Council Communication

Department: Community Development Case No.: URV-18-007 Applicant: Community Development Department	Resolution No.: 18- Ordinance No.:	Resolution of Intent: 10-8-18 Planning Commission: 11-13-2018 Public Hearing & First Reading: 11-26-18 Second Reading: 12-17-18 Third Reading: 1-14-19 (est.)

Subject/Title

Establishment of the South Pointe Urban Revitalization Plan and Area

Location

South 19th Street from Veteran's Memorial Highway to Gifford Road

Background/Discussion

Background

The Council Bluffs Industrial Foundation and the City of Council Bluffs have been working on the development of industrial ground near South 19th Street and Veteran's Memorial Highway for the past fifteen years. A recent subdivision (South Pointe Subdivision Phase 2) expanded the available land appropriate for economic development by 95.83 acres. A previous industrial subdivision (South Pointe Subdivision) contained 80.09 acres. Not all of this land has been developed yet.

A request to designate the area as an urban revitalization area has been submitted by the Advance Southwest Iowa Corporation. As confirmed in their request, the urban revitalization program enhances the attractiveness of this area for economic development by providing eligible businesses tax exemptions on approved projects.

Discussion

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.

In order to establish an urban revitalization area one of the five conditions outlined in Section 404.1 must be met. For this area, staff believes a finding would be consistent 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.

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 a resolution of intent to establish this area as an urban revitalization area. The resolution directs staff to develop an urban revitalization plan as required by the Iowa Code, notify property owners and occupants and set November 26, 2018 as a public hearing date. Concurrent with the adoption of an urban revitalization plan, an ordinance establishing the urban revitalization area can be considered. Upon adoption of the area, the City is permitted to grant tax abatement to qualified projects.

Recommendation

The Community Development Department recommends City Council adopt a resolution of necessity and intent to establish the South Pointe Urban Revitalization Plan and Area.

Attachments

1) Draft of South Pointe Urban Revitalization Plan
2) Resolution
3) Public Hearing Notice

Submitted by: Brenda Carrico, Program Coordinator, Community Development Department
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