RESOLUTION NO. 12-2022

RESOLUTION ADOPTING THE GRISWOLD URBAN REVITALIZATION PLAN

WHEREAS, the Council has determined that certain areas within the City of Griswold, Iowa ("City") can be revitalized and the potential for permitted residential and commercial development enhanced by the adoption of an urban revitalization plan as authorized by Chapter 404, Code of Iowa ("Act"); and

WHEREAS, a proposed Griswold Urban Revitalization Plan ("Plan") has been prepared, the purpose of which is to allow scheduled abatement of property taxes on actual value added by eligible improvements on real estate assessed as commercial, industrial, or residential, and property qualifying as abandoned property pursuant to Iowa Code Section 404.3B, pursuant to Iowa Code Chapter 404, and to establish the Griswold Urban Revitalization Area ("Area" or "Revitalization Area"), which would include the property legally described as follows:

All real property contained within the incorporated limits of the City of Griswold, Cass County, State of Iowa,

EXCEPT the following tax parcel: Cass County Parcel No. 370008408001000.

WHEREAS, the Plan further provides that, to the extent allowed by law, any property annexed into the City after the effective date of the Plan would become part of the Area as of the effective date of its annexation to the City; and

WHEREAS, in compliance with requirements of the Act, the City has prepared a proposed Plan for such Revitalization Area and has published and mailed a notice of hearing to persons designated in said Act at least 30 days prior to a public hearing on the Plan; and

WHEREAS, the City finds that the rehabilitation, conservation, redevelopment, economic development, or a combination thereof of the Area is necessary in the interest of the public health, safety, and welfare of the residents of the City and that the Area substantially meets criteria established in Section 404.1 of the Act, as being a qualified revitalization area; and

WHEREAS, after mailed and published notice was given, as required by the Act, the City Council held a public hearing on December 13, 2021, at 6:00 P.M., on the designation of the Area and the proposed Plan and considered all objections, comments, and evidence presented.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRISWOLD, 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 Plan for the Area.

Section 2. That the proposed Plan for the Area in the form attached as Exhibit 1 to this Resolution is hereby tentatively approved as adopted, and that it is the intention of the Council, provided that it does not receive a petition from the owners or tenants of property within the Area for a second public hearing on said proposed Plan for said Area under the provisions of the Act, that this resolution shall finally adopt the proposed Plan for said Area, attached hereto as Exhibit 1.

Section 3. That the Area as it is described above and described in the Plan is approved, and that it is the intention of the Council, provided that it does not receive a petition from the owners or tenants of property within said Area for a second public hearing on the Plan for said Area, to designate by ordinance said Area as a revitalization area under the Act.

Section 4. 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 13th day of December, 2021.

Mayor

ATTEST:

Barbara E Teaney

City Clerk

December 13, 2021

The City Council of the City of Griswold, State of Iowa, met in regular session, in the Community Building Small Room, 603 2nd Street, Griswold, Iowa, at 6:00 P.M., on the above date. There were present Mayor Rhine, in the chair, and the following named Council Members:

Adams, Askeland, Preston, Sorensen, Stapleton

Absent: None

* * * * * * *

This being the time and place fixed for a public hearing on the matter of the adoption of the Griswold Urban Revitalization Plan, the Mayor asked the City Clerk whether any written objections had been filed with respect to the proposed Plan. The City Clerk reported that zero written objections had been filed. The Mayor then called for any oral objections to the adoption of the Plan and zero were made. The public hearing was closed.

Council Member Askeland then introduced the following Resolution entitled "RESOLUTION ADOPTING THE GRISWOLD URBAN REVITALIZATION PLAN," and moved:

☒ that the Resolution be adopted.

☐ to defer action on the Resolution and the proposal to the meeting to be held at _____ _____.M. on the _____ day of _____, 2021, at this place.

Council Member Sorensen seconded the motion. The roll was called and the vote was,

AYES: Adams, Sorensen, Askeland, Preston, Stapleton

NAYS: None

Whereupon, the Mayor declared the measure duly adopted.

