South Pointe
Urban Revitalization Plan



Prepared by

Community Development Department
City of Council Bluffs, Iowa

Adopted by
City Council on _____, 2018

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INTRODUCTION

The Urban Revitalization Act empowers a municipality to designate an area appropriate for commercial and industrial enterprises, public improvements related to housing and residential development, or construction of housing and residential development for low and moderate income families, including single or multifamily housing.

The City of Council Bluffs wishes to utilize property tax abatement incentives under the Urban Revitalization act to facilitate the development of new commercial and industrial land uses. The preparation and subsequent adoption of an Urban Revitalization Plan is required by the Iowa Code prior to the provision of property tax abatement.

Section 404.1 of the Iowa Code stipulates that the Council may, by ordinance, designate an area of the City as the revitalization area, if that area is classified as any of the following:

1. An area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conductive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and which is detrimental to the public health, safety or welfare.

2. An area which by reason of the presence of a 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 the 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.

3. An area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use.

4. An area which is appropriate as an economic development area as defined in Section 403.17(10) of the Iowa Code which states “an area of a municipality designated by the local governing body as appropriate for commercial and industrial enterprises, public improvements related to housing and residential development, or construction of housing and residential development for low and moderate income families, including single or multifamily housing.”

5. An area designated as appropriate for public improvements related to housing and residential development, or construction of housing and residential development, including single or multifamily housing.

The City of Council Bluffs concluded that the South Pointe Urban Revitalization Area meets the criteria of element 4. Consequently, on October 8, 2018, the City Council adopted Resolution No. 18-000, which directed staff to prepare a plan for the proposed revitalization area. Illustration 1 is the City Council Resolution.

Illustration 1 – Resolution

LEGAL DESCRIPTION

The South Pointe Urban Revitalization Area is a tract of land containing the following legally described parcels:

Lots 1, 2, 4, and 5, South Pointe Subdivision; Lots 2 through 5, South Pointe Subdivision, Replat 1; Lot 1, South Pointe Subdivision, Replat 2; and of proposed South Pointe Subdivision, Phase 2, all in the City of Council Bluffs, Pottawattamie County, Iowa.

Illustration 2 shows the location and the boundary of the South Pointe Urban Revitalization Area. The area is approximately 136.90 acres in size.

South Pointe Road Urban Revitalization Plan

Illustration 2 – Boundary



PROPERTY OWNERS AND ASSESSED VALUES

The South Pointe Urban Revitalization Area contains 13 parcels of land that total 136.90 acres in size. The total valuation ($) for all land, dwellings, and buildings in this urban revitalization area are as follows:

Land Valuation: $4,988,100.00
Dwelling Valuation: $0
Building Valuation: $9,318,500.00
Total Valuation: $14,306,600.00

A complete listing of these parcels, ownership, land/dwelling/building valuation, and acreage information is outlined in the attachment titled *Attachment A – South Pointe Urban Revitalization Area Plan – Property Owners List*. The information stated in this attachment was obtained from records in the Pottawattamie County Assessor's Office.

On November 22, 2004, the Council Bluffs City Council adopted Ordinance No. 5823, which established the South 19th Urban Revitalization Area. This revitalization area consisted of eight parcels of land that were located west of Indian Creek, south of Veterans Memorial Highway (US 275/92) and east of Gifford Road and totaled 80.09 acres in size. The plan was valid was 10 years from the date of City Council adoption and helped attract new economic development projects in the South Pointe Industrial Park and along Gifford Road. The proposed South Pointe Urban Revitalization Area will include land that was located in the former South 19th Street Urban Revitalization Area.

