

Urban to Rural Corridor Revitalization Plan

Article 1. Purpose and Intent

Section 1.01 Resolution of Necessity

On (date), the Boone County Board of Supervisors passed a resolution containing findings of necessity and required by the Code of Iowa §404.1. The Supervisors resolved to create an Urban Revitalization Plan in order to allow for the use of incentives and tools in Chapter 404, Code of Iowa, 2005.¹

Section 1.02 Intent

It is the intent of the Boone County Board of Supervisors to establish an Urban Revitalization Plan, to be known as the Urban to Rural Corridor Revitalization Plan, in accordance with the provisions established in Chapter 404, Code of Iowa, 2005. This document is intended to be the plan used to guide Urban Revitalization Area Ordinances used for development, redevelopment, improvement or rehabilitation in concurrence with the Boone County Comprehensive Plan and Future Land Use Map. This plan will exercise various incentives and programs conferred in Chapter 404, Code of Iowa 2005.

Section 1.03 Plan Objectives

The objectives of this plan were developed in coordination with the Boone County Comprehensive Plan and policy objectives by the Boone County Board of Supervisors.

Objectives:

- Encourage the development, redevelopment and improvement of commercial and industrial growth areas per the Boone County Comprehensive Plan and Future Land Use Map.
- Use available funding programs in conjunction with tax abatement to further enhance the growth and welfare of Boone County.
- Stimulate and improve the business climate in Boone County.

This plan shall outline the incentives which will be made available to property owners of eligible real estate. Eligibility is determined by those requirements set forth in Chapter 404, Code of Iowa, 2005, and those additional requirements set forth by the Boone County Board of Supervisors, in this plan.

¹ Chapter 404.2(1), Code of Iowa 2005

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Article 2. Property Information for the Urban to Rural Corridor Revitalization Plan

Section 2.01 Revitalization Area

The boundaries of the revitalization area shall be in accordance with projected growth according to the Boone County Future Land Use Map as part of the Boone County Comprehensive plan. Individual Urban Revitalization Ordinances shall be adopted for individual development, redevelopment and improvement projects.²

Section 2.02 Descriptive Listings of real Estate

Each individual Ordinance created under this plan shall contain a list inclusive of all real estate parcels which exist in the Urban Revitalization Areas (hereinafter referred to as “Area”). Information shall be provided for each real estate parcel located in the boundary Area which will contain, at a minimum, information concerning the existing assessed valuation of the real estate by separating the valuation of land and improvements, along with the names and addresses of the last owners of record.³

Section 2.03 Zoning Classifications and District Boundaries

Boone County has adopted a Zoning Ordinance. Urban Revitalization Area Ordinances shall include descriptions of the zoning classifications and a zoning map depicting said districts.⁴ Tax Schedules set forth in the Urban Revitalization Area Ordinances shall only be applicable to property of the type for which the revitalization area is zoned at the time the county designates the area a revitalization area.⁵

Section 2.04 Existing Land Uses and Proposed Land Uses

The primary purpose of the Urban Rural Corridor is for commercial and industrial use. The Comprehensive Plan Future Land Use Map is the foundation by which Urban Revitalization Projects will be located. Each individual Urban Revitalization Area Ordinance shall reference the Future Land Use Map and identify how the project complies with the Comprehensive Plan and Map.⁶

Article 3. Proposed Public Service Improvements

Section 3.01 Public Services

² Chapter 404.2(2)(a), Code of Iowa 2005

³ Chapter 404.2 (2)(b,c), Code of Iowa 2005

⁴ Chapter 404.2 (2)9d), Code of Iowa, 2005

⁵ Chapter 404.2 (2)(h), Code of Iowa, 2005

⁶ Chapter 404.2 (2)(d), Code of Iowa, 2005

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Boone County will strive to encourage development in a manner that minimizes costs associated with public improvements. If public services are a necessary component of an Urban Revitalization Area, the Urban Revitalization Ordinance shall address the public services and method by which improvements will be made.⁷

Article 4. Qualified Real Estate Requirements

Section 4.01 Purpose

Boone County will review each request for economic development incentives on a case by case basis. The ability to approve or deny requests will generally follow the guidelines of this plan. However, it is difficult for all scenarios to be foreseen in one plan. The general goal is to promote the general health, safety, and welfare of the citizens of Boone County. Any request may be denied, regardless of any other qualifications.

