
URBAN REVITALIZATION PLAN

BOONE REVITALIZATION AREA

CITY OF BOONE, IOWA

**Effective for construction starts on or after
the publication date of Ordinance No. 2170**

**Public Hearing Held: March 21, 2011
Plan Adopted by Resolution: March 21, 2011
Ordinance Adopted: May 2, 2011
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SIMMERING-CORY, INC.

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BOONE REVITALIZATION PLAN BOONE, IOWA

A. DESIGNATION CRITERIA

With the adoption of this Plan, the City Council is designating the Boone Revitalization Area as being qualified under Iowa Code Section 404.1(4) and 404.1 (5). The area is appropriate for public improvements related to housing and residential development or construction of housing and residential development, including single or multi-family housing. The area is also appropriate as an economic development area for commercial and industrial development.

B. DESCRIPTION OF THE AREA

The Boone Revitalization Area (hereinafter referred to as “area”) includes all property within the corporate limits. A map of the area is attached as Exhibit A.

C. PLAN OBJECTIVES

The Plan is prepared in conformance with Sections 404.1 and 404.2 of the Code of Iowa for the purpose of providing incentives and outlining procedures to enhance the potential for commercial and residential development in Boone. The primary objectives of this Plan are as follows:

- Encourage new construction of, and remodeling and additions to, residential and commercial properties through abatement of taxes on the value of the improvements.
- Improve economic conditions and housing opportunities in the area and take steps to enhance the general attractiveness of the Urban Revitalization Area.
- Planning goals include revitalizing the area through the promotion of new construction on vacant land and rehabilitation of existing property, stabilizing and increasing the tax base, and providing overall aesthetic improvement.

It may be that some of the improvements will be on land that is assessed as agricultural land. The City will present justification at the public hearing held pursuant to Section 404.2 for the revitalization of land assessed as agricultural

property by means of new construction. Such justification will include information about the City's urgent need for additional housing and commercial development. Such justification shall demonstrate, in addition to the other requirements of this chapter and Section 419.17, that the improvements on land assessed as agricultural land will utilize the minimum amount of agricultural land necessary to accomplish the revitalization of the other classes of property within the urban revitalization area. The City finds that the amount of land assessed as agricultural land in the City, when that amount is compared to the amount of agricultural land in the County, is minimal and use of such land is necessary to accomplish the objectives of this Plan, as set out above.

D. EXISTING ZONING

Zoning classifications in the revitalization district include:

- A-1: Agricultural
- HM: Hospital – Medical
- C-1: Special Commercial
- C-2: Limited Commercial
- C-3: General Commercial
- M-1: Special Planned Commercial, Office or Industrial
- M-2: Planned Commercial, Office or Industrial
- M-3: Light Industrial
- M-4: General Industrial
- R-1: Single Family Residential
- R-2: One and Two Family Residential
- R-3: Multi-Family Residential
- R-5: Mobile Home Park

A zoning map is attached as Exhibit B.

E. EXISTING LAND USE

Existing land use categories are the same as the zoning classifications described above.

F. PROPOSED LAND USE

The revitalization area is proposed for new and expanded commercial, industrial and residential development in those areas that comply with the City's Zoning Ordinance.

G. CITY SERVICES

Current plans for improving or expanding City services within the revitalization area are outlined in the City's Capital Improvement Plan. Projects identified in the CI include, but are not limited to, sanitary sewer system improvements, street and roadway system improvements, park improvements, and sidewalk replacement. The CI is on file at the City.

H. ELIGIBLE IMPROVEMENTS

Eligible property improvements, as used in this Plan, include rehabilitation and additions to existing residential and commercial structures located within the area. In addition, new construction on vacant land or on land with existing structures is also eligible for tax abatement.

Actual value added by improvements, as used in this Plan, means the actual value added as of the first year for which the exemption was received according to tax assessment valuation per Boone County Assessor. In order to be eligible for tax abatement, the increase in actual value of the building must be at least 10%. If more than one building is located on property, the ten percent (10%) increase requirement applies only to the structure or structures upon which the improvements were made. If no structures were located on the property prior to the improvements, any improvements may qualify.