EXISTING ZONING AND PROPOSED LAND USE

The South Pointe Urban Revitalization Area is currently zoned I-2/General Industrial District and is partially located within a designated Recreational-Tourism Overlay (RO) (see Illustrations 3 and 4). The I-2/General Industrial District is intended to provide for the development of general manufacturing and industrial areas. This district is designed to accommodate industrial uses with moderate external effects. The Recreation-Tourism Overlay (RO) is intended to maintain and enhance the aesthetic quality of areas around the National Historic Trails Center and land based and riverboat gaming facilities. This Overlay is intended to mitigate and negative impact associated with these facilities.

Surrounding zoning in the general vicinity of the South Pointe Urban Revitalization area includes: I-2/General Industrial District and I-1/Light Industrial District to the north; I-2/General Industrial District, A-2/Parks, Estates, and Agricultural District, C-2/Commercial District, R-1/Single Family Residential District, and R-3/Low Density Multi-Family Residential District to the east; A-2/Parks, Estates, and Agricultural District to the south; along with I-2/General Industrial District and A-2/Parks, Estates, and Agricultural District to the west.

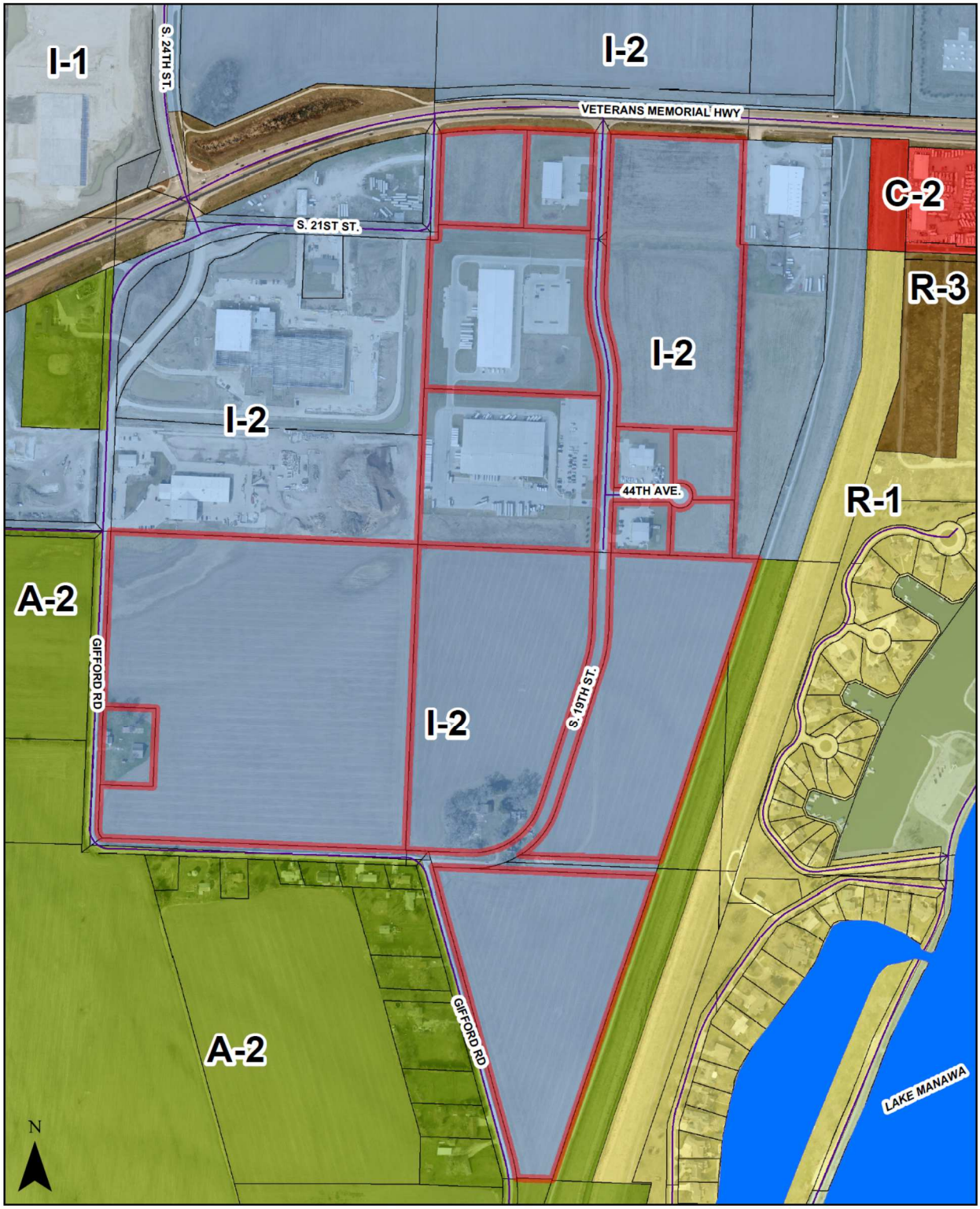
The South Pointe Urban Revitalization Area contains a mixture of industrial, undeveloped, and agricultural land uses. Existing businesses within this urban revitalization area include the following:

1. Matheson Tri-Gas – 4106 South 19th Street (PIN #744411377004)
2. Fremont Contract Carriers (FCC) – 4303 South 19th Street (PIN #744411379001)
3. FedEx Freight – 4306 South 19th Street (PIN #744414126003)
4. FedEx Freight – 4406 South 19th Street (PIN #744414126002)
5. Pro-Tech Sales – 4343 South 19th Street (PIN #74414127003)
6. TEQ Supply Inc. – 4405 South 19th Street (PIN #744414127005)

The remaining properties in the proposed South Pointe Urban Revitalization Area are undeveloped. The Council Bluffs Industrial Foundation has proposed to replat 95.83 acres of said urban revitalization area into a new five-lot industrial subdivision to be known as South Pointe Subdivision, Phase 2 (see Illustration 5). This subdivision is located immediately south of the South Pointe Subdivision and includes an extension of South 19th Street and improvements to Gifford Road. The Council Bluffs Industrial Foundation and the Advance Southwest Iowa Corporation intend to market and sell each lot in the subdivision for new economic development projects in the City. A letter of support from Paula Hazelwood, Executive Director of the Advance Southwest Iowa Corporation, for the South Pointe Urban Revitalization Area is included as Attachment B.

All land uses in the proposed South Pointe Urban Revitalization Area will be commercial or industrial.

South Pointe Urban Revitalization Plan
Illustration 3 – Zoning



South Pointe Urban Revitalization Plan
Illustration 4 – Recreation-Tourism Overlay