Section 4.02 Qualified Real Estate

As used in this plan. “Qualified Real Estate” means real property, other than land, which is located in the designated revitalization area per the applicable Urban Revitalization Area Ordinance to which improvements have been added during the time the area was so designated a revitalization are, which have increased the actual value by at least the percentage / amount indicated in Table 4.03-1 below.

Section 4.03 Improvements and Minimum Valuations

Qualified real estate shall have a tax classification of commercial or industrial which included new construction, additions to existing building or new construction. Qualified real estate must meet the following criteria:⁸

Table 4.03-1 Valuation Criteria

Tax Classification	Minimum Valuation Increase (based on assessment)	Abatement Schedule Qualification
Commercial	\$ 500,000	Five Year Abatement Schedule
Commercial	\$ 1,000,000	Ten Year Abatement Schedule
Commercial (existing value of 3.4 million and greater)	15 % increase ⁹	Ten Year Abatement Schedule
Industrial	Less than \$ 1,000,000	Five Year Abatement Program – See Tax Credit Ordinance 4 ¹⁰
Industrial	\$ 1,000,000	Ten Year Abatement Schedule
Industrial (existing value of 3.4 million and greater)	15% Increase ¹¹	Ten Year Abatement Schedule

⁷ Chapter 404.2 (2)(e), Code of Iowa, 2005

⁸ Chapter 404.2 2(f), Code of Iowa, 2005

⁹ Chapter 404.3 8, Code of Iowa, 2005

¹⁰ Boone County Industrial Property Tax Credit Ordinance No. 4

¹¹ Chapter 404.3 8, Code of Iowa 2005

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Section 4.04 Minimum Valuation

The “Minimum Valuation” shall be the minimum amount of actual value added by the improvements as of the first year for which the exemption was received to qualify for the corresponding abatement schedule. When the actual dollar amount and the percentage of actual value are different, the larger of the two shall apply as the minimum valuation needed for the corresponding abatement schedule. See example below:

Table 4.04-1 Sample Qualifying Real Estate

	Pre-existing Valuation	Valuation after Improvements	% Change	\$ Change	Appropriate Abatement Schedule
Commercial Business	750,000	1,250,000	67%	500,000	Five Year Abatement
Industrial Business	2,000,000	2,225,000	11%	225,000	Five Year Abatement ¹²
Commercial Business	3,400,000	3,900,000	15%	500,000	Ten Year Abatement
Commercial Business	4,800,000	5,300,000	9% ¹³	500,000	Does Not Qualify
Industrial Business	100,000	1,100,000	1,000%	1,000,000	Ten Year Abatement

Section 4.05 Prohibited Locations of Urban Revitalization Areas

Under this plan, Boone County will not provide any incentives or other tools to projects having a location within corporate limits of any city.¹⁴

Article 5. Relocation Plans

Section 5.01 Qualified Tenant

A “Qualified tenant” as used in this plan shall mean the legal occupant of a residential dwelling unit or business location, located in the same dwelling unit continuously since one year prior to the County’s adoption of the plan for the revitalization area, in accordance with §404.2, Code of Iowa, 2005.

Section 5.02 Relocation Plan

As established in §404.6, Code of Iowa, 2005, the County, upon application to it and after verification by it, shall require compensation of at least one month’s rent and may require compensation of actual relocation expenses be paid to a qualified tenant whose displacement is due to action on the part of a

¹² Boone County Industrial Property Tax Credit Ordinance No. 4

¹³ Does not meet minimum threshold of 10% set forth by Chapter 404.3 of the Code of Iowa, 2005

¹⁴ Chapter 404.2 2(f), Code of Iowa, 2005

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property owner to qualify for the benefits conferred by this plan, and Chapter 404, Code of Iowa, 2005. Relocation expenses shall be the responsibility of owners of said property where the displacement or necessity to relocate occurs, as condition for receiving a tax exemption or other allowable benefit under this plan, or Chapter 404, Code of Iowa, 2005.¹⁵

Article 6. Tax Exemption Schedule Options

Section 6.01 Tax Exemption Schedules

All qualified real estate is eligible to receive a partial exemption from taxation on the actual value added by the improvements. The exemption is for a period of five or ten years. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows:¹⁶

(a) Five Year Schedule

- I. For the first year, seventy-five percent.
- II. For the second year, Sixty percent.
- III. For the third year, forty-five percent.
- IV. For the fourth year, thirty percent.
- V. For the fifth year, fifteen percent.

