parking area and sidewalks) between the east and west City limits.
- Olive Court public right-of-way (i.e., the street itself and adjoining ROW – parking area and sidewalks) from the City limits north to Melrose Avenue.

The proposed projects the City Council is considering are the following:

- Melrose Avenue Street Improvements Projects, including 2018-19 street patching and 2021-23 Complete Street Improvements/Street Scape, which has been approved for funding, in part, by the Eastern Iowa Council of Governments but still requires funding from the City.
- Olive Court Reconstruction Project, which is scheduled for 2018 (design) and 2019 (construction).

The proposed Plan Amendment, which describes the additional property and identifies the proposed projects, is attached. Iowa Code sec. 403.5 requires that, before it holds a public hearing, the City Council must submit a copy of the proposed Plan Amendment to the Commission, “for review and recommendations as to its conformity with the general plan for the development” of the City. Iowa law does not require that the Commission hold a hearing on the proposed Plan Amendment, nor does it require that the Commission take any action to either approve or reject the proposed Plan Amendment. Iowa law directs that the Commission review the Plan Amendment and provide written comment to the City Council as to whether the Plan Amendment conforms to, or is consistent with, the City’s Comprehensive Plan. You may link to the City’s

Comprehensive Plan here: <http://university-heights.org/CompPlan10/CompPlanRevised5-2010.pdf>.

The One University Place Urban Renewal Area was adopted as part of the Tax Increment Financing (TIF) Development Agreement from 2015. The OUP TIF is a 95% annual appropriation rebate TIF, meaning the City Council each year may rebate to the OUP developer up to 95% of the property taxes collected on the incremental value of the OUP property. Kind of a mouthful. For present purposes, I would point out two things: 1) the question presently before the Commission does not concern a review or recommendation with regard to the overall OUP TIF; and 2) the Council is considering adopting the Plan Amendment so that the City can claim the remaining 5% of the TIF to pay for a portion of the projects identified.

In summary, the question before the Commission is whether the proposed amendments and projects (improvements to Melrose Avenue and Olive Court) are in conformity with the general plan for development in the Comprehensive Plan. The Comprehensive Plan describes Melrose Avenue as a “major thoroughfare” (p. 5) and an “arterial street” (pp. 25-26). The Comprehensive Plan was last updated before the hotel presently under construction at 901 Melrose Avenue had been approved. The City Council is presently in the process of outlining a process for updating the Comprehensive plan.

The Commission’s review and comments should be completed and submitted to the City Council by noon November 12, 2018. I look forward to seeing you.

CITY OF UNIVERSITY HEIGHTS, IOWA
URBAN RENEWAL PLAN AMENDMENT
UNIVERSITY HEIGHTS ONE UNIVERSITY PLACE URBAN RENEWAL AREA

November, 2018

The Urban Renewal Plan (the "Plan") for the University Heights One University Place Urban Renewal Area (the "Urban Renewal Area") is being amended for the purposes of adding certain property to the Urban Renewal Area and identifying new urban renewal projects to be undertaken therein.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the November, 2018 Addition to the Urban Renewal Area. With the adoption of this Amendment, the City will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Urban Renewal Area.

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

A.

Name of Project: Melrose Avenue Street Improvements Project

Name of Urban Renewal Area: University Heights One University Place Urban Renewal Area

Date of Council Approval of Project: November 12, 2018

Description of Project and Project Site: The Melrose Avenue Street Improvements Project will include roadway widening; street patching; the construction of curb and gutter improvements; the construction of sidewalk, storm water drainage, water system, and street lighting improvements; the extension of on-street bike lanes; the reconstruction of crosswalks; and the incidental utility, landscaping, site clearance and cleanup work related thereto on and along all of the public right-of-way of Melrose Avenue between the east and west corporate limits of the City.

It is expected that the completed Melrose Avenue Street Improvements Project will cause increased and improved ability of the City to provide adequate transportation infrastructure for the growth and retention of commercial and industrial enterprises in the City.

Description of Properties to be Acquired in Connection with Project: The City will such acquire easement territory and rights-of-way as are necessary to successfully undertake the Melrose Avenue Street Improvements Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Melrose Avenue Street Improvements Project with either borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Melrose Avenue Street Improvements Project will not exceed \$735,000.

B.

Name of Project: Olive Court Street Reconstruction Project

Name of Urban Renewal Area: University Heights One University Place Urban Renewal Area

Date of Council Approval of Project: November 12, 2018

Description of Project and Project Site: The Olive Court Street Reconstruction Project will include street reconstruction and the incidental utility, landscaping, site clearance and cleanup work related thereto on and along Olive Court in order to provide the necessary transportation infrastructure for a new hotel.

Description of Properties to be Acquired in Connection with Project: The City will acquire such easement territory and rights-of-way as are necessary to successfully undertake the Olive Court Street Reconstruction Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Olive Court Street Reconstruction Project with either borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Olive Court Street Reconstruction Project will not exceed \$300,000.

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>\$8,201,998</u>
Outstanding general obligation debt of the City:	<u>\$</u>
Proposed debt to be incurred in connection with November, 2018 Amendment*	<u>\$1,035,000</u>

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

EXHIBIT A
Legal Description
University Heights One University Place Urban Renewal Area
November, 2018 Addition

Certain real property situated in the City of University Heights, Johnson County, State of Iowa, more particularly described as follows:

All of the public right-of-way of Melrose Avenue lying between the east and west corporate limits of the City.

All of the public right-of-way of Olive Court, beginning at the south corporate limits of the City, continuing north to and including its intersection with Melrose Avenue.