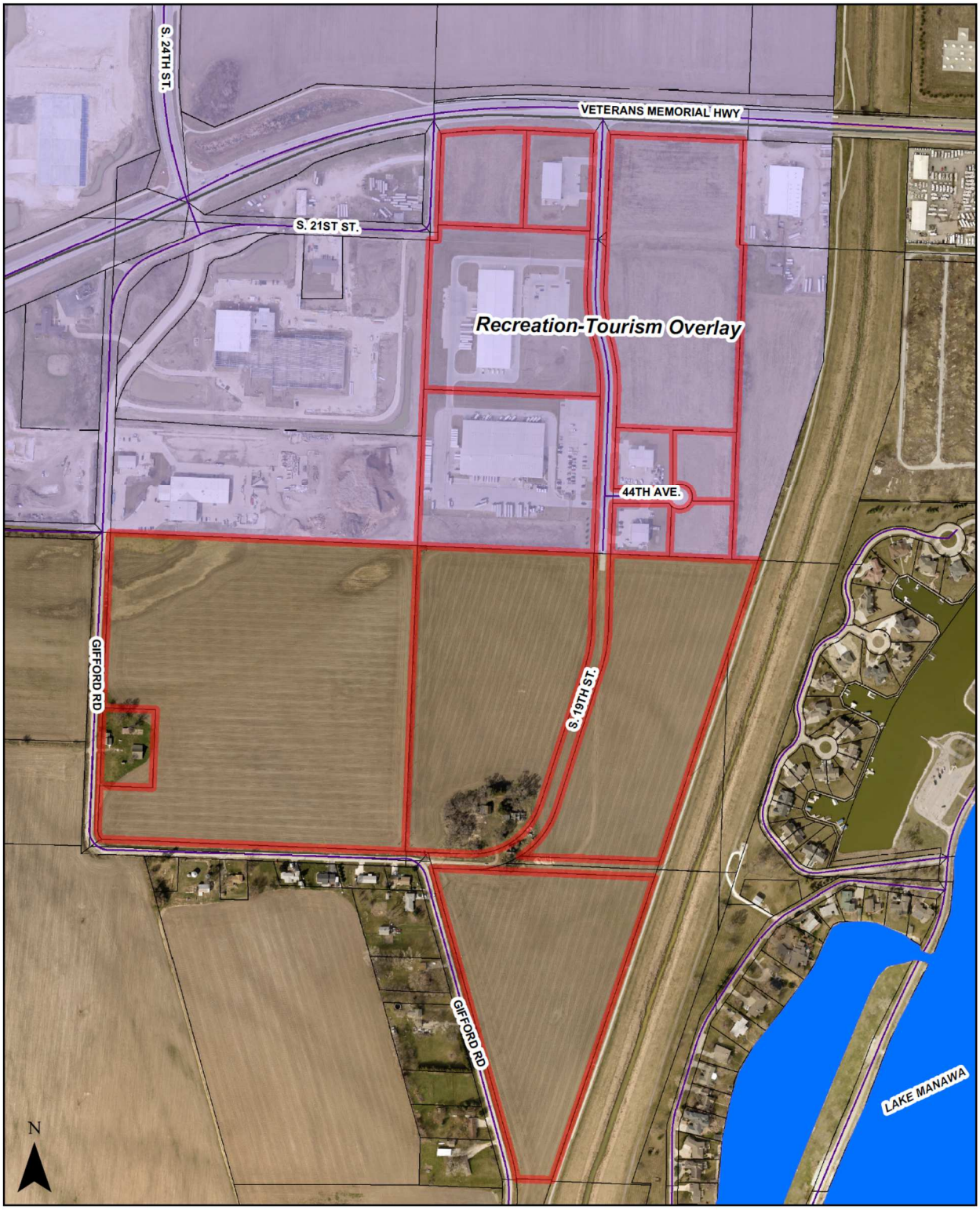
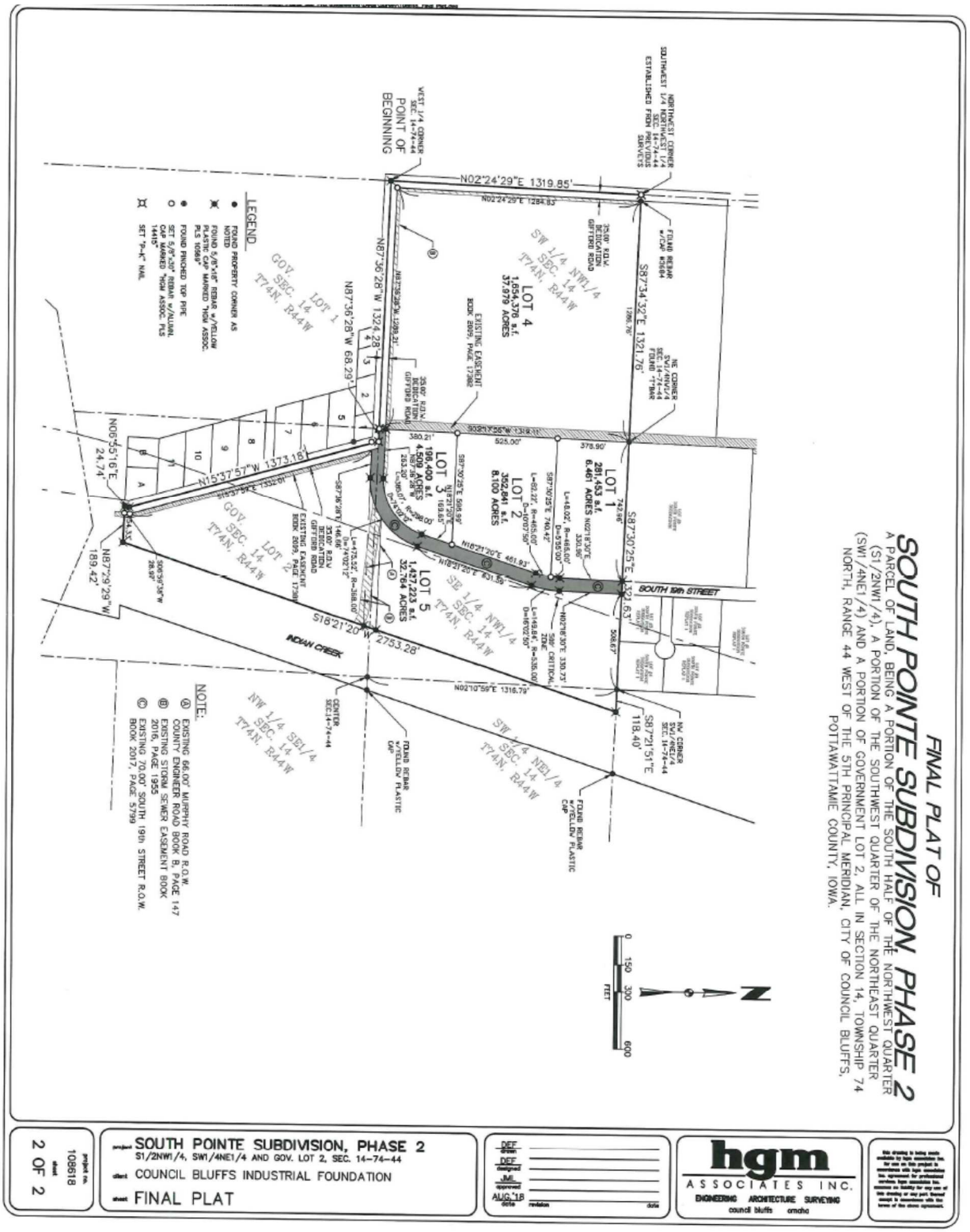