CITY OF GRISWOLD, IOWA

GRISWOLD URBAN REVITALIZATION PLAN

for the

GRISWOLD URBAN REVITALIZATION AREA

December 2021

Final Version

Griswold Urban Revitalization Plan

City of Griswold, Iowa

A. INTRODUCTION AND HISTORY

The Urban Revitalization Act, Chapter 404 of the *Code of Iowa*, is intended to encourage development, redevelopment, and revitalization within a designated area of a city by authorizing property tax development incentives to the private sector. Qualified real estate within a designated area may be eligible to receive a total or partial exemption from property taxes on improvements for a specified number of years. The primary intent of this act is to provide communities with a long-term increase or stabilization in their tax base by encouraging rehabilitation or new construction which might not otherwise have occurred.

Chapter 404 provides that the City Council may designate an area of the City as a revitalization area, if that area meets any of the criteria set forth in Section 404.1. Section 404.1(2), Section 404.1(4), and Section 404.1(5) provide the following criteria, respectively:

2. "An area which by reason of the presence of substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards 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."

4. "An area which is appropriate as an economic development area as defined in Section 403.17." [Section 403.17(10) provides that "economic development area" means an area of a municipality designated by the local governing body as appropriate for commercial and industrial enterprises or housing and residential development for low and moderate income families, including single or multi-family housing.]

5. "An area or an area designated as appropriate for public improvements related to housing and residential development, or construction of housing and residential development, including single or multi-family housing."

With the adoption of this Griswold Urban Revitalization Plan (the "Plan"), the City is establishing the Griswold Urban Revitalization Area (the "Area" or "Revitalization Area"), as described herein, as a revitalization area meeting the criteria of Section 404.1(2), Section 404.1(4), and Section 404.1(5). This Plan supersedes any prior urban revitalization plans that were previously approved by the City.

The City Council has found that the rehabilitation, conservation, redevelopment, economic development, or a combination thereof, of the Area, is necessary in the interest of the public health, safety, and welfare of the residents of the City and that the Revitalization Area substantially meets the criteria established in Section 404.1 of the *Code of Iowa* for a revitalization area.

B. BLIGHT DESIGNATION

With the adoption of this Plan, the City finds that the Area substantially meets the criteria of Iowa Code Section 404.1(2) and accordingly is suitable for designation as an urban revitalization area under that section (in addition to being suitable for designation under the criteria of Iowa Code Sections 404.1(4) and (5)). Revitalization areas designated under the criteria set forth in Iowa Code Section 404.1(2) are commonly referred to as having a blight designation.

The City has found, based in part on the "Griswold Blight Assessment" completed by Local Government Professional Services, Inc. (LGPS), DBA Simmering-Cory in September and October 2021, that the Area contains the existence of certain blighting conditions listed in Iowa Code Section 404.1(2). The conditions found within the Area which contribute to designating the Revitalization Area as blighted include:

- Substantial number of deteriorated or deteriorating structures;
- Incompatible land use relationships;
- Deterioration of site or other improvements;
- Existence of conditions which endanger life or property by fire and other causes

Specifically, the Griswold Blight Assessment report noted the number of vacant structures and the percentage of residential and commercial properties exhibiting deterioration or visual blight, as identified by the windshield survey completed for the report. The report also noted deteriorating and/or outdated public infrastructure such as an undersized storm water infrastructure system, deteriorating sidewalks, and gravel roads. The undersized storm water infrastructure system is of particular concern, as a large portion of the Revitalization Area is within a FEMA-designated floodplain area, which makes dangerous conditions related to flash flooding and similar conditions more likely.

Due the existence of these blighting conditions, the City has determined that legitimate planning objectives, namely the removal of blighting influences and rehabilitation of properties to create attractive and safe residential neighborhoods, supports making a more robust exemption schedule available for residential property within this Area, as is permitted for revitalization areas designated under Iowa Code Section 404.1(2).

C. DESCRIPTION OF THE AREA

The Griswold Urban Revitalization Area shall include the following real property:

All real property contained within the incorporated limits of the City of Griswold, Cass County, State of Iowa,

EXCEPT the following tax parcel: Cass County Parcel No. 370008408001000.

