

URBAN REVITALIZATION PLAN

CITY OF MUSCATINE, IOWA
2013 MUSCATINE HOUSING URBAN REVITALIZATION AREA

ADOPTED May 16, 2013, 2013

INTRODUCTION

The Urban Revitalization Act, Chapter 404 of the Code of Iowa, is intended to encourage development, redevelopment and revitalization within designated areas of a city by authorizing property tax development incentives to the private sector. Qualified real estate within a designated area may be eligible to receive a total or partial exemption from property taxes on improvements for a specified number of years, with the goal of providing communities with a long-term increase or stabilization in the local tax base by encouraging new construction which might not otherwise occur.

Section 404.1 of the Code of Iowa provides that a City Council may designate an area of the City as a revitalization area, if that area meets the following definitions:

“An area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime and which is detrimental to the public health, safety, or welfare.”

“An area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, or welfare in its present condition and use;

“An area designated as appropriate for public improvements related to housing and residential development, or construction of housing and residential development including single or multifamily housing”; and

“An area which is appropriate as an economic development area as defined in Section 403.17 of the Code of Iowa.”

Section 404.2 of the Code of Iowa requires that a city prepare a plan to govern activities within the proposed revitalization area, and the balance of this document is intended to set out the elements of a plan that are mandated by state law.

A. DESCRIPTION OF THE AREA AND MAP

The revitalization area shall be known as the 2013 Muscatine Housing Urban Revitalization Area (the "Revitalization Area"), and the legal description of real property to be included within the Revitalization Area is as follows:

(1) Blighted Area:

That territory bounded by a line extended as follows: Beginning at a point at the center of the intersection of the main channel of the Mississippi River and an extension of the centerline of Kemper Avenue, thence westerly along the extension of the centerline of Kemper Avenue, thence westerly along the centerline of Kemper Avenue to the center of the intersection of Kemper Avenue and Stewart Road, thence southwesterly along the centerline Stewart Road to the center of the intersection of Stewart Road and Wallace Street, thence westerly along the centerline of Wallace Street to the center of the intersection of Wallace Street and Aaron Avenue, thence northerly along the centerline of Aaron Avenue to the center of the intersection of Aaron Avenue and Sampson Street, thence westerly along the centerline of Sampson Street to the center of the intersection of Sampson Street and 25th Street South, thence northwesterly along the centerline of 25th Street South until it becomes the centerline of South Houser Street, thence northwesterly and northerly along the centerline of South Houser Street to the center of the intersection of South Houser Street and the north bank of the Muscatine Slough, thence easterly along north bank of the Muscatine Slough to the center of the intersection of the north bank of the Muscatine Slough and an extension of the centerline of Charles Street, thence northerly along an extension of the centerline Charles Street to the center line of Charles Street, thence northerly along the centerline of Charles Street to the center of the intersection of Charles Street and Hershey Avenue, thence easterly along the centerline of Hershey Avenue to the center of the intersection of Hershey Avenue and Fletcher Avenue, thence northerly along the centerline of Fletcher Avenue to the center of the intersection of Fletcher Avenue and Lucas Road, thence northwesterly along the centerline of Lucas Road to the center of the intersection of Lucas Road and Newell Avenue, thence easterly along the centerline of Newell Avenue to the center of the intersection of Newell Avenue and Logan Street, thence northerly along the centerline of Logan Street to the center of the intersection of Logan Street and Dillaway Street, thence easterly along the centerline of Dillaway Street to the center of the intersection of Dillaway Street and Roscoe Avenue, thence northwesterly along the centerline of Roscoe Avenue to the center of the intersection of Roscoe Avenue and Fulliam Avenue, thence easterly along the centerline of Fulliam Avenue to the center of the intersection of Fulliam Avenue and Cedar Street, thence southeasterly along the centerline of Cedar Street to the center of the intersection of Cedar Street and Bartlett Street, thence northeasterly along the centerline of Bartlett Street to the center of the intersection of Bartlett Street and Mulberry Avenue, thence northwesterly along the centerline of Mulberry Avenue to the center of the intersection of Mulberry Avenue and Maple Avenue, thence northeasterly along the centerline of Maple Avenue to the center of the intersection of Maple Avenue and

Oak Street, thence northwesterly along the centerline of Oak Street to the center of the intersection of Oak Street and Woodlawn Avenue, thence easterly along the centerline of Woodlawn Avenue to the center of the intersection of Woodlawn Avenue and Isett Avenue, thence northerly along the centerline of Isett Avenue to the center of the intersection of Isett Avenue and Clay Street, thence easterly along the centerline of Clay Street to the center of the intersection of Clay Street and Park Avenue, thence southerly along the centerline of Park Avenue to the center of the intersection of Park Avenue and Washington Street, thence easterly along the centerline of Washington Street and then along an extension of the centerline of Washington Street to the intersection of an extension of Washington Street and the main channel of the Mississippi River, thence southwestly along the main channel of the Mississippi River to the point of beginning.

