

CHAPTER 368

CITY DEVELOPMENT

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DIVISION I

DEFINITIONS

368.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "Adjoining" means having a common boundary for not less than fifty feet. Land areas may be adjoining although separated by a roadway or waterway.
2. "Annexation" means the addition of territory to a city.
3. "Board" means the city development board established in section 368.9.
4. "Boundary adjustment" means annexation, severance or consolidation.
5. "City development" means an incorporation, discontinuance or boundary adjustment.
6. "Committee" means the board members, and the local representatives appointed as provided in sections 368.14 and 368.14A, to hear and make a decision on a petition or plan for city development.
7. "Consolidation" means the combining of two or more cities into one city.
8. "Discontinuance" means termination of a city.
9. "Incorporation" means establishment of a new city.
10. "Island" means land which is not part of a city and which is completely surrounded by the corporate boundaries of one or more cities. However, a part of the boundary of an "island" may be contiguous with a boundary of the state, a river, or similar natural barrier which prevents service access from an adjoining area of land outside the boundaries of a city.
11. "Public land" means land owned by the federal government, the state, or a political subdivision of the state.
12. "Public utility" means a public utility subject to regulation pursuant to chapter 476.
13. "Registered voter" means a person who is registered to vote pursuant to chapter 48A.
14. "Severance" means the deletion of territory from a city.
15. "Territory" means the land area or areas proposed to be incorporated, annexed, or severed, whether or not contiguous to all other areas proposed to be incorporated, annexed, or severed. Except as provided for by an agreement pursuant to chapter 28E, "territory"

having a common boundary with the right-of-way of a secondary road extends to the center line of the road.

16. “Urbanized area” means any area of land within two miles of the boundaries of a city. [C58, 62, 66, 71, 73, §362.1; C75, 77, 79, 81, §368.1]

89 Acts, ch 98, §1; 89 Acts, ch 299, §1; 91 Acts, ch 187, §1; 91 Acts, ch 250, §1; 92 Acts, ch 1174, §1; 93 Acts, ch 152, §1 – 3; 94 Acts, ch 1169, §61; 2003 Acts, ch 148, §1, 9

DIVISION II

GENERAL PROVISIONS

368.2 Name change.

A city may change its name as follows:

1. The council shall propose the name change and shall notify the county commissioner of elections that the question shall be submitted at the next regular city election.

2. The county commissioner of elections shall publish notice, as provided in section 362.3, of the proposed new name, and of the fact that the question will be submitted at the next regular city election. The county commissioner of elections shall report the results of the balloting on the question to the mayor and the city council.

3. If a majority of those voting on the question approves the proposed new name, the city clerk shall enter the new name upon the city records and file certified copies of the proceedings, including the council’s proposal, proof of publication of notice, and certification of the election result, with the county recorder of each county which contains part of the city, and with the secretary of state. Upon proper filing the name change is complete and effective.

[C97, §628 – 630; C24, 27, 31, 35, 39, §5619 – 5622; C46, 50, 54, §362.34 – 362.37; C58, 62, 66, 71, 73, §362.38 – 362.41; C75, 77, 79, 81, §368.2]

368.3 Discontinuance — cemetery fund transfer.

A city is discontinued if, for a period of six years or more, it has held no city election and has caused no taxes to be levied. If the board receives knowledge of facts which cause an automatic discontinuance under this section, it shall make a determination that the city is discontinued, shall take control of the property of the discontinued city, and shall carry out all necessary procedures as if the city were discontinued under a petition or plan.

A city may also be discontinued in accordance with the following procedures. The council shall adopt a resolution of intent to discontinue and shall call a public hearing on the proposal to discontinue. Notice of the time and place of the public hearing and the proposed action shall be published as provided in section 362.3, except that at least ten days’ notice must be given. At the public hearing, the council shall receive oral and written comments regarding the proposal from any person. Thereafter, the council, at the same meeting or at a subsequent meeting, may pass a resolution of discontinuance or pass a resolution abandoning the proposal. If the council passes a resolution of discontinuance, a petition may be filed with the clerk in the manner provided in section 362.4, within thirty days following the effective date of the resolution, requesting that the question of discontinuance be submitted to the registered voters of the city. Upon receipt of a petition requesting an election, the council shall direct the county commissioner of elections to call a special election on the question of discontinuance or shall adopt a resolution abandoning the discontinuance. Notice of the election shall be given by publication as required in section 49.53. If a majority of those voting approve the discontinuance or if no petition for an election is filed, the clerk shall send a copy of the resolution of discontinuance and, if an election is held, the results of the election to the board. The board shall take control of the property of the discontinued city and shall supervise procedures necessary to carry out the discontinuance in accordance with section 368.21.

When a city is discontinued under this section or under sections 368.11 through 368.22, and that city owns a cemetery, the board shall determine if any perpetual care funds exist

and provide for their transfer to a trustee named by a district court or to the county or other suitable governmental entity.