Illustration 5 – South Pointe Subdivision, Phase 2 Final Plat



PROPOSALS FOR IMPROVING OR EXPANDING CITY SERVICES

The proposed South Pointe Urban Revitalization Area is served with all municipal utilities (sanitary sewer, water and storm sewer) as well as electricity and gas. The area is accessible by five public roadways, as follows: Veterans Memorial Highway (US 275/92), South 21st Street, South 19th Street, 44th Avenue, and Gifford Road. In the last five years the City and/or other private entities have reconstructed portions of Gifford Road, South 21st Street, and South 19th Street to meet current City standards. There is a segment of Gifford Road that abuts the west/southwest boundary of this urban revitalization area that is not built to current City standards. It is anticipated that this segment of roadway will be reconstructed in coming years as new development occurs in the South Pointe Subdivision, Phase 2. All said roadways operate at a level of service (LOS) that can adequately handle additional traffic generated by new projects in this proposed urban revitalization area. There are no proposals to expand City services at this time.

RELOCATION PROVISIONS

Relocation is not anticipated with the implementation of this plan. However, if either a residential or non-residential tenant relocation occurs as a result of actions taken by a developer qualifying for the benefits under the Urban Revitalization Act, the tenant shall receive compensation from the developer of one months rent and actual moving expenses, provided that the tenant has occupied the same unit continuously for a one year period prior to the adoption of this plan.