- (2) Aspen Villas Condos
- (3) Cobblestone Place Part One
- (4) Cobblestone Ridge Condos
- (5) Cobblestone Ridge Phase I
- (6) Cobblestone Ridge Phase III
- (7) Pine Ridge Acres Addition
- (8) Riverbend 1st Addition
- (9) Riverbend 2nd Addition
- (10) Riverbend 3rd Addition
- (11) Riverbend 4th Addition
- (12) Riverbend 5th Addition
- (13) Riverbend 6th Addition
- (14) Hubbard Prairie Subdivision
- (15) Parcel Numbers: 0827101024, 0822351011, 0825226012, 0930101014, and
0827251024

A map showing the real property to be included within the Revitalization Area is attached as Exhibit A.

B. DESIGNATION CRITERIA

In accordance with Section 404.1 of the Act, the City Council has made the following determinations with respect to the Revitalization Area:

1. A portion of the property situated in the Revitalization Area is an area which, by reason of the presence of a substantial number of deteriorated or deteriorating structures, deterioration of site or other improvements, and a combination of these and other factors, substantially impairs or arrests the sound growth of the City, constitutes an economic and social liability and is a menace to the public welfare in its present condition and use; and

2. A portion of the property situated in the Revitalization Area is an area in which there is a predominance of buildings and improvements which, by reason of age, history, architecture and significance, should be preserved and/or restored to productive use; and

3. The Revitalization Area is an area which is appropriate as an economic development area as defined in Section 403.17 of the Code of Iowa; and

4. The Revitalization Area is an area which is appropriate for public improvements related to housing and residential development, or construction of housing and residential development, including single or multifamily housing; and

5. The rehabilitation, redevelopment, economic development and promotion of housing and residential development in the Revitalization Area is necessary in the interest of the public welfare of the residents of the City and the Revitalization Area substantially meets the criteria set forth in Section 404.1 of the Act.

C. OBJECTIVES

This plan is prepared in conformance with Section 404.2 of the Code of Iowa for the purpose of providing incentives and outlining procedures to enhance the potential for residential development in the Revitalization Area. Planning goals include revitalizing the area through blight alleviation, preservation and rehabilitation of historic residential properties, promotion of new construction on vacant land, promoting in-fill of residential development on existing lots, rehabilitation of existing residential property, stabilizing and increasing the tax base, and providing overall aesthetic improvement.

D. PRESENT ZONING AND PROPOSED LAND USE

The property within the Revitalization Area is zoned for commercial and residential purposes. Improvement of existing residential properties, together with new and expanded residential development, are proposed in the Revitalization Area.

E. PROPOSALS FOR EXPANDING CITY SERVICES

The City proposes that, as it becomes financially feasible, the provision of municipal services to the Revitalization Area will be expanded and improved to meet the demands of new residential development.

F. ELIGIBLE IMPROVEMENTS AND EXEMPTIONS

1. *New Construction:* The construction of new residential facilities (“New Residential Improvements”) in the Revitalization Area. In order to be eligible for tax abatement, the completed New Residential Improvements must have an assessed valuation of at least \$175,000.

Exemption: All qualified real estate assessed as residential property or assessed as commercial property, if the commercial property consists of three or more separate living quarters with at least 75% of the space used for residential purposes, is eligible to receive an exemption from taxation on the first \$75,000 of actual value added by the improvements for a period of five years.

2. *Blighted Property Subdistrict:*

a. The construction of new residential facilities (“New Blighted Property Improvements”), to the extent that such facilities are situated on some portion of the Blighted Area legally described in Section A of this plan (the “Blighted Property Subdistrict”). In order to be eligible for tax abatement, the completed New Blighted Property Improvements must have an assessed valuation of at least \$175,000.