[C46, 50, 54, 58, 62, 66, 71, 73, §362.18; C75, 77, 79, 81, §368.3]
91 Acts, ch 188, §2; 2000 Acts, ch 1006, §1

368.4 Annexing moratorium.

A city, following notice and hearing, may by resolution agree with another city or cities to refrain from annexing specifically described territory for a period not to exceed ten years and, following notice and hearing, may by resolution extend the agreement for subsequent periods not to exceed ten years each. Notice of a hearing shall be served by regular mail at least thirty days before the hearing on the city development board and on the board of supervisors of the county in which the territory is located and shall be published in an official county newspaper in each county containing a city conducting a hearing regarding the agreement, in an official county newspaper in any county within two miles of any such city, and in an official newspaper of each city conducting a hearing regarding the agreement. The notice shall include the time and place of the hearing, describe the territory subject to the proposed agreement, and the general terms of the agreement. After passage of a resolution by the cities approving the agreements, a copy of the agreement and a copy of any resolution extending an agreement shall be filed with the city development board within ten days of enactment. If such an agreement is in force, the board shall dismiss a petition or plan which violates the terms of the agreement.

[C66, 71, 73, §362.26(7, 8); C75, 77, 79, 81, §368.4]
2002 Acts, ch 1132, §4, 11; 2002 Acts, ch 1175, §31; 2003 Acts, ch 148, §2, 9; 2004 Acts, ch 1101, §42

368.5 Annexing state and county property.

Territory owned by the state of Iowa may be annexed, but the attorney general must be served with notice of the hearing and a copy of the proposal.

Territory within the road right-of-way owned by a county may be annexed, but the county attorney of that county must be served with notice of the hearing and a copy of the proposal.

[C58, 62, 66, 71, 73, §362.34, 362.35; C75, 77, 79, 81, §368.5]
89 Acts, ch 98, §2

368.6 Intent.

It is the intent of the general assembly to provide an annexation approval procedure which gives due consideration to the wishes of the residents of territory to be annexed, and to the interests of the residents of all territories affected by an annexation. The general assembly presumes that a voluntary annexation of territory more closely reflects the wishes of the residents of territory to be annexed, and, therefore, intends that the annexation approval procedure include a presumption of validity for voluntary annexation approval.

91 Acts, ch 250, §2

368.7 Voluntary annexation of territory.

1. *a.* All of the owners of land in a territory adjoining a city may apply in writing to the council of the adjoining city requesting annexation of the territory. Territory comprising railway right-of-way or territory comprising not more than twenty percent of the land area may be included in the application without the consent of the owner to avoid creating an island or to create more uniform boundaries. Public land may be included in the territory to be annexed. However, the area of the territory that is public land included without the written consent of the agency with jurisdiction over the public land shall not be used to determine the percentage of territory that is included with the consent of the owner and without the consent of the owner.

b. (1) Prior to notification in paragraph “c”, the annexing city shall provide written notice to the board of supervisors and township trustees of each county and township that contains all or a portion of the territory to be annexed. The written notice shall include the same information required in paragraph “c” and shall set a time for a consultation on the proposed

annexation between the annexing city and each county and township that contains all or a portion of the territory to be annexed. The consultation shall be held at least fourteen business days before the applications in paragraph “c” are mailed. The governing body of each such county and township may designate one of its members to attend the consultation. Each such county and township may make written recommendations for modification to the proposed annexation no later than seven business days following the date of the consultation.

(2) Not later than thirty days after the consultation, the board of supervisors of each county that contains all or a portion of the territory to be annexed shall, by resolution, state whether or not it supports the application or whether it takes no position in support of or against the application. If there is a comprehensive plan for the county, the board shall take the plan into account when considering its resolution. A copy of the resolution shall be immediately filed with the annexing city and shall be considered by the city council when taking action on the application. The city council shall forward a copy of the resolution to the city development board as part of the city proceedings on the annexation. Failure of a board of supervisors to adopt a resolution shall not delay the proceedings on the application nor shall such failure be considered a deficiency either in the application or in the annexing city’s proceedings.

c. A copy of the application shall be mailed by certified mail to the nonconsenting owner and each affected public utility, at least fourteen business days prior to any action taken by the city council on the application. The application must contain a legal description and a map of the territory showing its location in relationship to the city.

d. The city shall provide for a public hearing on the application before approving or denying it. The city shall provide written notice at least fourteen business days prior to any action by the city council regarding the application, including a public hearing, by regular mail to the chairperson of the board of supervisors of each county which contains a portion of the territory proposed to be annexed, each public utility which serves the territory proposed to be annexed, each owner of property located within the territory to be annexed who is not a party to the application, and each owner of property that adjoins the territory to be annexed unless the adjoining property is in a city. The city shall publish notice of the application and public hearing on the application in an official county newspaper in each county which contains a portion of the territory proposed to be annexed. Both the written and published notice shall include the time and place of the public hearing and a legal description of the territory to be annexed. The city shall not assess the costs of providing notice as required in this section to the applicants. The city council shall approve or deny the application by resolution of the council.

e. An application for annexation under this subsection may be withdrawn by an applicant at any time within three business days after the public hearing unless the application was made pursuant to a written agreement for the extension of city services or unless the right to withdraw the application was specifically identified and waived by the applicant in the application. A landowner who has consented to the annexation may, within three business days after the public hearing, withdraw the landowner’s consent to the annexation unless the landowner has entered into a written agreement for extension of city services or unless the right to withdraw consent was specifically identified and waived by the landowner.

f. An annexation including territory comprising not more than twenty percent of the land area without consent of the property owners is not complete without approval by four-fifths of the members of the city development board after a hearing for all affected property owners and the county. When considering such an annexation application, the board may request that the annexing city provide information on the amount of land located in the annexing city that is currently vacant or undeveloped and whether municipal services are being provided to current residents of the annexing city.

