Council Communication

Department: Community Development Case No.: URV-25-005 Submitted by: Housing & Economic Development	Reso No: Ordinance No.:	Resolution of Intent: 05/05/2025 Planning Commission: 05/13/2025 Public Hearing & First Reading: 06/09/2025 Second Reading: 06/23/2025 Third Reading: Request to Waive

Subject/Title

Amendment to add two additional subareas, Kanesville Subarea and Valley View South Subarea to the Amended and Restated Consolidated Urban Revitalization Plan-Amendment 1.

Background/Discussion

Background

Chapter 404 of the Iowa Code authorizes a City to designate an area as an urban revitalization area. Improvements to qualified real estate within designated areas may then be eligible to receive a total or partial exemption from property taxes for a specified number of years. The exemptions are intended to stimulate private investment by reducing the tax increase that would normally result from making improvements to real estate property.

Urban revitalization tax abatement incentives can apply to residential, commercial and industrial development. Both new construction on vacant or unimproved land and rehabilitation of existing structures are eligible for tax abatement.

Staff has prepared an Amended and Restated Consolidated Urban Revitalization Plan-Amendment 2, including Kanesville Subarea and Valley View South Subarea, in accordance with Chapter 404.2 of the Iowa Code and has scheduled the matter for City Council consideration.

Discussion

Iowa Code permits the City to establish urban revitalization areas which satisfy one of the five conditions outlined in Section 404.1. Staff believes this project meets the criteria under 404.1.4. Section 404.1.4 discusses an area which is appropriate as an economic development area as defined in section 403.17. Section 403.17 states an economic development area means an area of a municipality designated by the local governing body as appropriate for commercial and industrial enterprises..

City Council approved the Amended and Restated Consolidated Urban Revitalization Plan April 22, 2024 with Ordinance 6603. The Consolidated Plan included the 17 current Urban Revitalization Area Plans. City Council approved the Amended and Restated Consolidated Urban Revitalization Plan-Amendment 1 October 21, 2024 with Ordinance 6614. The Amendment added the 1St Avenue & 17th Street Subarea and extended the period of abatement for new construction multi-family housing developments. Community Development is proposing adding two additional Subareas.

Two updates are included in the Amended and Restated Consolidated Urban Revitalization Plan - Amendment 2:

1. Additional Area Added: The City is working with a developer that has plans of adding

commercial buildings. It is located east of interstate 80 and north of highway 6. The area is comprised of 57.43 acres, more or less, of land. If the Kanesville Subarea is approved, the project as proposed could be eligible for full exemption for 3 years or a sliding scale for 10 years from taxation.

2. Additional Area Added: The City is working with a developer that has plans of adding a commercial building. It is located east of Valley View Drive and west of interstate 80 between Franklin Avenue and McPherson Ave. The area is comprised of 2.73 acres, more or less, of land. If the Valley View South Subarea is approved, the project as proposed could be eligible for full exemption for 3 years or a sliding scale for 10 years from taxation.

On May 5, 2025, City Council approved Resolution 25-120, which directed staff to initiate the process of amending the Amended and Restated Consolidated Urban Revitalization Plan-Amendment 1 and Area. This resolution set June 9, 2025 as the date of the public hearing.

This matter was brought before the City Planning Commission at their May 13, 2025 meeting. The Commission found the following: 1) That the proposed Amended and Restated Consolidated Urban Revitalization Plan furthers the goals of the City's *Bluffs Tomorrow: 2030 Plan,* which is the general plan for the development of the City of Council Bluffs; and 2) That the Amended and Restated Consolidated Urban Revitalization Area is an area appropriate for economic development as specified in Section 403.17.

Property owners were notified and no written correspondence was received by the Community Development Department either in support or against the proposed plan. Concurrent with the adoption of an urban revitalization plan, an ordinance establishing the urban revitalization area can be considered. Upon adoption of the area and approval of an ordinance, the City is permitted to grant tax abatement to qualified projects.

Staff Recommendation

The Community Development Department recommends approval of the Amended and Restated Consolidated Urban Revitalization Plan-Amendment 2 and Area and 1st consideration of the ordinance.

Planning Commission Recommendation

The Planning Commission recommended approval of the Amended and Restated Consolidated Urban Revitalization Plan-Amendment 2 and Area.

Staff speakers for the request:

1. Courtney Harter, Director Planning & Community Development, City of Council Bluffs

Speakers in favor: None
Speakers in opposition: None

Vote: 6-0-1 (1 absent, 3 vacant)
AYE – Freund, Knauss, Rater, Stroebele, Van Houten and Watson

NAY – None
ABSTAIN – Rew
ABSENT – Hutcheson
Motion: Carried

Attachments

Attachment A – Amended and Restated Consolidated Urban Revitalization Plan - Amendment 2
Attachment B – Boundary Map for Kanesville Subarea
Attachment C – Boundary Map for Valley View South Subarea

Prepared by: Marianne Collins, Housing & Economic Development Planner, Community Development Department
Submitted by: Courtney Harter, Director Planning & Community Development, Community Development Department