Exemption: All qualified real estate situated in the Blighted Property Subdistrict and assessed as residential property or assessed as commercial property, if the commercial property consists of three or more separate living quarters with at least 75% of the space used for residential purposes, is eligible to receive an exemption from taxation for a period of five years on 100% of the actual value added by the improvements.

b. The construction of improvements and additions to existing residential facilities (“Existing Blighted Property Improvements”), to the extent that such facilities are situated on some portion of the Blighted Property Subdistrict.

Exemption: All qualified real estate situated in the Blighted Property Subdistrict and assessed as residential property or assessed as commercial property, if the commercial property consists of three or more separate living quarters with at least 75% of the space used for residential purposes, is eligible to receive an exemption from taxation for a period of three years on 100% of the actual value added by the improvements.

3. Historic Property Subdistrict:

a. The construction of improvements and additions to existing residential facilities, to the extent that such facilities are listed as a “contributing building” in the nomination papers for the West Hill Historic Neighborhood (the “Contributing Building Improvements”) and are situated on some portion of the following legally described property (the “Historic Property Subdistrict”) in the Revitalization Area:

That territory bounded by a line extended as follows: Beginning at a point at the center of the intersection of the centerline of Cherry Street and the centerline of 5th Street; thence northwesterly along the centerline of 5th street to the intersection of an extension of the East line of Lot 3 of Block 83 of Original Town; thence southeasterly along said lot extension and lot line to an intersection with the South right-of-way line of Alley #4; thence northeasterly along the south right of way line of Alley #4 to an intersection with the centerline of Chestnut Street; thence southeasterly along the centerline of Chestnut Street to an intersection with the centerline of 3rd Street; thence southwesterly along the centerline of 3rd Street to an intersection with of an extension of the East line of a parcel described as Lot 9 and the Westerly half of Lot 8 of Block 83 of Original Town; thence southeasterly along said parcel line extension and parcel line to an intersection with the north right-of-way line of Alley #2; thence southwesterly along the north right-of-way line of Alley #2 to an intersection with the centerline of Pine Street; thence southeasterly along the centerline of Pine Street to an intersection with the centerline of 2nd Street; thence southwesterly along the centerline of 2nd Street to an intersection with an extension of the East line of a parcel described as the West ½ of Lot 10 of Original Town; thence southeasterly along said parcel line extension and parcel line to an intersection with the north right-of-way line of Alley #1; thence southwesterly along the north right-of-way line of Alley #1 to an intersection with the West line of parcel #1302208014; thence southerly and southeasterly along the west of said parcel to intersection with the north right-of-way line of Mississippi Drive; thence southwesterly along the north right-of-way line of Mississippi Drive to an intersection with the centerline of Broadway Street; thence northwesterly along the centerline of Broadway Street to an intersection with the north right-of-way line of Alley #1; thence southwesterly along the north right-of-way line of Alley #1 to an intersection with the centerline of Ash Street; thence northwesterly along the centerline of Ash Street to an intersection with the north right-of-way line of 2nd Street; thence southwesterly along the north right-of-way line of 2nd Street to an intersection with the West line of parcel described as Lots 3- 5, the Easterly 15' of Lot 2 & Parcel J of Block 42 of Original Town; thence northwesterly then northeasterly along the perimeter of said parcel to an intersection with the west line of parcel described as Lot S 6, 7 & Parcel K of Block 42 of Original Town; thence northwesterly along the west line of said parcel to the northwest corner of said parcel; thence northwesterly along an extension of the west line of said parcel to an intersection with the southeast corner of parcel described as Lot 26 of the Island View Addition; thence northerly along the east line of said parcel to the northeast corner of said parcel; thence west to an intersection of the west line of Original Town; thence northerly along the west line of Original Town to intersection with the north right-of-way line of Alley #3; thence northeasterly along the north right-of-way line of Alley

#3 to the west line of parcel described as the West 42 1/2' of Lot 8 & East 17 1/2' of Lot 9 Block 48 of Original Town; thence northwesterly along the west line of said parcel to the northwest corner of said parcel; thence due north to an intersection with a the south line of a parcel # 1302107017; thence southwesterly along the south line of said parcel to southwest corner of said parcel; thence northerly along the west line of said parcel to the northwest corner of said parcel; thence northeasterly to the southwest corner of parcel # 1302107007; thence northerly along the west line of said parcel to the northwest corner of said parcel; thence easterly along the north line of said parcel to the northeast corner of said parcel; thence northeasterly along an extension of said parcel to an intersection with the centerline of Cherry Street; thence northwesterly along the centerline of Cherry Street to the point of beginning.