All improvements, in order to be considered eligible must be completed in conformance with all applicable regulations of the City of Boone, and must be completed during the time the area is designated as a revitalization district. Actual value added by the improvements means the actual value added as of the first year for which the exemption was received according to tax assessment valuation per Boone County Assessor. However, if such construction, rehabilitation or additions were begun one year prior to the adoption of the Plan, the value added by such construction, rehabilitation or additions shall not constitute an increase in value for purposes of qualifying for the exemption listed in the Plan. Improvements added before the effective date of the adoption of this Plan by City ordinance will not qualify for any exemption. The effective date is the date the ordinance is published. If improvements were started before the effective date of the Plan and continued after the effective date, only the improvements made on or after the effective date of the Urban Revitalization Plan are eligible.

The City also has a tax increment financing program which is designed to provide incentives for development. Accordingly, an applicant which, in the determination of the City Council, is receiving either direct or indirect benefits

which were financed through a City-sponsored tax increment financing program, shall not be eligible for tax abatement under the revitalization program, unless otherwise determined by the City Council.

I. TIME FRAME

The area shall be eligible for tax abatement under the Revitalization Plan for improvements to qualified real estate that are completed on or before December 31, 2021, so that the assessor can make a full assessment as of January 1, 2022. If, in the opinion of the City Council, the desired level of revitalization has been attained or economic conditions are such that the continuation of the exemption granted would cease to be of benefit to the City, the City Council may repeal the ordinance establishing the revitalization area, pursuant to Section 404.7 of the Code of Iowa. In the event the ordinance is repealed, all existing exemptions shall continue until their expiration. In addition, the City may decide to amend this plan or extend its designation, in accordance with Chapter 404.

J. EXEMPTIONS

Residential

All qualified real estate assessed as residential property is eligible to receive a one hundred percent (100%) exemption from taxation on the first seventy-five thousand dollars (\$75,000) of actual value added by the improvements. The exemption is for a period of five (5) years. Improvements must increase the assessed value by a minimum of 10%.

Commercial

All qualified real estate assessed as commercial and/or industrial property is eligible to receive a one hundred percent (100%) exemption on the actual value added by the improvements. The exemption is for a period of three (3) years. Commercial includes property that consists of 3 or more separate living quarters with at least 75% of the space used for residential purposes. Improvements must increase the assessed value by a minimum of 10%.

K. APPLICATION PROCEDURES

An application shall be filed for each new exemption claimed. The property owner must comply with the statutory deadline for applications. The application shall contain, but not be limited to, the following information: the nature of the improvement, its cost, and the estimated or actual date of completion, the tenants

that occupied the owner's building (if applicable), and which exemption is being elected, if there is a choice.

L. APPLICATION REVIEW

Owners may submit a proposal for an improvement project to the City Council to receive prior approval for eligibility for a tax exemption on the project. The City Council shall give its prior approval if the project is in conformance with this Plan for revitalization. However, if the proposal is not approved, the owner(s) may submit an amended proposal for the City Council to approve or reject. Such prior approval shall not entitle the owner(s) to exemption from taxation until the improvements have been completed and found to be qualified for the exemption.

The City Council shall approve all applications submitted for approval if:

1. The project, as determined by the City Council, is in conformance with this Plan; and,
2. The project is located within the area; and,
3. The improvements were made during the time the area was so designated; and
4. The project is not located in an area that is already receiving either direct or indirect benefit from a tax increment financing program.

All approved applications shall be forwarded to the County Assessor for review, pursuant to Section 404.5 of the Code of Iowa. The County Assessor shall make a physical review of all properties with approved applications. The County Assessor shall determine the increase in actual value for tax purposes due to the improvements and notify the applicant of the determination, which may be appealed to the local board of review pursuant to Section 441.37 of the Code of Iowa. After the initial tax exemption is granted, the County Assessor shall continue to grant the tax exemption for the time period specified on the approved application. The tax exemptions for the succeeding years shall be granted without the owner(s) having to file an application for succeeding years.