The above-described tax parcel is being excluded from the Revitalization Area because it meets the definition of "agricultural land" in Iowa Code Section 403.17(3) and the consent of the landowner has not been obtained to include the property in the Revitalization Area.

To the extent allowed by law, any property annexed into the City after the effective date of this Plan shall be considered to have been part of the Area as of the effective date of its annexation to the City.

A map of the Revitalization Area, as of the Plan's effective date, is attached hereto as Exhibit A.

D. OBJECTIVES

This Plan is prepared in conformance with Section 404.2 of the Code of Iowa for the purpose of providing incentives and outlining procedures to enhance the potential for commercial, industrial, and residential development in the City. The objectives of this Plan include:

- Revitalizing the Area through the promotion of new construction on vacant land and the rehabilitation of existing structures;
- Increasing and stabilizing the City's tax base;
- Improving economic conditions in the City, by providing an incentive for private property owners that currently live and/or do business in the City, as well as for prospective businesses and individuals that may choose to live and/or locate in the City;
- Improving and increasing the housing opportunities in the City; and
- Enhancing the overall aesthetic and appearance of the City's properties.

E. EXISTING ZONING

Existing zoning classifications of the property within the Area include:

- A-1 Agricultural
- R-1 Residential
- C-1 Central Business District
- C-2 Highway Commercial
- I-1 Industrial

The City's zoning ordinance(s) and a detailed zoning map are available for public inspection at City Hall.

F. EXISTING AND PROPOSED LAND USE

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

New and expanded commercial, industrial, and residential development, including improvements to and revitalization of existing commercial, industrial, and residential structures, is proposed for the Revitalization Area, in accordance with the City's zoning ordinance(s).

G. PROPOSALS FOR EXPANDING CITY SERVICES

No extensions or upgrades to existing municipal services or infrastructure are currently planned as part of this Plan. As development and redevelopment within the Area warrants, municipal services within the Area will be expanded and improved, as needed and as financially feasible, to serve new and expanded development.

H. ELIGIBLE IMPROVEMENTS

Qualified real estate, as used in this Plan, means all real property that is assessed as residential, commercial, or industrial; is located within the Revitalization Area; and to which eligible improvements have been added during the time the Area was designated as a revitalization area.

Eligible improvements, as used in this Plan, means improvements to property, including rehabilitation of and additions to any existing structures and new construction, that increase the actual value of the property by 15% if assessed as commercial or industrial, or 10% if the property is assessed as residential.

Actual value added by improvements, as used in this Plan, means the actual value added to the property's assessed valuation due to the eligible improvements as of the first year for which the exemption was received.

All improvements, in order to be considered eligible, must be completed in conformance with all applicable ordinances and regulations for the City and must be completed during the time the Area is designated as a revitalization area.

I. TIME FRAME

The Area shall remain an urban revitalization area in which qualified real estate is eligible for tax abatement under the terms of the Plan until the Area is repealed or terminated by action of the City Council. If at any time, 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, 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 previously approved 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.

J. EXEMPTIONS

Commercial or Industrial

All qualified real estate assessed as commercial or industrial is eligible to receive an exemption from taxation on actual value added by the eligible improvements under one of the following schedules. The applicant must elect which commercial/industrial exemption option they have selected upon applying for the exemption.

a) One hundred percent (100%) exemption from taxation on actual value added by the eligible improvements. The exemption is for a period of three (3) years.

b) Exemption from taxation on actual value added by the eligible improvements in an amount equal to a declining percentage of the actual value added by the eligible improvements, over a period of ten (10) years, as set forth below:

i. For the first year, eighty percent (80%)
ii. For the second year, seventy percent (70%)
iii. For the third year, sixty percent (60%)
iv. For the fourth year, fifty percent (50%)
v. For the fifth year, forty percent (40%)
vi. For the sixth year, forty percent (40%)
vii. For the seventh year, thirty percent (30%)
viii. For the eighth year, thirty percent (30%)
ix. For the ninth year, twenty percent (20%)
x. For the tenth year, twenty percent (20%)

Residential

All qualified real estate assessed as residential 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 ten (10) years.