In order to be eligible for tax abatement, the Contributing Building Improvements must not increase the population density of the facilities being improved and must be found by the Muscatine Historic Preservation Commission to be historically sensitive based on the criteria established by the Muscatine Municipal Community Development Department.

Exemption: All qualified real estate assessed as residential property and situated in the Historic Property Subdistrict is eligible to receive an exemption from taxation for a period of five years on 100% of the actual value added by the improvements.

b. The construction of improvements and additions to existing residential facilities, to the extent that such facilities are located in the Historical Property Subdistrict but are not listed as a “contributing building” in the nomination papers for the West Hill Historic Neighborhood. In order to be eligible for tax abatement, the Non-Contributing Building Improvements must not increase the population density of the facilities being improved.

Exemption: All qualified real estate assessed as residential property and situated in the Historic Property Subdistrict is eligible to receive an exemption from taxation for a period of three years on 100% of the actual value added by the improvements.

Actual value added by the above-described improvements, as used in this plan, means the actual value added as of the first year for which the exemption was received. In order to be eligible for tax abatement on such improvements, the increase in actual value of the property must be at least 10%. All improvements, in order to be considered eligible, must be completed in conformance with all applicable regulations of the City of Muscatine, and must be completed during the time the Revitalization Area is designated by ordinance as a revitalization area.

G. TIME FRAME

Eligibility for tax abatement under this plan will exist after the date of the adoption of the ordinance designating the Revitalization Area, until, in the opinion of the City Council, the desired level of revitalization has been attained or economic conditions are such that the continuation of the exemption granted would cease to be of benefit to the City, in which case the City Council may repeal the ordinance, pursuant to Section 404.7 of the Code of Iowa. In the

event the ordinance is repealed, all exemptions granted prior to such repeal shall continue until their expiration.

H. APPLICATION PROCEDURES

An application shall be filed for each new exemption claimed. The property owner must apply to the City for an exemption by February 1st of the assessment year for which the exemption is first claimed. The application shall contain, but not be limited to, the following information: The nature of the improvement, its cost, and the estimated or actual date of completion of the improvement.

I. APPROVAL OF APPLICATIONS

The City Council shall approve all applications submitted for completed projects if:

1. The project, as determined by the City Council, is in conformance with this plan;
2. The project is located within the Revitalization Area; and,
3. The improvements were made during the time the Revitalization Area was designated by ordinance as a revitalization area.

All approved applications shall be forwarded to the County Assessor for review, pursuant to Section 404.5 of the Code of Iowa. The County Assessor shall make a physical review of all properties with approved applications. The County Assessor shall determine the increase in actual value for tax purposes due to the improvements and notify the applicant of the determination, which may be appealed to the local board of review pursuant to Section 441.37 of the Code of Iowa. After the initial tax exemption is granted, the County Assessor shall continue to grant the tax exemption for the time period specified on the approved application. The tax exemptions for the succeeding years shall be granted without the owner(s) having to file an application for succeeding years.

J. OTHER SOURCES OF REVITALIZATION FUNDS

The City anticipates no federal or state grants or loans for improvements in the Revitalization Area at this time other than those of conventional lending institutions at normal market rates.

However, it is not the intention of the City to prohibit the use of other appropriate federal or state revitalization or incentive programs within the area.

K. RELOCATION PROVISIONS

The City does not anticipate the displacement or relocation of any persons, families, or businesses as a result of the improvements to be made in the Revitalization Area.

L. OWNERS OF PROPERTY AND ASSESSED VALUATION

The names and addresses of the owners of the property located within the Revitalization Area and the assessed valuation of such property is set forth on Exhibit B attached hereto.

M. REVITALIZATION AREA ALSO INCLUDED IN MUSCATINE URBAN RENEWAL AREA

The real property being included as part of the Revitalization Area has also been included in City's existing Urban Renewal Areas established pursuant to the Urban Renewal Act, Chapter 403 of the Code of Iowa. The City Council reserves the right to deny any application for tax abatement made pursuant to this plan for the reason that the City Council has determined that the incremental property tax revenues, as set forth in Section 403.19 of the Code of Iowa, to be generated from the property for which the abatement is sought are necessary to carry out the urban renewal objectives of the City.