M. OTHER SOURCES OF REVITALIZATION FUNDS

The City is currently administering a Neighborhood Stabilization Program grant and an Owner-occupied Housing Rehabilitation grant, both of which are funded through the Department of Housing and Urban Development and the Iowa Department of Economic Development.

N. RELOCATION PROVISIONS

It is not expected that there will be any relocation of persons, families, or businesses as a result of this program.

O. OWNERS OF RECORD AND EXISTING ASSESSED VALUATIONS

The names and addresses of owners of record and existing assessed valuations are listed in Exhibit C, which is on file at City Hall.

AMENDMENT NO. 1
TO THE
BOONE URBAN REVITALIZATION PLAN
FOR THE
BOONE URBAN REVITALIZATION AREA

City of Boone, Iowa

INTRODUCTION

The City of Boone, Iowa (“City”) adopted the Boone Urban Revitalization Plan (“Plan”) for the Boone Urban Revitalization Area (the “Urban Revitalization Area” or “Area”) by action of the City Council on March 21, 2011. The Plan was adopted to promote the revitalization of properties in the Area, by providing tax abatement on eligible improvements.

The City now wishes to update the Plan so as to: (a) extend the duration of the Plan in order to permit continued eligibility for property tax abatement under the Plan; (b) update the description of the Area to include previously annexed property; and (c) update language in the exemptions section of the Plan to reflect recent legislative changes to available assessment categories.

Except as modified by this Amendment No. 1, the provisions of the Plan are hereby ratified, confirmed, and approved and shall remain in full force and effect as provided therein. All subsections of the Plan not mentioned in this Amendment shall continue to apply to the Plan and the Area. In case of any conflict or uncertainty, the terms of this Amendment No. 1 shall control and any parts of the Plan in conflict with this Amendment No. 1 are hereby repealed.

AMENDMENTS TO PLAN

This Amendment makes the following changes to the Plan:

1. Section B of the Plan, “Description of the Area,” is hereby replaced in its entirety with the following:

B. DESCRIPTION OF THE AREA

The Boone Urban Revitalization Area was established to include all property within the corporate limits of the City as of the date of adoption of the original Plan (March 21, 2011).

With this Amendment No. 1, the City is expanding the Area to include all property annexed into the City’s corporate limits since the adoption of the original Plan. Upon adoption of this Amendment No. 1, the Boone Urban Revitalization Area shall include all property currently within the corporate limits of the City (as depicted in Exhibit A); furthermore, any property annexed into the City limits in the future shall automatically be included in the Area as of the effective date of its annexation to the City.

2. Section I of the Plan, “Time Frame,” is hereby replaced in its entirety with the following:

I. TIME FRAME

The Area shall be eligible for tax abatement under the Revitalization Plan, as amended by Amendment No. 1, for improvements to qualified real estate that are completed on or before December 31, 2031, so that the assessor can make a full assessment as of January 1, 2032.

Notwithstanding the previous sentence, if, at any time, the City Council feels that its goals for revitalization have been achieved and that continuation would no longer benefit the City, then the City Council may repeal the ordinance establishing the Revitalization Area pursuant to Section 404.7 of the Code of Iowa. In the event the ordinance is repealed, all existing exemptions shall continue until their completion or expiration. The City reserves the right to extend or further amend the Plan and/or the ordinance to the extent allowed by law.

3. Section J of the Plan, “Exemptions,” is hereby replaced in its entirety with the following:

J. EXEMPTIONS

Residential

All qualified real estate assessed as residential property is eligible to receive a one hundred percent (100%) exemption from taxation on the first seventy-five thousand dollars (\$75,000) of actual value added by the improvements. The exemption is for a period of five (5) years. Improvements must increase the assessed value by a minimum of 10%.

