

CHAPTER 9

URBAN REVITALIZATION PLAN

9.01 Title	9.10 Qualifications for Eligibility
9.02 Adoption of Plan	9.11 Tax Exemption Schedule
9.03 Basis of Plan	9.12 Application Requirements
9.04 Revitalization of Land Assessed as Agricultural Property	9.13 Prior Approval
9.05 Description of Revitalization Area	9.14 Allowable Benefits – Basis of Tax Exemption for Property Assessed as Commercial Use for Residential Purposes
9.06 Assessed Valuations	9.15 Time Limit – Prior Approval
9.07 Zoning	9.16 Relocation Provisions
9.08 Type of Construction	9.17 Duration
9.09 Allowable Benefits – Basis of Tax Exemption	

9.01 TITLE. This chapter shall constitute the Urban Revitalization Plan for the City of Polk City, Iowa, and may be referred to as the Polk City, Iowa, Urban Revitalization Plan.

9.02 ADOPTION OF PLAN. The urban revitalization plan, a copy of which is on file in the office of the City Clerk, and by this reference made a part hereof, is adopted for the purpose of outlining procedures whereby the areas designated herein can be revitalized, and the potential for commercial and industrial growth can be enhanced in accordance with the current comprehensive plan of the City of Polk City, as may be amended, and pursuant to the provisions of Chapter 404 of the Code of Iowa.

9.03 BASIS OF PLAN. It has been determined that the area that lies within the tax abatement area contains an area which has tax and special assessment delinquencies far exceeding the actual value of the land, and that by reason thereof, certain special assessment bonds are in default. That such defaults, if allowed to continue, will impair the sound growth of this community, in that the City's ability to construct improvements through the use of future special assessment bonds has been jeopardized. Further, the areas lying within the tax abatement area cannot presently be developed due to inadequate street layout, incompatible land-use relationships, faulty lot layout in relation to size, and lack of public utilities. In addition, without tax abatement, it is extremely unlikely that said areas will ever be developed for commercial, or industrial growth, due to the substantial cost involved in developing the property.

9.04 REVITALIZATION OF LAND ASSESSED AS AGRICULTURAL PROPERTY. All land lying within the prescribed zoning districts, assessed as agricultural property, is being included within the urban revitalization area, specifically for the reason that a great majority of such land is subject to special assessments which exceed the market value of said land. It is not possible to encourage the growth of Polk City, except through use of land assessed as agricultural property, due to the fact that the undeveloped land in Polk City is assessed as agricultural property. A failure to include said agricultural land within the urban revitalization area would be unjust and unfair to the property owners of said land, and would defeat the purpose of this urban revitalization plan.

9.05 DESCRIPTION OF REVITALIZATION AREA. The area designated for the urban revitalization plan of the City of Polk City, Iowa, is designated as the entire area lying within the corporate limit boundaries of the City of Polk City, Polk County, Iowa. (For legal

description of revitalization area see Map 1 and Appendix A of urban revitalization plan prepared by Snyder & Associates.)

9.06 ASSESSED VALUATIONS. The listing of assessed valuations of record of all real estate lying within the urban revitalization area is contained in Appendix B of the urban revitalization plan.

9.07 ZONING. The land falling within the urban revitalization area is zoned according to the zoning ordinance of the City of Polk City, Iowa. References herein to certain zoning classifications are made with reference to and controlled by such ordinance which may be amended from time to time. It is assumed that much of the land lying within the urban revitalization area will remain used as agricultural property until such time as it is developed. It is the purpose of this chapter to encourage and promote commercial and industrial growth.

9.08 TYPE OF CONSTRUCTION. The urban revitalization plan includes the remodeling, rehabilitation and addition to existing buildings, as well as the construction of new commercial and industrial facilities. Provided, however, that nothing in this chapter shall be deemed to provide an exemption from taxation for valuation added through the installation of public improvements, such as streets, sewers, water, and other improvements to land or use by the public.

9.09 ALLOWABLE BENEFITS - BASIS OF TAX EXEMPTION. The following classes of property are eligible to receive an exemption from taxation, based upon the actual value added by improvements to that property, made subsequent to the adoption of the ordinance codified in this chapter. Said exemption from taxation shall be in accordance with the tax exemption schedules established under Section 9.11.

1. Property Assessed As Commercial. New construction of principal use structures and permitted accessory use structures and the construction for additions, remodeling and rehabilitation to existing principal and accessory use structures.
2. Property Assessed As Industrial. New construction of principal use structures and permitted accessory use structures, and the construction for additions, remodeling and rehabilitation to existing principal and accessory use structures.

9.10 QUALIFICATIONS FOR ELIGIBILITY. Improvements satisfying the eligibility requirements of Section 9.09 of this chapter shall qualify for tax exemption under Section 9.12 of this chapter, provided they satisfy all of the following requirements:

1. The improvements must have been added during the time the area has been designated a revitalization area.
2. Improvements consisting of rehabilitation or additions to existing buildings must have increased the actual value of the qualified real estate by at least 15 percent.
3. The improvements must be completed in accordance with all applicable zoning and other regulations of the City.
4. The improvements must be in conformity with the applicable proposed land use shown in the Polk City Comprehensive Plan, or Council approved modifications of the Comprehensive Plan.

