

Senate Study Bill 3098 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON WEBSTER)

A BILL FOR

- 1 An Act related to boundary adjustments between cities by petition
- 2 of property owners.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 368.25A, subsection 3, Code 2026, is
2 amended to read as follows:

3 3. a. If the city councils of both cities approve the
4 petition, the petition shall be filed with the board. Approval
5 by either city council may be conditioned upon an agreement
6 entered into by the cities providing for the transition of
7 property taxes or the sharing of property tax revenues from
8 the real property described in the petition for a period not
9 to exceed forty years and providing for all necessary zoning
10 ordinance changes within a period not to exceed ten years.
11 An agreement between cities under this subsection shall be
12 filed with the board at the same time the approved petition is
13 filed. An agreement may include additional transition provisions
14 relating to the transfer or sharing of property tax revenues for
15 property outside the boundaries of the territory described in the
16 petition and any other provisions deemed by the cities to be in
17 the public interest if such actions are within the authority of
18 the cities.

19 b. If the city council of one of the cities denies the
20 petition, the real property owner may file the petition again.
21 After the petition has been filed three times and has been denied
22 by the city council of one of the cities three times within a
23 one-year period, the petition shall be filed with the board for
24 review in a manner consistent with subsections 4 and 5. The
25 board shall facilitate an adjustment agreement between the two
26 cities. This paragraph only applies if the land at issue is
27 undeveloped or unimproved. This paragraph does not apply to any
28 of the following:

29 (1) Land subject to an agreement that includes the use of
30 incremental taxes collected pursuant to section 403.19.

31 (2) Land subject to any special assessment.

32 (3) Land that has been sold at a tax sale pursuant to chapter
33 446.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 This bill relates to boundary adjustments between cities by
3 petition of property owners.

4 Under current law, a real property owner within the boundaries
5 of a city may file a petition for severance with the city council
6 if the property would then be eligible for annexation by a
7 different city. If both of the cities approve the petition, the
8 petition is then filed with the city development board (board).
9 The board then initiates proceedings to sever the territory from
10 the city in which the property is currently located and annex the
11 property to the annexing city.

12 The bill provides that when the petition has been filed three
13 times and also denied by the council of one of the cities three
14 times within a one-year period, the petition shall still be filed
15 with the board. The board shall then initiate proceedings in a
16 manner consistent with current law and facilitate an adjustment
17 agreement between the two cities.

18 The bill only applies when the land at issue is unimproved or
19 undeveloped. The bill does not apply to land that is subject to
20 an agreement that includes the use of incremental taxes collected
21 pursuant to Code section 403.19, land subject to any special
22 assessment, or land that has been sold at a tax sale.