Commercial or Industrial

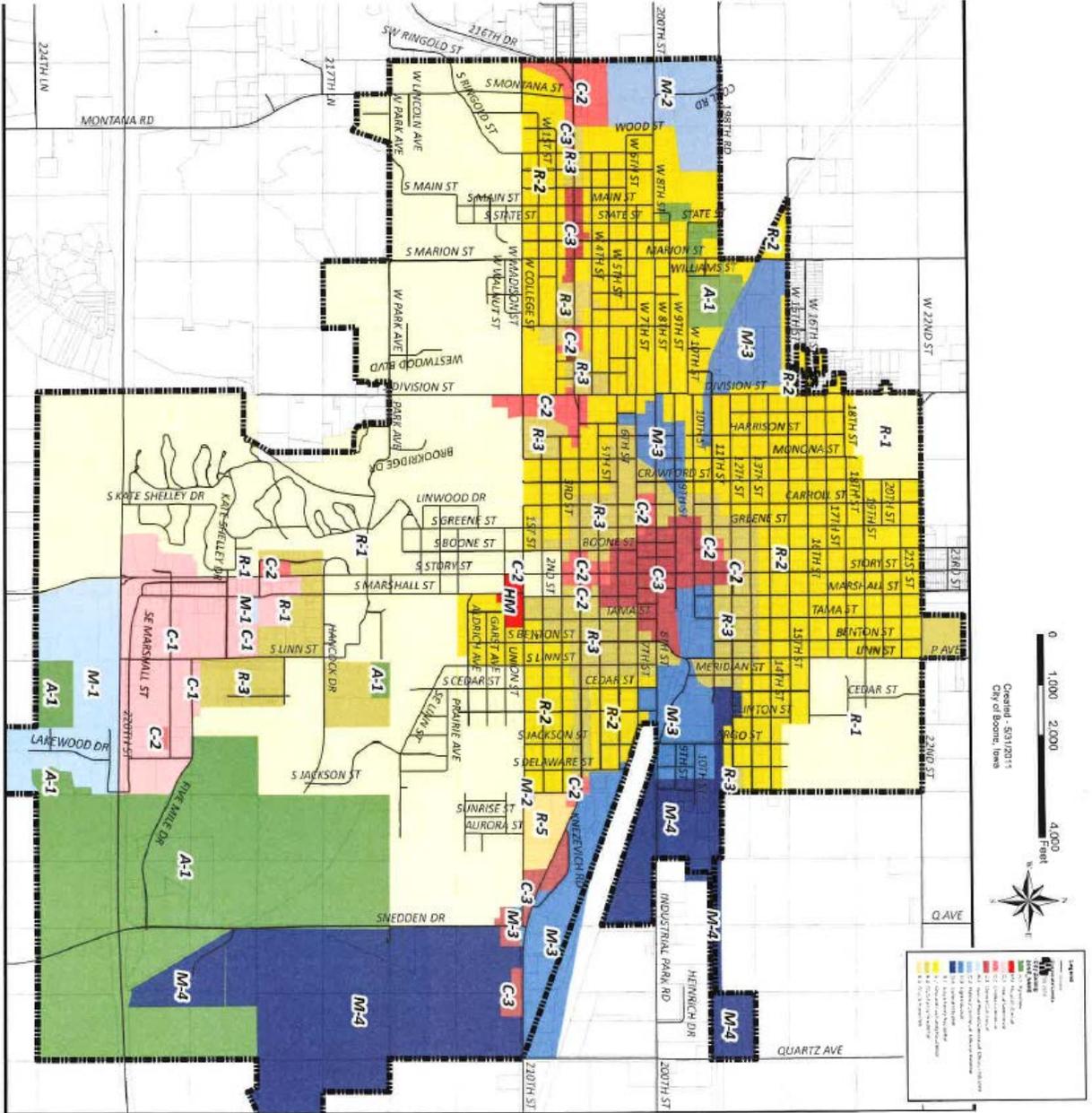
All qualified real estate assessed as commercial or industrial property is eligible to receive a one hundred percent (100%) exemption from taxation on the actual value added by the improvements. The exemption is for a period of three (3) years. Improvements must increase the assessed value by a minimum of 10%.

EFFECTIVE DATE OF AMENDMENT

This Amendment No. 1 shall become effective upon adoption by the City Council (“Effective Date”). The Plan, as amended, shall remain in effect until the City Council terminates and repeals the Plan and designating ordinance under the terms of the Plan and the provisions of Iowa Code Chapter 404.

EXHIBIT A

MAP OF URBAN REVITALIZATION AREA AS OF ADOPTION OF AMENDMENT NO. 1



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