9.11 TAX EXEMPTION SCHEDULE. Tax exemption on qualifying improvements shall follow one of two optional schedules. Eligible property owners, as defined in Section 9.09,

may choose either option one or two. Once the choice has been made and the exemption granted, the owner is not permitted to change the method of exemption. Exemption schedule options are:

1. Option One. All qualified real estate is eligible to receive a fifty percent (50%) exemption from taxation on the actual value added by the improvements. The exemption is for a period of seven (7) years.
2. Option Two. All qualified real estate is eligible to receive a one hundred percent (100%) exemption from taxation on the actual value added by the improvements. The exemption is for a period of three (3) years.
3. Eligible Benefits. Notwithstanding anything contained elsewhere, qualified real estate shall not receive property tax abatement if said real estate is the subject of a tax increment financing or tax rebate agreement.

9.12 APPLICATION REQUIREMENTS. An application shall be filed for each new exemption claimed. The property owner must apply for an exemption by February 1st of the assessment year for which the exemption is first claimed, but not later than February 1st of the next assessment year after the assessment year in which all improvements included in the project are first assessed for taxation. The application shall contain, but not be limited to, the following information: The nature of the improvement, its cost, the estimated or actual date of completion, the tenants that occupied the owner's building on the application date, and which exemption in Section 9.11 of this plan will be elected. Application for exemption must be made on a form obtained from the office of the Clerk, which will require the above information. The application shall be accompanied with information, including, but not limited to, construction contracts, purchase agreements, or other material sufficient to demonstrate and support the estimated value of exemption.

9.13 PRIOR APPROVAL. A person may submit a proposal for an improvement project to the Council to receive prior approval for eligibility for tax exemption on the project. The Council, by resolution, may give its prior approval of a tax exemption for an improvement project if it is demonstrated to the Council that the proposed project is found to be in conformance with this urban revitalization plan. Such prior approval shall not entitle the owner to exemption from taxation until the improvements have been completed and found to be qualified real estate; however, if the proposal is not approved, the person may submit an amended proposal to the Council to approve or reject. Application for prior approval must be made on the form obtained from the office of the Clerk, which requires the minimum information as stated in Section 9.12. The application shall be accompanied by information, including, but not limited to, concept plans, cost estimates, proposed uses and other materials sufficient for the Council to evaluate the proposed improvement project's compliance with this chapter.

9.14 ALLOWABLE BENEFITS - BASIS OF TAX EXEMPTION FOR PROPERTY ASSESSED AS COMMERCIAL USE FOR RESIDENTIAL PURPOSES.

1. Property assessed as commercial, which contains three or more separate living quarters with at least 75% of the total space in all new buildings on the property used for residential purposes, including new construction of principal use structures and permitted accessory use structures and the construction of additions, remodeling and rehabilitation to existing principal and accessory use structures, may receive an exemption from taxation, based upon the actual value added by improvements to that property, made subsequent to the adoption of the ordinance codified in this section.

Said exemption from taxation shall be accordance with the tax exemption schedules established under Section 9.11.

2. Improvements satisfying the eligibility requirements of this section may qualify for tax exemption provided they satisfy all of the requirements established under Section 9.10.

3. An application shall be filed for each new exemption claimed in accordance with the application requirements established under Section 9.12. Upon an applicant complying with Section 9.12, the Clerk shall place the application on the next available Council agenda. Thereafter, the Council may, by resolution, give its approval for tax exemption if it determines that the potential for commercial and industrial growth can be enhanced in accordance with the comprehensive plan of the City by approval of the application.

9.15 TIME LIMIT - PRIOR APPROVAL. All prior approval applications for an improvement project, whether submitted under Section 9.13 or Section 9.14, approved by the Council under the plan, shall remain in effect until three (3) full calendar years from and after the date of said resolution approving the application. If improvements are not in place by that date, prior approval is null and void.

9.16 RELOCATION PROVISIONS.

1. Benefits. Upon application for and verification of eligibility for tax abatement to a property owner by the City, qualified tenants in designated areas whose displacement was due to action on the part of property owner to qualify for said tax abatement under this plan, shall be compensated by the property owner for one month's rent and for actual reasonable moving and related expenses.

2. Eligibility. "Qualified Tenant", as used in this section shall mean the legal occupant of a residential dwelling unit which is located within a designated revitalization area, and who has occupied the same dwelling unit continuously since one year prior to the City's adoption of this section.

3. Actual Reasonable Moving and Related Expenses. A qualified tenant of a dwelling is entitled to actual reasonable expenses for:

A. Transportation of the displaced person and personal property from the displacement to the replacement site. Transportation costs for a distance beyond 25 miles are not eligible.

B. Packing, crating, unpacking and uncrating of personal property.

C. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.

4. Least Costly Approach. The amount of compensation for an eligible expense shall not exceed the least costly method of accomplishing the objective of the compensation without causing undue hardship to the displaced tenant and/or landlord.

9.17 DURATION. The above-described area shall be eligible for tax abatement under the revitalization plan for a period beginning on the effective date of the ordinance codified in this chapter, and it shall remain in effect thereafter until such time as the Council believes that the desired level of revitalization has been attained, or that economic conditions are such that the continuation of the revitalization plan would cease to be a benefit to the City and the Council

institutes action to repeal the urban revitalization ordinance, as is provided in Iowa Code Section 404.7.

[The next page is 71]