

SENATE FILE **524**
BY GRONSTAL, CONNOLLY, DEARDEN,
SZYMONIAK, and VILSACK

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to preparation and approval of urban renewal
2 plans and urban revitalization plans.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 524

1 Section 1. Section 403.5, subsection 2, unnumbered
2 paragraph 2, Code 1997, is amended to read as follows:
3 Prior to its approval of an urban renewal plan which
4 provides for a division of revenue pursuant to section 403.19,
5 the municipality shall mail the proposed plan by regular mail
6 to the affected taxing entities. The municipality shall
7 include with the proposed plan notification of a consultation
8 to be held between the municipality and affected taxing
9 entities prior to the public hearing on the urban renewal
10 plan. Each affected taxing entity may appoint a
11 representative to attend the consultation. The consultation
12 may shall include a discussion of the estimated growth in
13 valuation of taxable property included in the proposed urban
14 renewal area, the fiscal impact of the division of revenue on
15 the affected taxing entities, the estimated impact on the
16 provision of services by each of the affected taxing entities
17 in the proposed urban renewal area, and the duration of any
18 bond issuance included in the plan, and the demonstrated need
19 of businesses within the area for financial or development
20 assistance. The designated representative of the affected
21 taxing entity may make written recommendations for
22 modification to the proposed division of revenue no later than
23 seven days following the date of the consultation. The
24 representative of the municipality shall, no later than seven
25 days prior to the public hearing on the urban renewal plan,
26 submit a written response to the affected taxing entity
27 addressing the recommendations for modification to the
28 proposed division of revenue.

29 Sec. 2. Section 403.5, Code 1997, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 4A. Notwithstanding subsection 4, if
32 within twenty-eight days of the date of the public hearing, a
33 petition is filed in the office of the city clerk or county
34 auditor in the manner provided in section 331.306 or 362.4, as
35 applicable, asking that the question of approval of the plan

1 be submitted to the registered voters of the municipality, the
2 governing body of the municipality shall by resolution declare
3 the proposal to approve the plan abandoned, or shall direct
4 the county commissioner of elections to call a special
5 election upon the question of approval of the plan. Notice of
6 the election shall be given by publication as specified in
7 section 331.305 or 362.3, as applicable. At the election the
8 ballot used for the submission of the proposition shall be in
9 substantially the form for submitting special questions at
10 general elections. The plan is approved if a majority of
11 those voting approves the plan.

12 Sec. 3. Section 404.2, subsection 2, Code 1997, is amended
13 by adding the following new lettered paragraph:

14 NEW PARAGRAPH. k. An estimate of the growth, due to
15 improvements, in assessed valuation of property included in
16 the designated revitalization area and a statement of the
17 estimated fiscal impact on affected taxing entities of
18 exemption from taxation of the value of such improvements for
19 the life of the exemption schedule specified in the plan. The
20 fiscal impact statement shall include the estimated impact on
21 the provision of services by each of the affected taxing
22 entities in the designated revitalization area.

23 Sec. 4. Section 404.2, Code 1997, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 7. Notwithstanding subsection 6, if
26 within twenty-eight days of the date of the last public
27 hearing required to be held pursuant to subsections 3, 4, and
28 5, a petition is filed in the office of the city clerk or
29 county auditor in the manner provided in section 331.306 or
30 362.4, as applicable, asking that the question of approval of
31 the plan be submitted to the registered voters of the
32 municipality, the governing body of the municipality shall by
33 resolution declare the proposal to approve the plan abandoned,
34 or shall direct the county commissioner of elections to call a
35 special election upon the question of approval of the plan.

1 Notice of the election shall be given by publication as
2 specified in section 331.305 or 362.3, as applicable. At the
3 election the ballot used for the submission of the proposition
4 shall be in substantially the form for submitting special
5 questions at general elections. The plan is approved if a
6 majority of those voting approves the plan.

7 Sec. 5. Section 404.4, unnumbered paragraph 2, Code 1997,
8 is amended to read as follows:

9 An application shall be filed for each new exemption
10 claimed. The first application for an exemption shall be
11 filed by the owner of the property with the governing body of
12 the city or county in which the property is located by
13 February 1 of the assessment year for which the exemption is
14 first claimed, but not later than the year in which all
15 improvements included in the project are first assessed for
16 taxation, unless, upon the request of the owner at any time,
17 the governing body of the city or county provides by
18 resolution that the owner may file an application by February
19 1 of any other assessment year selected by the governing body.
20 The application shall contain, but not be limited to, the
21 following information: The nature of the improvement, its
22 cost, the estimated or actual date of completion, the tenants
23 that occupied the owner's building on the date the city or
24 county adopted the resolution referred to in section 404.2,
25 subsection 1, and which exemption in section 404.3 or in the
26 different schedule, if one has been adopted, will be elected.
27 If the improvements for which an exemption is applied for are
28 to property assessed as commercial or industrial property, the
29 application shall include a statement of the applicant
30 demonstrating the need of the applicant for financial or
31 development assistance.

32 EXPLANATION

33 This bill amends several Code provisions relating to urban
34 renewal and urban revitalization plans and their approval.

35 The bill provides that the required consultation on a

1 proposed urban renewal plan shall include information on the
2 growth in taxable valuation of property in the urban renewal
3 area and the fiscal impact on affected taxing entities. The
4 bill provides that the same information be included in the
5 proposed plan for a designated urban revitalization area.

6 The bill also provides that a consultation on the proposed
7 plan include information on the demonstrated need of
8 businesses for the urban renewal financing. The bill requires
9 that this information be included in the application for
10 exemption under an urban revitalization plan.

11 Finally, the bill requires that before an urban renewal
12 plan or urban revitalization plan is approved by the
13 applicable governing body, the voters of the city or county
14 may petition that the question of approving the proposed plan
15 be submitted to the voters at a special election.

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