2. An application for annexation of territory not within an urbanized area of a city other than the city to which the annexation is directed must be approved by resolution of the council which receives the application. The city council shall mail a copy of the application by certified mail to the board of supervisors of each county which contains a portion of the territory at least fourteen business days prior to any action taken by the city council on the application. The council shall also publish notice of the application in an official county

newspaper in each county which contains a portion of the territory at least fourteen days prior to any action taken by the council on the application. Upon receiving approval of the council, the city clerk shall file a copy of the resolution, map, and legal description of the territory involved with the secretary of state, the county board of supervisors of each county which contains a portion of the territory, each affected public utility, and the state department of transportation. The city clerk shall also record a copy of the legal description, map, and resolution with the county recorder of each county which contains a portion of the territory. The secretary of state shall not accept and acknowledge a copy of a legal description, map, and resolution of annexation which would create an island. The annexation is completed upon acknowledgment by the secretary of state that the secretary of state has received the legal description, map, and resolution.

3. An application for annexation of territory within an urbanized area of a city other than the city to which the annexation is directed must be approved both by resolution of the council which receives the application and by the board. The board shall not approve an application which creates an island. Notice of the application shall be mailed by certified mail, by the city to which the annexation is directed, at least fourteen business days prior to any action by the city council on the application to the council of each city whose boundary adjoins the territory or is within two miles of the territory, to the board of supervisors of each county which contains a portion of the territory, each affected public utility, and to the regional planning authority of the territory. Notice of the application shall be published in an official county newspaper in each county which contains a portion of the territory at least ten business days prior to any action by the city council on the application. The annexation is completed when the board has filed and recorded copies of applicable portions of the proceedings as required by section 368.20, subsection 1, paragraph "b".

4. *a.* If one or more applications for a voluntary annexation and one or more petitions for an involuntary annexation or incorporation for a common territory are submitted to the board within thirty days of the date the first application or petition was submitted to the board, the board shall approve the application for voluntary annexation, if the application meets the applicable requirements of this chapter, unless the board determines by a preponderance of the evidence that the application was filed in bad faith, or that the application as filed is contrary to the best interests of the citizens of the urbanized area, or that the applicant cannot within a reasonable period of time meet its obligation to provide services to the territory to be annexed sufficient to meet the needs of the territory. In consideration of the requests, the board may appoint a committee in the manner provided in section 368.14 to seek additional information from the applicant for voluntary annexation as necessary, including the information required of petitioners pursuant to section 368.11. The board, or the committee, if applicable, shall hold a public hearing on the application for voluntary annexation in the manner provided for involuntary petitions in section 368.15. The decision of the board under this subsection shall be made within ninety days of receipt of the application by the board. The failure of the board to approve an application under this paragraph shall be deemed final agency action subject to judicial review.

b. If an application for voluntary annexation is not approved pursuant to this section, the board shall cause the conversion of the application to a petition pursuant to section 368.13 and shall proceed under section 368.14A. The conversion of an application to a petition shall not prejudice the status of the applicant. Judicial review of a board decision under this subsection may be requested by an aggrieved party.

5. In the discretion of a city council, the resolution provided for in subsection 1, paragraph "d", or subsection 2 or 3, may include a provision for a transition for the imposition of city

taxes against property within the annexation area as provided in section 368.11, subsection 3, paragraph “m”.

[R60, §1038; C73, §426; C97, §617, 621; C24, 27, 31, 35, 39, §5615, 5616; C46, 50, 54, 58, 62, 66, 71, 73, §362.30, 362.31; C75, 77, 79, 81, §368.7]

86 Acts, ch 1245, §845; 89 Acts, ch 299, §2; 91 Acts, ch 187, §2, 3; 91 Acts, ch 250, §3, 4; 92 Acts, ch 1174, §2; 93 Acts, ch 152, §4; 2002 Acts, ch 1132, §5 – 8, 11; 2003 Acts, ch 148, §3, 9; 2005 Acts, ch 19, §50; 2005 Acts, ch 111, §1 – 3, 5; 2010 Acts, ch 1061, §179, 180

[SP] 2005 amendments to subsection 1, paragraph d, providing for city council approval or denial of applications by council resolution, and to subsections 2 and 3 and adding subsection 5, take effect May 5, 2005, and apply to applications submitted to a city council on or after that date; 2005 Acts, ch 111, §5

[T] Subsection 1, paragraph b and subsection 4 internally renumbered pursuant to Code editor directive

[T] Subsection 3 amended

368.7A Secondary road annexation.

1. The board of supervisors of each affected county shall notify the city development board of the existence of that portion of any secondary road which extends to the center line but has not become part of the city by annexation and has a common boundary with a city. The notification shall include a legal description and a map identifying the location of the secondary road. The city development board shall provide notice and an opportunity to be heard to each city in or next to which the secondary road is located. The city development board shall certify that the notification is correct and declare the road, or portion of the road extending to the center line, annexed to the city as of the date of certification. This section is not intended to interfere with or modify existing chapter 28E agreements on jurisdictional transfer of roads, or continuing negotiations between jurisdictions.

