

Planning Commission Communication

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| Department: Community Development CASE # URV-18-002 Applicant: Community Development Department | Resolution No. _____ | Planning Commission: 3-13-18 Resolution of Intent: 2-12-18 City Council Public Hearing: 3-26-18 First Reading: 3-26-18 Second Reading: 4-9-18 Third Reading: 4-23-18 |
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Subject/Title

Request: Adoption of the Peterson School Urban Revitalization Plan and Area.

Location: 2600 South 9th Street and 2601 South 10th Street

Background

Chapter 404 of the Iowa Code authorizes a City to designate an area as an urban revitalization area. Improvements to qualified real estate within designated areas may then be eligible to receive a total or partial exemption from property taxes for a specified number of years. The exemptions are intended to stimulate private investment by reducing the tax increase that would normally result from making improvements to real estate property.

Urban revitalization tax abatement incentives can apply to residential, commercial and industrial development. Both new construction on vacant or unimproved land and rehabilitation of existing structures are eligible for tax abatement.

Discussion

A proposal has been submitted by Lake Creek Properties to update the former Peterson School (2600 South 9th Street) to suit the needs of a post-secondary school. The new tenant of the building will be the EQ School of Hair Design, and will convert existing rooms into classrooms and studio space to accommodate the hair design school. There are no exterior building additions proposed at this time, though the new owner has proposed some exterior façade updates, and the construction of additional parking spaces.

On February 12, 2018, the City Council approved a Resolution of Necessity which initiated the process of creating the Peterson School Urban Revitalization Plan and Area, and set March 26, 2018 as the public hearing date. Although Chapter 404 of the Iowa Code does not specifically require review by the City Planning Commission, staff believes that such review is appropriate.

Notification was sent to the owners of properties that are within the urban revitalization area. In a conversation with a representative of the Valley View Congregation of Jehovah's Witnesses Church, staff was informed that the church would prefer to be removed from the urban revitalization area. Staff has not received any formal written statement at the time of this report.

Staff specifically asks that the Commission consider the following:

- The proposed Peterson School Urban Revitalization Plan furthers the goals of the City's Comprehensive Plan.
- The Peterson School Urban Revitalization Area is an area appropriate for urban revitalization designation as specified in Iowa Code Sections 404.1.1 and 404.1.2. The subject properties fall under these categories as the former Peterson School building requires significant renovations to be viably used. Section 404.1.1 discusses buildings that are dilapidated, deteriorated, obsolete and/or contain other conditions that are detrimental to the public health, safety and welfare. Section 404.1.2 discusses various factors which endanger life or property, substantially impairs or arrests the sound growth of a city, slows 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.

Recommendation

The Community Development Department recommends approval of the Peterson School Urban Revitalization Plan and Area.

Attachments

Attachment A: Peterson School Urban Revitalization Plan

Prepared by: Chris Meeks, Planner