OTHER PUBLIC ASSISTANCE

The City anticipates the use of other public assistance may be necessary for development of this area. This assistance may include:

1. Property tax exemption

2. Continued use of Capital Improvement Program funds for the improvement or reconstruction of streets, sanitary sewer, storm sewer systems, and railroad crossings.

3. Funding from the State of Iowa (Economic Development Authority, Finance Authority, and Department of Transportation) to provide assistance to qualified businesses locating or expanding in the area or to cause the construction of infrastructure to support economic development projects.

4. Funding from the U.S. Government (Department of Housing and Urban Development, Economic Development Administration, and Federal Highway Administration) to acquire and prepare for private redevelopment or to cause the construction of infrastructure to support economic development projects.

APPLICABILITY AND TAX EXEMPTION SCHEDULE

1. Eligibility - The South Pointe Urban Revitalization Plan will apply to commercial and industrial land uses.

Both new construction and rehabilitation of existing structures will be eligible for tax abatement under the plan. Rehabilitation may include renovation of a structure to bring it to code standards, remodeling and expansion.

2. Term - The term of this Plan shall be until December 31, 2038 or as amended by City Council.

3. Commercial and Industrial

Ten Year - All eligible commercial and industrial 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 ten years. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows:

a. For the first year, eighty percent.
b. For the second year, seventy percent.
c. For the third year, sixty percent.
d. For the fourth year, fifty percent.
e. For the fifth year, forty percent.
f. For the sixth year, forty percent.
g. For the seventh year, thirty percent.
h. For the eighth year, thirty percent.
i. For the ninth year, twenty percent.
j. For the tenth year, twenty percent.

-OR-

Three Year - All eligible commercial and industrial real estate is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements. The exemption is for a period of three years.

6. Improvements - Improvements shall include commercial and industrial rehabilitation and additions to existing structures as well as new construction on vacant land or on land with existing structures

- For non-residential property, improvements must increase the actual value of the structure by at least 15%. If more than one building is located on the property, the 15% 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.

7. Actual Value - Actual value added by the improvements means the actual value added as of the first year for which the exemption was received. However, if such construction was begun one year prior to the adoption by the City of a Plan of Urban Revitalization pursuant to Chapter 404 of the Iowa Code, the value added by such construction, shall not constitute an increase in value for purposes of qualifying for the exemptions listed in this section.

APPLICATION AND REVIEW PROCESS

Upon completion of all improvements made within the assessment year for which the exemption is first claimed, the owner shall use the following procedure to secure the tax exemption.

1. The applicant requests a conference with the Community Development Department to discuss applicability of the request to established policy and review the application process.

2. The applicant completes the required forms and submits them along with all required data by February 1st to the Community Development Department. As part of the acceptance procedure, the Community Development Department shall review the submission for completeness. If there is a deficiency, the Department shall notify the applicant within seven (7) days.

3. The Department shall review the application according to the following criteria: 1) conformance with the Urban Revitalization Plan; 2) a finding that the site is within a designated area; 3) a finding that the work has been completed within the time required to qualify for abatement in the assessment year; 4) a finding that the application is consistent with Chapter 404 of the Iowa Code; and 5) a finding that the application is consistent with all applicable city codes and ordinances.

4. Upon review of the application, the Community Development Department will prepare a recommendation and schedule the proposal for City Council consideration.

5. By resolution, the City Council will accept the application and improvements as consistent with the intent of this plan and state law.

6. The City Council will then direct the Community Development Department to transmit a copy of the case file to the Assessor's Office by March 1st as required by Chapter 404 of the Iowa Code.