2. The remaining title and interest of a county in any secondary road or portion of the road which has been annexed by a city is transferred to the annexing city on July 1, 1993. The title and interest of a county in any secondary road which is annexed by a city after July 1, 1993, is transferred to the city upon the effective date of the annexation.

93 Acts, ch 152, §5

368.8 Voluntary severing of territory.

Any territory may be severed upon the unanimous consent of all owners of the territory and approval by resolution of the council of the city in which the territory is located. The council shall provide in the resolution for the equitable distribution of assets and equitable distribution and assumption of liabilities of the territory as between the city and the severed territory. The city clerk shall file a copy of the resolution, map, and a legal description of the territory involved with the county board of supervisors, secretary of state, and state department of transportation. The city clerk shall also record a copy of the map and resolution with the county recorder. The secretary of state shall not accept and acknowledge a copy of a map and resolution of severance which would create an island. The severance is completed upon acknowledgment by the secretary of state that the secretary of state has received the map and resolution.

[R60, §1048 – 1052; C73, §440 – 444; C97, §622 – 626; S13, § 622; C24, 27, 31, 35, 39, §5617; C46, 50, 54, 58, 62, 66, 71, 73, §362.32; C75, 77, 79, 81, §368.8]

86 Acts, ch 1245, §846; 92 Acts, ch 1174, §3; 93 Acts, ch 152, §6

DIVISION III

CITY DEVELOPMENT BOARD

368.9 Board created.

1. A city development board is created. The department of economic development shall provide office space and staff assistance, and shall budget funds to cover expenses of the board and committees. The board consists of five members appointed by the governor subject to confirmation by the senate. The appointments must be for four-year staggered terms beginning and ending as provided by section 69.19, or to fill an unexpired term in case of a vacancy. Members are eligible for reappointment.

2. The board shall be composed of the following members:
 - a. One member appointed from a city with a population of more than forty-five thousand, according to the most recent certified federal census.
 - b. One member appointed from a city with a population of forty-five thousand or less, according to the most recent certified federal census.
 - c. One member appointed from a county with a population of more than fifty thousand, according to the most recent certified federal census.
 - d. One member appointed from a county with a population of fifty thousand or less, according to the most recent certified federal census.
 - e. One member appointed to represent the general public.
3. Each member is entitled to receive from the state actual and necessary expenses in performance of board duties and may also be eligible to receive compensation as provided in section 7E.6.

[C75, 77, 79, 81, §368.9]

86 Acts, ch 1245, §847; 91 Acts, ch 250, §5; 2010 Acts, ch 1038, §1 – 3

[P] Confirmation, see §2.32

[SP] 2010 amendment to subsection 1 takes effect March 10, 2010, and applies to appointments to the city development board made on or after that date due to an expired term; 2010 Acts, ch 1038, §2, 3

[T] Subsection 1 amended

368.10 Rules — establishment of filing fees.

The board may establish rules for the performance of its duties and the conduct of proceedings before it. The rules may include establishing filing fees for applications and petitions submitted to the board. The board's rules are subject to chapter 17A, as applicable.

[C75, 77, 79, 81, §368.10]

93 Acts, ch 152, §7, 8

368.11 Petition for involuntary city development action.

1. A petition for incorporation, discontinuance, or boundary adjustment may be filed with the board by a city council, a county board of supervisors, a regional planning authority, or five percent of the registered voters of a city or territory involved in the proposal. Notice of the filing, including a copy of the petition, must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated, annexed or severed, the council of a city if an incorporation includes territory within the city's urbanized area, and any regional planning authority for the area involved.

2. Within ninety days of receipt of a petition, the board shall initiate appropriate proceedings or dismiss the petition. The board may combine for consideration petitions or plans which concern the same territory or city or which provide for a boundary adjustment or incorporation affecting common territory. The combined petitions may be submitted for consideration by a special local committee pursuant to section 368.14A.

3. The petition must include substantially the following information as applicable:

- a. A general statement of the proposal.
- b. A map of the territory, city or cities involved.
- c. Assessed valuation of platted and unplatted land.
- d. Names of property owners.
- e. Population density.
- f. Description of topography.
- g. Plans for disposal of assets and assumption of liabilities.
- h. Description of existing municipal services, including but not limited to water supply, sewage disposal, and fire and police protection.
 - i. Plans for agreements with any existing special service districts.
 - j. In a case of annexation or incorporation, the petition must state that none of the territory is within a city.
 - k. In a case of incorporation or consolidation, the petition must state the name of the proposed city.
 - l. Plans shall include a formal agreement between affected municipal corporations and

counties for the maintenance, improvement, and traffic control of any shared roads involved in an incorporation or boundary adjustment.

m. (1) In the discretion of a city council, a provision for a transition for the imposition of city taxes against property within an annexation area. The provision shall allow for an exemption from taxation of the following percentages of assessed valuation according to the following schedule:

- (a) For the first and second years, seventy-five percent.
- (b) For the third and fourth years, sixty percent.
- (c) For the fifth and sixth years, forty-five percent.
- (d) For the seventh and eighth years, thirty percent.
- (e) For the ninth and tenth years, fifteen percent.

