

404.2 Conditions mandatory.

A city or county may only exercise the authority conferred upon it in [this chapter](#) after the following conditions have been met:

1. The governing body has adopted a resolution finding that the rehabilitation, conservation, redevelopment, economic development, or a combination thereof of the area is necessary in the interest of the public health, safety, or welfare of the residents of the city, or county as applicable, and the area substantially meets the criteria of [section 404.1](#).

2. The city or county has prepared a proposed plan for the designated revitalization area. The proposed plan shall include all of the following:

a. A legal description of the real estate forming the boundaries of the proposed area along with a map depicting the existing parcels of real estate.

b. The existing assessed valuation of the real estate in the proposed area, listing the land and building values separately.

c. A list of names and addresses of the owners of record of real estate within the area.

d. The existing zoning classifications and district boundaries and the existing and proposed land uses within the area.

e. Any proposals for improving or expanding city or county services within the area including but not limited to transportation facilities, sewage, garbage collection, street maintenance, park facilities and police and fire protection.

f. A statement specifying whether the revitalization is applicable to none, some, or all of the property assessed as residential, agricultural, commercial, or industrial property within the designated area or a combination thereof and whether the revitalization is for rehabilitation and additions to existing buildings or new construction or both. If revitalization is made applicable only to some property within an assessment classification, the definition of that subset of eligible property must be by uniform criteria which further some planning objective identified in the plan. The city shall state how long it is estimated that the area shall remain a designated revitalization area which time shall be longer than one year from the date of designation and shall state any plan by the city to issue revenue bonds for revitalization projects within the area. For a county, a revitalization area shall include only property which will be used as industrial property, commercial property, or residential property. However, a county shall not provide a tax exemption under [this chapter](#) to commercial property or residential property which is located within the limits of a city.

g. The provisions that have been made for the relocation of persons, including families, business concerns and others, whom the city or county anticipates will be displaced as a result of improvements to be made in the designated area.

h. Any tax exemption schedule authorized in [section 404.3, subsection 5](#), that shall be used in lieu of the schedule set out in [section 404.3, subsection 1, 2, 3, or 4](#). In the case of a county, the tax schedules used shall only be applicable to property of the type for which the revitalization area is zoned at the time the county designates the area a revitalization area.

i. The percent increase in actual value requirements that shall be used in lieu of the fifteen and ten percent requirements specified in [section 404.3, subsection 8](#) and in [section 404.5](#). This percent increase in actual value requirements shall not be greater than that provided in [this chapter](#) and shall be the same requirements applicable to all existing revitalization areas.

j. A description of any federal, state or private grant or loan program likely to be a source of funding for that area for residential improvements and a description of any grant or loan program which the city or county has or will have as a source of funding for that area for residential improvements.

3. The city or county has scheduled a public hearing and notified all owners of record of real property located within the proposed area and the tenants living within the proposed area in accordance with [section 362.3](#) or [331.305](#), as applicable. In addition to notice by publication, notification shall also be given by ordinary mail to the last known address of the owners of record. The city or county shall also send notice by ordinary mail addressed to the "occupants" of addresses located within the proposed area, unless the city council or board of supervisors, by reason of lack of a reasonably current and complete address list, or for

other good cause, shall have waived the notice. Notwithstanding [section 362.3](#) or [331.305](#), as applicable, the notice shall be given by the thirtieth day prior to the public hearing.

4. The public hearing has been held.

5. *a.* A second public hearing has been held if:

(1) The city or county has received within thirty days after the holding of the first public hearing a valid petition requesting a second public hearing containing the signatures and current addresses of property owners that represent at least ten percent of the privately owned property within the designated revitalization area or;

(2) The city or county has received within thirty days after the holding of the first public hearing a valid petition requesting a second public hearing containing the signatures and current addresses of tenants that represent at least ten percent of the residential units within the designated revitalization area.

b. At any such second public hearing the city or county may specifically request those in attendance to indicate the precise nature of desired changes in the proposed plan.

6. The city or county has adopted the proposed or amended plan for the revitalization area after the requisite number of hearings. The city or county may subsequently amend this plan after a hearing. Notice of the hearing shall be published as provided in [section 362.3](#) or [331.305](#). A city that has adopted a plan for a revitalization area that covers all property within the city limits may amend that plan at any time, pursuant to [this section](#), to include property that has been or will be annexed to the city. The provisions of the original plan shall be applicable to the property that is annexed and the property shall be considered to have been part of the revitalization area as of the effective date of its annexation to the city.

[C81, §404.2]

83 Acts, ch 173, §1, 4, 5; 85 Acts, ch 95, §1; 86 Acts, ch 1245, §848, 849; 89 Acts, ch 2, §1; 91 Acts, ch 214, §5, 8 – 11; 92 Acts, ch 1191, §1, 4; 96 Acts, ch 1204, §38, 39; 2004 Acts, ch 1165, §1, 11, 12; 2010 Acts, ch 1061, §159, 180; 2013 Acts, ch 123, §24, 30; 2021 Acts, ch 20, §4, 14, 15; 2025 Acts, ch 130, §11

Referred to in [§404.3](#), [404.4](#), [404.5](#), [404.6](#), [419.17](#)

2021 amendment to subsection 2, paragraph f applies to assessment years beginning on or after January 1, 2022; 2021 Acts, ch 20, §15 Subsection 6 amended