Attachment A - South Pointe Urban Revitalization Area Plan - Property Owners List

Parcel Number	Owner & Tax Address	Land Valuation	Dwelling Valuation	Building Valuation	Total Valuation	Acreage
744411377007	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$290,200.00	$0	$0	$290,200.00	3.28
744411377004	R A H Council Bluffs LLC c/o Matheson Tri Gas Inc. 155 Allen Road, Suite 302 Basking Ridge, NJ 07920	$263,000.00	$0	$489,200.00	$752,200.00	2.63
744411379001	J A K K Investments LLC 865 Bud Boulevard Fremont, NE 68025	$1,474,000.00	$0	$3,704,600.00	$5,178,600.00	14.74
744414126003	ARC Fecnbia001 LLC c/o American Realty Capital 200 Dryden Road, Suite 1100 Dresher, PA 19025	$1,101,000.00	$0	$1,394,800.00	$2,495,800.00	11.01
744414126002	McAllen Properties Omaha 3950 Commercial Avenue Madison, WI 53714	$1,123,000.00	$0	$2,905,400.00	$4,028,400.00	11.23
744414127003	Glenn, Bernard L Trust 18045 Bent Tree Ridge Council Bluffs, IA 51503	$150,000.00	$0	$420,800.00	$570,800.00	1.50
744414127004	Glenn, Ross B-Patricia E 4343 S 19th Street Council Bluffs, IA 51501	$144,000.00	$0	$0.00	$144,000.00	1.60
744414127005	TEQ Properties, LLC c/o Greg Petersen 11664 Pierce Street Omaha, NE 68144	$124,000.00	$0	$403,700.00	$527,700.00	1.24
744414127006	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$121,500.00	$0	$0	$121,500.00	1.35
744414176001	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$75,700.00	$0	$0	$75,700.00	34.42
744414151002	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$70,100.00	$0	$0	$70,100.00	36.24
744414151001	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$15,800.00	$0	$0	$15,800.00	1.66
	Council Bluffs Industrial Foundation PO Box 1565, Council Bluffs, IA 51502	$35,800.00	$0	$0	$35,800.00	16.00
		$4,988,100.00	$0	$9,318,500	$14,306,600.00	136.90

ATTACHMENT A

ADVANCE SOUTHWEST IOWA CORPORATION

149 W. Broadway,
Council Bluffs, IA 51503

September 24, 2018

The Honorable Mayor Matt Walsh and
Council Bluffs City Council Members
City of Council Bluffs
209 Pearl Street
Council Bluffs, IA 51503

Dear Mayor Walsh and Council Members:

Congratulations on the exciting things that are happening in Council Bluffs. The City has so many things to be proud of and Advance Southwest Iowa Corporation (ASWIC) is thrilled to be able to promote our great City.

As you know, ASWIC works to attract new businesses to the City as well as retain our existing business base. In order for us to be successful, it is vital that we have shovel ready sites as well as State and local incentives to assist us in our process. As such, I'm writing this letter in support of the Urban Revitalization designation for South Point Business Park Phase I and II.

South Point is owned by the Council Bluffs Industrial Foundation with Phase II being a designated shovel ready site. ASWIC has been actively marketing both Phase I and II of South Point since September 2016. Based on this robust marketing effort, we have experienced an abundance of interest with two executed options in Phase II and two additional companies looking at two of the remaining parcels (one in Phase I and one in Phase II).

The City of Council Bluffs Urban Revitalization program is a critical component to our competitiveness for current and future projects at South Point. The Urban Revitalization program can be utilized as a stand-alone incentive program but can also be applied as the match component for the State of Iowa's Targeted Jobs and High Quality Jobs programs which makes this a versatile instrument in our economic development tool box.

Thank you for allowing Advance Southwest Iowa Corporation to express our support for the Urban Revitalization designation for South Point Phase I and II. We look forward to being able to further promote South Point as an industrial site within the City of Council Bluffs and sincerely appreciate all that you and the Council do to continue to grow our City. Please feel free to contact me directly at (402) 960-8505 should you have any questions regarding the content of this letter.

Regards,

Paula D. Hazlewood

Paula D. Hazlewood
Executive Director
Advance Southwest Iowa Corporation

ATTACHMENT B