(2) An alternative schedule may be adopted by the city council. However, an alternative schedule shall not allow a greater exemption than that provided in this paragraph. The exemption shall be applied in the levy and collection of taxes. The provision may also allow for the partial provision of city services during the time in which the exemption from taxation is in effect. If the city council provides for a transition for the imposition of city taxes against property in an annexation area, all property owners included in the annexation area must receive the transition upon completion of the annexation.

n. In the case of an annexation, a plan for extending municipal services to be provided by the annexing city to the annexed territory within three years of July 1 of the fiscal year in which city taxes are collected against property in the annexed territory.

4. At least fourteen business days before a petition for involuntary annexation is filed as provided in this section, the petitioner shall make its intention known by sending a letter of intent by certified mail to the council of each city whose urbanized area contains a portion of the territory, the board of supervisors of each county which contains a portion of the territory, the regional planning authority of the territory involved, each affected public utility, and to each property owner listed in the petition. The written notification shall include notice that the petitioners shall hold a public meeting on the petition for involuntary annexation prior to the filing of the petition.

5. Before a petition for involuntary annexation may be filed, the petitioner shall hold a public meeting on the petition. Notice of the meeting shall be published in an official county newspaper in each county which contains a part of the territory at least five days before the date of the public meeting. The mayor of the city proposing to annex the territory, or that person's designee, shall serve as chairperson of the public meeting. The city clerk of the same city or the city clerk's designee shall record the proceedings of the public meeting. Any person attending the meeting may submit written comments and may be heard on the petition. The minutes of the public meeting and all documents submitted at the public meeting shall be forwarded to the county board of supervisors of each county where the territory is located and to the board by the chairperson of the meeting.

6. Within thirty days after receiving notice that a petition for involuntary annexation has been filed with the board, the board of supervisors of each county that contains all or a portion of the territory to be annexed shall, by resolution, state whether or not it supports the petition or whether it takes no position in support of or against the petition. If there is a comprehensive plan for the county, the board shall take the plan into account when considering its resolution. A copy of the resolution shall be immediately filed with the annexing city and with the city development board. Failure of a board of supervisors to adopt a resolution shall not delay the proceedings on the petition nor shall such failure be considered a deficiency either in the petition or in the annexing city's proceedings.

[R60, §1031, 1038, 1043; C73, §421, 426, 430, 431, 447, 448; C97, §599, 604, 610, 611, 615, 617, 621; S13, §615; C24, 27, 31, 35, 39, §5588, 5598, 5612 – 5614, 5616; C46, 50, §362.1, 362.11, 362.26, 362.28, 362.29, 362.31; C54, 58, 62, 66, 71, 73, §362.1, 362.11, 362.26, 362.31; C75, 77, 79, 81, §368.11]

89 Acts, ch 299, §3; 91 Acts, ch 250, §6; 92 Acts, ch 1174, §4; 93 Acts, ch 152, §9; 2001 Acts, ch 56, §31; 2002 Acts, ch 1132, §9, 11; 2003 Acts, ch 108, §126, 132; 2003 Acts, ch 148, §4 – 6, 9; 2005 Acts, ch 111, §4, 5; 2006 Acts, ch 1158, §5; 2010 Acts, ch 1061, §180

[T] Subsection 3, paragraph m internally redesignated pursuant to Code editor directive

368.12 Dismissal.

The board may dismiss a petition only if it finds that the petition does not meet the requirements of this chapter, or that substantially the same incorporation, discontinuance, or boundary adjustment has been disapproved by a committee formed to consider the proposal, or by the voters, within the two years prior to the date the petition is filed with the board, or that the territory to be annexed, or a portion of that territory, has been voluntarily annexed under section 368.7. The board shall file for record a statement of each dismissal and the reason for it, and shall promptly notify the parties to the proceeding of its decision.

[C75, 77, 79, 81, §368.12]

91 Acts, ch 250, §7

368.13 Board may initiate proceedings.

Based on the results of its studies, the board may initiate proceedings for the incorporation, discontinuance, or boundary adjustment of a city. The board may request a city to submit a plan for city development or may formulate its own plan for city development. A plan submitted at the board's initiation must include the same information as a petition and be filed and acted upon in the same manner as a petition. A petition or plan may include any information relevant to the proposal, including but not limited to results of studies and surveys, and arguments.

[C75, 77, 79, 81, §368.13]

93 Acts, ch 152, §10

368.14 Local representatives.

If an involuntary petition is not dismissed, the board shall direct the appointment of local representatives to serve with board members as a committee to consider the proposal. Each local representative is entitled to receive from the state the representative's actual and necessary expenses spent in performance of committee duties. Three board members and one local representative, or if the number of local representatives exceeds one, three board members and at least one-half of the appointed local representatives, are required for a quorum of the committee. A local representative must be a registered voter of the territory or city which the representative represents, and must be selected as follows:

1. From a territory to be incorporated, one representative appointed by the county board of supervisors. If the territory is in more than one county, the board shall direct the appointment of a local representative from each county involved.

2. From a city to be discontinued, one representative appointed by the city council.

3. From a territory to be annexed to or severed from a city, one representative appointed by the county board of supervisors. If there are no registered voters residing in an area to be annexed to or severed from a city, the county board of supervisors shall appoint as local representative an individual owning property in the territory whether or not the individual is a registered voter or appoint a designee of such individual. If the territory is in more than one county, the board shall direct the appointment of a local representative from each county involved by its board of supervisors.

4. From a city to which territory is to be annexed or from which territory is to be severed, one representative appointed by the city council. If the territory is in more than one county, the board shall direct the appointment of an equal number of city and county local representatives.