(b) Ten Year Schedule

- I. For the first year, eighty percent.
- II. For the second year, seventy percent.
- III. For the third year, sixty percent.
- IV. For the fourth year, fifty percent.
- V. For the fifth year, forty percent.
- VI. For the sixth year, forty percent.

¹⁵ Chapter 404.2 2(g), Code of Iowa 2005

¹⁶ Chapter 404.3 2(a-j), Code of Iowa 2005

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- VII. For the seventh year, thirty percent.
- VIII. For the eighth year, thirty percent
- IX. For the Ninth year, twenty percent.
- X. For the tenth year, twenty percent.

Section 6.02 Owners Option

The owners of qualified real estate eligible for the exemption provided in this plan shall elect to take the applicable exemption. Once the election has been made and the exemption granted, the owner is not permitted to change the method of exemption.¹⁷

Article 7. Application and Approval of Eligibility

Section 7.01 Application filed.

An application shall be filed for each new exemption claimed. Application shall be filed by the property owner for an exemption to be claimed with the Boone County Assessor by February 1 of the assessment year for which the exemption is first claimed, but in no instance later than the year in which all improvements included in the project are first assessed for taxation.¹⁸

Section 7.02 Contents of Application

The application shall contain, but not be limited to, the following information:

- a) Name of the applicant / property owner;
- b) Applicants complete mailing address and telephone number;
- c) The nature of the improvement;
- d) The cost of the improvement;
- e) The estimated, or actual date of completion;
- f) The name of the tenants that occupied the property on the date the County adopted the revitalization resolution;

¹⁷ Chapter 404.3 6, Code of Iowa 2005

¹⁸ Chapter 404.4, Code of Iowa 2005

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- g) The exemption schedule to be utilized;
- h) Copy of the most recent property tax statement;
- i) How the improvement meets the intent and purpose of the Boone County Comprehensive Plan.¹⁹

Section 7.03 Board of Supervisor's Approval Required

The Board of Supervisors shall approve the application, subject to the review by the County Assessor, if the project:

- a) Is in conformance with this revitalization plan;
- b) Is located in the designated revitalization area (Current Comprehensive Land Use Plan Map);
- c) Improvements were made during the time the area was so designated revitalization area.²⁰

Section 7.04 Board of Supervisors Shall Forward Approved Applications

The Board of Supervisors shall cause to have forwarded the approved applications to the county Assessor by March 1 of each year, along with a statement indicating the exemption schedule.²¹

Section 7.05 Succeeding Year Applications Not Necessary

Applications for exemption for succeeding years on approved projects shall not be required.²²

Section 7.06 Determination by County Assessor

The County Assessor shall review each first-year application by making a physical review of the property, to determine if the improvements made actually increased the actual valuation of the qualified real estate by the percentages / amounts established in Table 4.03-1 Valuation Criteria.²³

¹⁹ Chapter 404.4, Code of Iowa, 2005

²⁰ Chapter 404.4, Code of Iowa, 2005

²¹ Chapter 404.4, Code of Iowa, 2005

²² Chapter 404.4, Code of Iowa, 2005

²³ Chapter 404.5, Code of Iowa 2005

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Section 7.07 Eligibility Determined

If the Assessor determines that the actual value of the real estate has been increased by at least the requisite percentage / amount, the Assessor shall proceed to determine the actual value of the property and certify the valuation determined pursuant to Article 6, to the County Auditor at the time of transmitting the assessment rolls. ²⁴

Section 7.08 New Structures

If a new structure is erected on land upon which no structure existed at the start of the new construction, the Assessor shall proceed to determine the actual value of the property and certify the valuation determined pursuant to Article 4, to the Auditor at the time of transmitting the assessment rolls.

Section 7.09 Notification by the Assessor

The Assessor shall notify the applicant of the determination, and the Assessor's decision may be appealed to the local Board of Review at the times specified in the Code of Iowa. ²⁵

Section 7.10 Exemption Granted; Succeeding Years

After the tax exemption is granted, the local Assessor shall continue to grant the tax exemption, with periodic physical review by the Assessor, for the time period specified in the exemption schedule option elected by the property owner, and which was approved, without application for succeeding years of exemption schedule. ²⁶

Article 8. Adoption

This document shall be adopted by resolution 06-38
Latest revision of this plan: 12/15/2006
Plan adopted: 12/22/2006

²⁴ Chapter 404.5, Code of Iowa, 2005

²⁵ Chapter 441.37, Code of Iowa, 2005

²⁶ Chapter 404.5, Code of Iowa, 2005