



BUSINESS OF THE CITY COUNCIL AGENDA STATEMENT

Item No. 10 & 11
For Meeting of 5.5.2016

ITEM TITLES: Consideration of a Resolution amending the Norwalk Urban Revitalization Plan

CONTACT PERSONS: Wade R. Wagoner, AICP LEED GA, Planning and Economic Development Director & Jim Dougherty, City Attorney

SUMMARY EXPLANATION The City of Norwalk staff contemplates that certain uses within the City are already prevalent in our community. Incenting additional, duplicate businesses may no longer make financial sense and may not improve the quality of life for our residents.

Staff asks that the Council consider the following uses:

Convenience stores that sell gasoline or other automotive fuel: *It is proposed that this be eliminated from eligibility for abatement.* This is the use listed in the C-2 portion of our zoning ordinance. This would not apply to the C-3 use of Gas Stations or Service Stations which are the more traditional gas/service stations that also often contain a bay with a hoist for automobile repair. (This will not apply in situations where the City has obligated itself to abatement in a development agreement that predates this resolution).

Apartments: In 2013 the State changed the way apartments are taxed. They used to have the same rollback as commercial. Today they are their own taxing rollback classification; the rollback rate is similar to residential. This change already drastically reduces the taxes collected on apartments, further stressing city budgets.

Our Current Tax Abatement policy offers abatement for commercial and residential. Since apartments no longer fall into the commercial category, and are not classified as single family residential either, our attorney's opinion is that our current abatement policy simply doesn't address apartments and they are not eligible for abatement.

Staff would recommend that due to the taxing changes, already very favorable for apartments, that the City continues with the policy that they are not eligible. Staff is seeking reiteration from the council that this (no abatement for apartments) is the policy it desires.

Boundaries: We are adding a sentence regarding the boundaries to ensure all property annexed into the city to date is included in the Urban Revitalization Area.

Layering: Finally there is a provision stating that the City does not have to offer exemptions for commercial uses in the instances where other economic incentives are being offered as a part of a development agreement. The City will use abatement in these instances as a negotiable item as opposed to being mandatory.

Benefits of Amendment Taxes generated off of these uses, instead of being abated, will work to more quickly retire TIF debt, or if not in a TIF area they will go towards the City,

Schools, and County in the regular fashion; improving the capital position of the general fund.

Resolution Ordinance Contract Other (Specify) _____

Funding Source: NA



APPROVED FOR SUBMITTAL _____ [Jim Dougherty](#)
Planning & Economic Development Director City Attorney

STAFF RECOMMENDATION: Approve Resolution on a roll call vote

RESOLUTION NO. _____

Resolution adopting amendment #4 to the Norwalk Urban Revitalization Plan

WHEREAS, pursuant to the provision of Chapter 404 of the Code of Iowa (the Code) the City of Norwalk, Iowa has designated the City as a revitalization area (the Norwalk Urban Revitalization Area) and has adopted the Norwalk Urban Revitalization Plan (the Urban Revitalization Plan) for such area; and

WHEREAS, pursuant to the provision of the Code, before amending the Urban Revitalization Plan the City Council must hold a public hearing ; and

WHEREAS, an amendment the Urban Revitalization Plan has been prepared and presented to the City Council for consideration in accordance with the provisions of the Code, which amendment is set forth in Exhibit A attached hereto and by this reference made a part hereof, and

WHEREAS, pursuant to the provisions of the Code, the City Council has held a public hearing on the amendment, and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORWALK, IOWA, as follows:

Section 1. The May 2016 Amendment to the Norwalk Urban Revitalization Plan is hereby adopted as amendment #4, in the form attached hereto as Exhibit A.

Section 2. All resolutions or parts of resolutions in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved this 5th day of May, 2016.

Tom Phillips, Mayor

ATTEST:

Jodi Eddleman, City Clerk

<u>ROLL CALL VOTE:</u>	<u>Aye</u>	<u>Nay</u>
Riva	___	___
Isley	___	___
Kuhl	___	___
Livingston	___	___
Lester	___	___

EXHIBIT A

AMENDMENT #4 TO NORWALK URBAN REVITALIZATION PLAN MAY 2016

The Norwalk Urban Revitalization Plan, adopted in January 1993, and amended in October 1995, and again in March 2001, and again in May 2003, is being amended a 4th time. The purpose of this amendment is to remove certain commercial uses from eligibility for the commercial exemption schedule, to confirm the ineligibility of multiresidential properties, to amend the boundaries of the district to include land annexed by the city, and to state that the City is not obligated to provide a commercial exemption in instances where other economic incentives are being provided (such as Tax Increment Financing).

The following commercial uses are not eligible for exemption (Tax Abatement):

Convenience stores that sell gasoline. This shall not include gas stations and/or service stations.

Multiresidential dwellings

Multiresidential dwellings (Apartments) shall not be eligible for an exemption.

Boundary of Urban Revitalization District

The boundaries of the Norwalk Urban Revitalization Plan are hereby amended to include all properties that have been annexed into the City of Norwalk prior to May 5, 2016.

Development Agreement affect on Commercial Abatement eligibility

In instances where a development agreement is being negotiated with a developer, commercial exemptions may be a negotiable item.