5. From each city to be consolidated, one representative appointed by each city council.

[C75, 77, 79, 81, §368.14]

91 Acts, ch 250, §8; 94 Acts, ch 1169, §64

368.14A Special local committees.

When two or more petitions for city development action or applications for voluntary annexation describing common territory are being considered together, the board shall direct the appointment of representatives for each of the petitions to serve on one special committee to consider the petitions. Expense reimbursement and qualifications of these representatives shall be as provided in section 368.14. Three board members and at least

one-half of the appointed local representatives are required for a quorum of the special local committee. The manner of appointment of representatives shall be the same as for single petition committees as provided in section 368.14. The special committee shall consider the petitions in conformity with the provisions of this chapter, and shall resolve common territory issues between petitioners. The special committee shall conduct a public hearing on the petitions pursuant to section 368.15. If the common territory issue is resolved, the special local committee may approve the resulting compatible petitions by a single vote or separately, in its discretion.

91 Acts, ch 250, §9; 93 Acts, ch 152, §11

368.15 Public hearing.

The committee shall conduct a public hearing on a proposal as soon as practicable. Notice of the hearing must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the county board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated, annexed, or severed, and any regional planning authority for the area involved. A notice of the hearing, which includes a brief description of the proposal and a statement of where the petition or plan is available for public inspection, must be published as provided in section 362.3, except that there must be two publications in a newspaper having general circulation in each city and each territory involved in the proposal. Any person may submit written briefs, and in the committee's discretion, may be heard on the proposal. The board may subpoena witnesses and documents relevant to the proposal.

[C75, 77, 79, 81, §368.15]

368.16 Approval of proposal.

Subject to section 368.17, the committee shall approve any proposal which it finds to be in the public interest. A committee shall base its finding upon all relevant information before the committee, including but not limited to the following:

1. Statements in the petition or plan, and evidence supporting those statements.
2. Recommendations of the regional planning authority for the area.
3. Commercial and industrial development.
4. Potential growth in population.
5. Cost and adequacy of existing services and facilities.
6. Potential effect of the proposal and of possible alternative proposals on the cost and adequacy of services and facilities.
7. Potential effect of the proposal on adjacent areas, and on any unit of government directly affected, including but not limited to the potential effect on future revenues of any such unit of government.

[C75, 77, 79, 81, §368.16]

368.17 When approval barred.

The committee may not approve:

1. An incorporation unless it finds that the city to be incorporated will be able to provide customary municipal services within a reasonable time.
2. A discontinuance or severance if the city to be discontinued or the territory to be severed will be surrounded by one or more cities unless a petition for annexation of the same area is also filed and approved.
3. A discontinuance or severance unless it finds that the county or another city will be able to provide necessary municipal services to the residents.
4. An annexation unless the territory is adjoining the city to which it will be annexed, and the committee finds that the city will be able to provide to the territory substantial municipal services and benefits not previously enjoyed by such territory, and that the motive for annexation is not solely to increase revenues to the city.
5. A consolidation unless the cities are contiguous.
6. An incorporation of territory, any part of which is within two miles of an existing city,

unless a petition for annexation of substantially the same territory to such city has been dismissed, disapproved, or voted upon unfavorably within the last five years.

7. A city development action which creates an island.

[R60, §1043; C73, §430, 431; C97, §610, 611, 615; S13, §615; C24, 27, 31, 35, 39, §5612 – 5614; C46, 50, §362.26, 362.28, 362.29; C54, §362.26; C58, 62, 66, 71, 73, §362.1, 362.26; C75, 77, 79, 81, §368.17]

91 Acts, ch 187, §4; 92 Acts, ch 1174, §5

368.18 Amendment.

The committee may amend a petition or plan. If a petition or plan is substantially amended, the committee shall continue the hearing to a later date and serve and publish a notice describing the amended petition or plan, as required in section 368.15.

[C97, §600; S13, §600; C24, 27, 31, 35, 39, §5591; C46, 50, 54, 58, 62, 66, 71, 73, §362.4; C75, 77, 79, 81, §368.18]

368.19 Time limit — election.

1. The committee shall approve or disapprove the petition or plan as amended, within ninety days of the final hearing, and shall file its decision for record and promptly notify the parties to the proceeding of its decision. If a petition or plan is approved, the board shall submit the proposal at an election held on a date specified in section 39.2, subsection 4, paragraph “a” or “b”, whichever is applicable, and the county commissioner of elections shall conduct the election. In a case of incorporation or discontinuance, registered voters of the territory or city may vote, and the proposal is authorized if a majority of those voting approves it. In a case of annexation or severance, registered voters of the territory and of the city may vote, and the proposal is authorized if a majority of the total number of persons voting approves it. In a case of consolidation, registered voters of each city to be consolidated may vote, and the proposal is authorized only if it receives a favorable majority vote in each city. The county commissioner of elections shall publish notice of the election as provided in section 49.53 and shall conduct the election in the same manner as other special elections.

2. The city shall provide to the commissioner of elections a map of the area to be incorporated, discontinued, annexed, severed, or consolidated, which must be approved by the commissioner as suitable for posting. The map shall be displayed prominently in at least one place within the voting precinct, and inside each voting booth.

3. The costs of an incorporation election shall be borne by the initiating petitioners if the election fails, but if the proposition is approved the cost shall become a charge of the new city.

