

Resolution No. 17-02

RESOLUTION ADOPTING AMENDMENT NO. 6 TO THE ADEL URBAN REVITALIZATION PLAN

WHEREAS, pursuant to the provisions of Chapter 404 of the Code of Iowa, by Resolution No. 10-55, adopted December 14, 2010 (Original Plan), and amended by Resolution No. 12-13, adopted March 13, 2012 (Amendment No. 1), by Resolution No. 12-59, adopted October 9, 2012 (Amendment No. 2), by Resolution No. 12-66, adopted December 11, 2012 (Amendment No. 3), by Resolution No. 13-63, adopted November 12, 2013 (Amendment No. 4), and further amended by Resolution No. 14-36, adopted August 12, 2014 (Amendment No. 5), the City of Adel, Iowa, designated certain areas of the City as a revitalization area, by the adoption of the Adel Urban Revitalization Plan (the "Plan") and related ordinances; and

WHEREAS, by the foregoing action, the Council has determined that the Adel Urban Revitalization Area within the City of Adel can be revitalized as authorized by Chapter 404, Code of Iowa (the "Act"); and

WHEREAS, a proposed Amendment No. 6 ("Amendment") to the Adel Urban Revitalization Plan (the "Plan") has been prepared, the purpose of which is to, among other things, update the Plan Objectives to include the development of commercial and multi-residential properties; redefine qualified real estate to include commercial and multi-residential property; add a seven year 100% exemption schedule for multi-residential property (the same as is currently available for residential property), as well as a five year sliding scale exemption schedule for commercial property; clarify the duration of the Area; and adopt a limitation to eligibility for property in an Urban Renewal Area; and

WHEREAS, the property within the Area currently includes the entire incorporated City of Adel, Iowa, and all future property annexed by the City (no change is being made to the Area by this Amendment); and

WHEREAS, after published notice was given, as required by the Act, the City Council held a public hearing on January 10, 2017, at 6:00 p.m., on the Amendment No. 6 to the Adel Urban Revitalization Plan and considered all objections, comments, and evidence presented.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ADEL, IOWA AS FOLLOWS:

Section 1. That all objections received, if any, at the public hearing referred to in the preamble above are found to be without sufficient merit to warrant amending the proposed Amendment No. 6 to the Adel Urban Revitalization Plan.

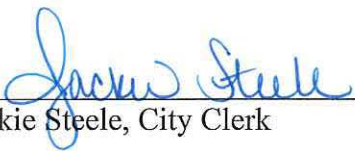
Section 2. That the proposed Amendment No. 6 is adopted in the form attached as Exhibit 1 to this Resolution.

Section 3. That all resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed, to the extent of such conflict.

Passed and approved this 10th day of January, 2017.



James F. Peters Mayor

Attest: 

Jackie Steele, City Clerk

AMENDMENT NO. 6 TO ADEL URBAN

REVITALIZATION PLAN

CITY OF ADEL, IOWA

Original Plan - 2010

Amendment No. 1 - 2012

Amendment No. 2 - 2012

Amendment No. 3 - 2012

Amendment No. 4 - 2013

Amendment No. 5 - 2014

Amendment No. 6 - 2017

Amendment No. 6 (2017)

The Urban Revitalization Plan (“Plan”) for the City of Adel adopted by Resolution 10-55 on December 14, 2010 (Original Plan) set forth an Exemption Schedule for Improvements on Qualified Real Estate completed during the 2011, 2012, and 2013 calendar years in the Urban Revitalization Area (“Area”). Amendment No. 1 to the Plan, adopted by Resolution No. 12-13 on March 13, 2012, modified the Exemption Schedule. Amendment No. 2, adopted by Resolution No. 12-59 on October 9, 2012, added annexed land not previously included in the Area. Amendment No. 3, adopted by Resolution No. 12-66 on December 11, 2012, modified the Exemption Schedule for 2013 and added calendar years 2014, 2015, and 2016. Amendment No. 4, adopted by Resolution No. 13-63 on November 12, 2013, added previously annexed land to the Area as well as automatically incorporating all land annexed into the City in the future into the Area as of the annexation date. Amendment No. 5, adopted by Resolution No. 14-36 on August 12, 2014, extended the Exemption Schedule for an additional nine years, thereby covering Improvements completed through December 31, 2025. The Plan is being further amended by this Amendment No. 6, the purpose of which is to:

- (1) Update the Plan Objectives to include the development of commercial and multiresidential properties
- (2) Redefine Qualified Real Estate to include commercial property and multiresidential property
- (3) Add an Exemption Schedule for Improvements to Qualified Real Estate assessed as commercial property or multiresidential property
- (4) Clarify the duration of the Plan/Area
- (5) Adopt a LIMITATION to eligibility for property in an Urban Renewal Area

Upon adoption of this Amendment No. 6, the following objective is added to the list of PLAN OBJECTIVES for the Plan:

- Encourage new construction of, and remodeling and additions to, commercial and multiresidential properties through abatement of taxes on the value of the improvements.

Upon adoption of this Amendment No. 6, the ELIGIBILITY REQUIREMENTS in the Plan are modified as specifically noted below:

The definition of Qualified Real Estate is replaced with the following:

Qualified Real Estate shall include real property, other than land, which is located within the Urban Revitalization Area and to which Improvements have been added during the time the area was designated as a revitalization area, and the property is assessed as:

- (a) residential property;
- (b) commercial property; or
- (c) commercial or multiresidential property if the commercial or multiresidential property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes.

No change is being made to the definition of Improvements.

No change is being made to the Green Buildings Standards. Improvements to residential property or commercial or multiresidential property, if the commercial or multiresidential property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, must satisfy the Green Building Standards as set out in the Eligibility Requirements section of the Original Plan to qualify for abatement under the Plan. However, non-residential commercial property need not satisfy the Green Building Standards requirement to qualify for abatement.

No change is being made to the Value Increase requirement.

No change is being made to the definition of Actual Value Added by the Improvements.

The expiration date for the Area is amended as follows: The Urban Revitalization Area defined in the Plan shall remain a designated urban revitalization area through December 31, 2025. 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. The City

reserves the right to extend, amend, terminate or repeal the Plan and/or the ordinance to the extent allowed by law.

Upon adoption of this Amendment No. 6, the EXEMPTION SCHEDULES available under the Plan are as follows:

Residential and Multiresidential Property

All Qualified Real Estate assessed as residential property, or assessed as commercial property or multiresidential property if the commercial or multiresidential property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, is eligible to receive a 100 percent exemption from taxation on the Actual Value Added by the Improvements. The exemption is for a period of **seven (7) years**.

Commercial Property

All Qualified Real Estate assessed as commercial property is eligible to receive exemption from taxation on Actual Value Added by the Improvements according to the following schedule:

1st Year	Seventy-Five percent (75%) of actual value added
2nd Year	Sixty percent (60%) of actual value added
3rd Year	Forty-Five percent (45%) of actual value added
4th Year	Thirty percent (30%) of actual value added
5th year	Fifteen percent (15%) of actual value added

Upon adoption of this Amendment No. 6, the following LIMITATION shall be added to the Plan:

LIMITATION

The City also has or may adopt a tax increment financing program which is designed to provide incentives for development. Accordingly, a property that, in the determination of the City Council, is within an urban renewal area and is receiving either direct or indirect benefits that were financed through a City-sponsored tax increment financing program, shall not be eligible for tax abatement under the Plan absent specific approval from the City Council.

This Amendment No. 6 shall become effective upon the approval of a resolution by the City Council adopting the same (“Effective Date”). The new exemptions contained in this Amendment No. 6 shall only be available for qualifying Improvements initiated (construction permits issued) and completed after the Effective Date, subject to the terms of the Plan, as amended.

Except as modified by this Amendment No. 6, the provisions of the Original Plan and Amendments No. 1, No. 2, No. 3, No. 4, and No. 5 are hereby ratified, confirmed and approved and shall remain in full force and effect as provided therein.

01303960-1A10113-067