Abandoned Residential Property

All qualified real estate determined to be abandoned property pursuant to Iowa Code Section 404.3B (meeting the definition of "abandoned" in Iowa Code Section 657A.1) shall be eligible to receive an exemption from taxation on a percentage of the actual value added by the eligible improvements over a period of fifteen (15) years, as set forth below:

i. For the first year, eighty percent (80%)
ii. For the second year, seventy-five percent (75%)
iii. For the third year, seventy percent (70%)
iv. For the fourth year, sixty-five percent (65%)
v. For the fifth year, sixty percent (60%)

vi. For the sixth year, fifty-five percent (55%)
vii. For the seventh year, fifty percent (50%)
viii. For the eighth year, forty-five percent (45%)
ix. For the ninth year, forty percent (40%)
x. For the tenth year, thirty-five percent (35%)
xi. For the eleventh year, thirty percent (30%)
xii. For the twelfth year, twenty-five percent (25%)
xiii. For the thirteenth year, twenty percent (20%)
xiv. For the fourteenth year, twenty percent (20%)
xv. For the fifteenth year, twenty percent (20%)

K. APPLICATION PROCEDURES

Property owners must file an application, on the form provided by the City, for each new exemption claimed. The application shall be filed by the property owner with the City Council by February 1 of the assessment year for which the exemption is first claimed, but not later than the year in which all improvements included in the project are first assessed for taxation, or the following two assessment years. The application shall contain, but is not limited to the following information:

- The nature of the improvement(s);
- The cost of the improvement(s);
- Estimated or actual completion date of the improvement(s); and
- The tenants that occupied the property on the date the City adopted the resolution adopting the Plan.

Property owners applying for an exemption on a property assessed as commercial or industrial must identify in their application which commercial/industrial exemption option they have selected.

Property 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 under this Plan.

L. APPLICATION REVIEW

The City Council shall, subject to review by the County Assessor, approve all applications submitted for approval if:

1. The project, as determined by the City Council, is in conformance with this Plan and all other requirements of City Code; and,

2. The project is located within the Area; and

3. The eligible improvements were made during the time the Area was so designated.

The City Council will determine which exemption is applicable to the project (if any), subject to review by the County Assessor, based upon the terms of the Plan in effect when the application is reviewed and approved by the Council.

All approved applications shall be forwarded to the County Assessor by March 1 for review, pursuant to Iowa Code Section 404.5. 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 the provisions of the Iowa Code. 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 not aware of a federal, state, or private grant or loan program that is permanently a source of funding for residential improvements in the Revitalization Area. However, it is not the intention of the City to prohibit the use of any other appropriate federal or state revitalization or incentive programs within the Area. The City Council encourages all property owners to investigate other public and private funding sources for improvements to real property, and to apply to those sources which are applicable to the types of improvements being proposed.

N. PROPERTY IN URBAN RENEWAL AREAS

The City may in the future establish one or more urban renewal areas that overlap with the Revitalization Area. Properties located within an urban renewal area now or in the future shall not be eligible for an exemption under this Plan without specific approval of the City Council.

O. RELOCATION PROVISIONS

The City does not anticipate the displacement or relocation of any persons, families, or businesses as a result of the improvements to be made in the Revitalization Area. However, if the relocation or displacement of a qualified tenant results from a property owner's action to qualify for a tax exemption under this Plan, upon the City's verification of such relocation or displacement, the City may require the property owner to compensate the qualified tenant for at least one month's rent and actual relocation expenses. A "qualified tenant" means the legal occupant of a residential dwelling unit which is located within the designated Revitalization Area and who has occupied the same dwelling unit continuously since one year prior to the adoption of this Plan.

P. EXISTING ASSESSED VALUATIONS AND OWNERS OF RECORD

A listing of the names and addresses of the owners of record for all real estate in the Area, along with the existing assessed valuations stated separately for land and buildings for the real estate, as of the date this Plan is adopted, is too voluminous to attach but is maintained in the office of the City Clerk.

Q. EFFECTIVE DATE

This Plan shall be effective as of the date the ordinance establishing the Revitalization Area is published and effective.

EXHIBIT A
MAP OF GRISWOLD URBAN REVITALIZATION AREA



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