[R60, §1032, 1037, 1043, 1044; C73, §422, 423, 425, 430 – 432, 447 – 450; C97, §600 – 605, 610 – 612, 615; S13, §600 – 602, 615; C24, 27, 31, 35, 39, §5592 – 5594, 5596, 5598, 5599, 5605, 5606, 5612 – 5614; C46, 50, §362.5 – 362.7, 362.9, 362.11, 362.12, 362.19, 362.20, 362.26, 362.28, 362.29; C54, 58, 62, 66, 71, 73, §362.5 – 362.7, 362.9, 362.11, 362.12, 362.19, 362.20, 362.26; C75, 77, 79, 81, §368.19]

91 Acts, ch 250, §10; 95 Acts, ch 67, §53; 98 Acts, ch 1123, §16; 2008 Acts, ch 1115, §62, 71; 2009 Acts, ch 57, §90

368.20 Procedure after approval.

1. After the county commissioner of elections has certified the results to the board, the board shall:

a. Serve and publish notice of the result as provided in section 362.3.

b. File with the secretary of state and the clerk of each city incorporated or involved in a boundary adjustment, and record with the recorder of each county which contains a portion of any city or territory involved, copies of the proceedings including the original petition or plan and any amendments, the order of the board approving the petition or plan, proofs of service and publication of required notices, certification of the election result, and any other material deemed by the board to be of primary importance to the proceedings.

2. Upon proper filing and expiration of time for appeal, the incorporation, discontinuance, or boundary adjustment is complete. However, if an appeal to any of the proceedings is pending, completion does not occur until the appeal is decided, unless a subsequent

date is provided in the proposal. The board shall also file with the state department of transportation a copy of the map and legal land description of each completed incorporation or corporate boundary adjustment completed under sections 368.11 through 368.22 or approved annexation within an urbanized area.

[R60, §1044, 1053, 1054; C73, §432, 445, 446, 452; C97, §267, 603, 608, 612; C24, 27, 31, 35, 39, §5596, 5603, 5606, 5618; C46, 50, 54, 58, 62, 66, 71, 73, §362.9, 362.16, 362.20, 362.33; C75, 77, 79, 81, §368.20]

89 Acts, ch 22, §1; 93 Acts, ch 152, §12; 2010 Acts, ch 1061, §149

[T] Section amended

368.21 Supervision of procedures.

When an incorporation, discontinuance, or boundary adjustment is complete, the board shall supervise procedures necessary to carry out the proposal. In the case of an incorporation, the county commissioner of elections shall conduct an election for mayor and council of the city, who shall serve until their successors take office following the next regular city election. In the case of a discontinuance, the board shall publish two notices as provided in section 368.15 that it will receive and adjudicate claims against the discontinued city for a period of six months from the date of last notice, and shall cause necessary taxes to be levied against the property within the discontinued city to pay claims allowed. All records of a discontinued city shall be deposited with the county auditor of the county designated by the board. Any remaining balances shall be deposited in the county treasury where the former city was located. In the case of boundary adjustments, the proper city officials shall carry out procedures necessary to implement the proposal.

[R60, §1037, 1045; C73, §425, 433, 449, 451, 453; C97, §602, 603, 605 – 607, 613; S13, §602; C24, 27, 31, 35, 39, §5594, 5597, 5600 – 5602, 5607; C46, 50, 54, 58, 62, 66, 71, 73, §362.7, 362.10, 362.13 – 362.15, 362.21; C75, 77, 79, 81, §368.21]

83 Acts, ch 123, §172, 209

368.22 Appeal.

1. *a.* A city, or a resident or property owner in the territory or city involved may appeal a decision of the board or a committee, or the legality of an election, to the district court of a county which contains a portion of any city or territory involved.

b. Appeal must be filed within thirty days of the filing of a decision or the publication of notice of the result of an election.

c. Appeal of an approval of a petition or plan does not stay the election.

2. The judicial review provisions of this section and chapter 17A shall be the exclusive means by which a person or party who is aggrieved or adversely affected by agency action may seek judicial review of that agency action. The court's review on appeal of a decision is limited to questions relating to jurisdiction, regularity of proceedings, and whether the decision appealed from is arbitrary, unreasonable, or without substantial supporting evidence. The court may reverse and remand a decision of the board or a committee, with appropriate directions.

3. The following portions of section 17A.19 are not applicable to this chapter:

a. The part of subsection 2 which relates to where proceedings for judicial review shall be instituted.

b. Subsection 5.

c. Subsection 8.

d. Subsection 9.

e. Subsection 10.

f. Subsection 11.

[C75, 77, 79, 81, §368.22]

98 Acts, ch 1202, §40, 46; 2010 Acts, ch 1061, §150

[T] Section amended

368.23 Fees and taxes of public utilities.

Additional or increased fees or taxes, other than ad valorem taxes, imposed on a public utility as a result of an annexation of territory to a city shall become effective sixty days after the effective date of the annexation.

93 Acts, ch 152, §13

368.24 Notification to public utilities.

Notwithstanding any other provision of law to the contrary, any city that annexes territory shall provide written notification consisting of a legal description and map of the annexed territory, each street address within the annexed area, where possible, a statement containing the effective date of the annexation and a copy of the order, resolution, or ordinance proclaiming the annexation to all public utilities operating in the annexed area. If the notification of the annexation is provided to a public utility less than sixty days prior to the effective date of the annexation, the public utility shall have sixty days from the date of notification to adjust its tax and accounting records to reflect the annexation for any tax purpose.

96 Acts, ch 1204, §10

368.25 Failure to provide municipal services.

Prior to expiration of the three-year period established in section 368.11, subsection 3, paragraph “n”, the annexing city shall submit a report to the board describing the status of the provision of municipal services identified in the plan required in section 368.11, subsection 3, paragraph “n”. If a city fails to provide municipal services, or fails to show substantial and continuing progress in the provision of municipal services, to territory involuntarily annexed, according to the plan for extending municipal services filed pursuant to section 368.11, subsection 3, paragraph “n”, within the time period specified in that subsection, the city development board may initiate proceedings to sever the annexed territory from the city. The board shall notify the city of the severance proceedings and shall hold a public hearing on the proposed severance. The board shall give notice of the hearing in the same manner as notice of a public meeting in section 368.11. The board may order severance of all or a portion of the territory and the order to sever is not subject to approval at an election. A city may request that the board allow up to an additional three years to provide municipal services if good cause is shown. As an alternative to severance of the territory, the board may impose a moratorium on additional annexation by the city until the city complies with its plan for extending municipal services. For purposes of this section, “*municipal services*” means services included in the plan required by section 368.11, subsection 3, paragraph “n”, for extending municipal services.

2002 Acts, ch 1132, §10, 11; 2002 Acts, ch 1175, §32; 2003 Acts, ch 148, §7, 9; 2005 Acts, ch 19, §51

368.25A Boundary adjustment between cities by petition and consent.

1. A real property owner within the boundaries of a city may file a petition for severance with the city council if the petitioner’s real property, if severed, would be eligible for annexation by a different city and if such annexation would not create an island. Contiguous property owners may file a combined petition under this section.

2. The petition shall be filed with the city council of the city from which severance is sought and the city council of the city to which annexation is requested. The petition shall be in substantially the form required of an application under section 368.7.

3. If the city councils of both cities approve the petition, the petition shall be filed with the board. Approval by either city council may be conditioned upon an agreement entered into by the cities providing for the transition of property taxes or the sharing of property tax revenues from the real property described in the petition for a period not to exceed forty years and providing for all necessary zoning ordinance changes within a period not to exceed ten years. An agreement between cities under this subsection shall be filed with the board at the same time the approved petition is filed. An agreement may include additional transition provisions relating to the transfer or sharing of property tax revenues for property outside

the boundaries of the territory described in the petition and any other provisions deemed by the cities to be in the public interest if such actions are within the authority of the cities.

4. Following receipt of a petition, the board shall initiate proceedings to sever the territory from the city in which it is located and annex the territory to the annexing city. The board shall notify both cities of the severance and annexation proceedings and shall hold a public hearing on the severance, annexation, and any agreement between the cities pursuant to subsection 3. The board shall give notice of the hearing in the same manner as notice of a public meeting in section 368.11, subsection 5.

5. The board may only approve the petition if the board also approves any agreements between the cities pursuant to subsection 3, and filed with the board. The board may only approve or deny the severance and annexation of the territory described in the petition, and the order of the board approving the petition is not subject to approval at an election.

6. The severance and annexation approved by the board is completed when the board files with the secretary of state and the clerk of each city involved in the severance and annexation, and records with the recorder of each county which contains a portion of any city or territory involved, copies of the proceedings including the petition, any agreements between the cities, the order of the board approving the petition, proofs of service and publication of required notices, and any other material deemed by the board to be of primary importance to the proceedings. The board shall also file with the state department of transportation a copy of the map and legal land description of each completed severance and annexation under this section.

2010 Acts, ch 1022, §1

[T] NEW section

368.26 Annexation of certain property — compliance with less stringent regulations.

A city ordinance or regulation that regulates a condition or activity occurring on protected farmland or regulates a person who owns and operates protected farmland is unenforceable against the owner of the protected farmland for a period of ten years from the effective date of the annexation, to the extent the city ordinance or regulation is more stringent than county legislation. Section 335.2 shall apply to the protected farmland until the owner of the protected farmland determines that the land will no longer be operated as an agricultural operation. Any enforcement activity conducted in violation of this section is void.

A “*condition or activity occurring on protected farmland*” includes but is not limited to the raising, harvesting, drying, or storage of crops; the marketing of products at roadside stands or farm markets; the creation of noise, odor, dust, or fumes; the production, care, feeding, or housing of animals including but not limited to the construction, operation, or management of an animal feeding operation, an animal feeding operation structure, or aerobic structure, and to the storage, handling, or application of manure or egg washwater; the operation of machinery including but not limited to planting and harvesting equipment, grain dryers, grain handling equipment, and irrigation pumps; ground and aerial seeding and spraying; the application of chemical fertilizers, conditioners, insecticides, pesticides, and herbicides; and the employment and use of labor.

For the purposes of this section, “*protected farmland*” means land that is part of a century farm as that term is defined in section 403.17, subsection 10. For the purposes of this section, “*county legislation*” means any ordinance, motion, resolution, or amendment adopted by a county pursuant to section 331.302.

2003 Acts, ch 148, §8, 9; 2004 Acts, ch 1101, §43