EXHIBIT A

MAP OF PROPERTY IN 2013 MUSCATINE HOUSING REVITALIZATION AREA

EXHIBIT B

**NAME AND ADDRESSES OF THE OWNERS OF PROPERTY LOCATED WITHIN THE
REVITALIZATION AREA AND ASSESSED VALUATION OF SUCH PROPERTY**



City Hall, 215 Sycamore St.
Muscatine, IA 52761-3840
(563) 262-4141
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COMMUNITY DEVELOPMENT

**Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement**

MEMORANDUM

To: Mayor and City Council Members
Cc: Gregg Mandsager, City Administrator
From: Steven Boka, Director of Community Development
Date: May 14, 2013
Re: Resolution to Adopt the 2013 Muscatine Housing Urban Revitalization Area

INTRODUCTION: As a part of the 2012/13 budget development process, City Council adopted goals & objectives that included a desire to incentivize and promote new residential in-fill and expansion/renovation of existing residential uses within specific areas of the city.

BACKGROUND: Following a review during the September 13, 2012 In-Depth Meeting of the City Council, staff was authorized and directed to formalize an incentive program using tax abatement for residential property improvements, new development within existing underutilized subdivisions and other identified vacant property. As a part of the development of the Area and Plan, a public hearing was scheduled and notices were mailed to all owners of property located within the identified boundaries covered in the Plan. On April 11, 2013, a public hearing was conducted on a proposed Housing Urban Revitalization Area and a Plan for the Revitalization Area. Following the opportunity for public comment the City Council approved the 1st and 2nd reading of the Ordinance designating the Revitalization Area. The 3rd and final reading of the ordinance is scheduled for the May 16, 2013 City Council Meeting.

RECOMMENDATION/RATIONALE: It is recommended that City Council take action to approve the final reading of the Ordinance Designating the 2013 Muscatine Housing Urban Revitalization Plan and to subsequently adopt the resolution approving the Plan.

BACKUP INFORMATION:

1. Resolution Adopting the 2013 Muscatine Housing Urban Revitalization Plan
2. The 2013 Muscatine Housing Urban Renewal Plan

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

MINUTES OF MEETING TO ADOPT
PROPOSED REVITALIZATION PLAN

DRA (421464-37)

Muscatine, Iowa

May 16, 2013

A meeting of the City Council of the City of Muscatine, Iowa, was held at the City Hall Council Chambers, in the City, at 7:00 o'clock, p.m., on May 16, 2013. The Mayor presided and the roll was called, showing members present and absent as follows:

Present: LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread

Absent: None

It was moved by Council Member LeRette and seconded by Council Member Spread that the resolution finally adopting the Proposed Plan for the 2013 Muscatine Housing Urban Revitalization Area, be finally adopted.

Whereupon, the Mayor put the question upon the motion and the roll being called, the following named Council Members voted:

Ayes: LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Phillips, and Spread

Nays: None

Whereupon, the Mayor declared the said resolution adopted as follows:

RESOLUTION NO. 92404-0513

A Resolution Finally Adopting the Proposed Plan for the 2013 Muscatine Housing Urban Revitalization Area

WHEREAS, pursuant to the provisions of Chapter 404 of the Code of Iowa (the "Code") the City of Muscatine, Iowa, may designate an area of the City as a revitalization area, if that area meets the criteria of Section 1 of said Chapter 404; and

WHEREAS, the City Council of the City did find and determine that an area within the City identified by previous resolution as the 2013 Muscatine Housing Urban Revitalization Area meets the criteria of Section 1 of said Chapter 404; and

WHEREAS, pursuant to the provisions of the Code, before designating any area a revitalization area, the City must prepare a Proposed Plan for such revitalization area and hold certain public hearings thereon; and

WHEREAS, after mailed and published notice thereof was given, as required by the Code, the City Council of the City did, on April 11, 2013, hold a public hearing on the designation of the 2013 Muscatine Housing Urban Revitalization Area and the Proposed Plan therefor and considered all objections, comments, and evidence there presented; and

WHEREAS, the City has not 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 2013 Muscatine Housing Urban Revitalization Area; and

NOW, THEREFORE, It Is Resolved by the City Council of the City of Muscatine, Iowa, as follows:

Section 1. The Proposed Plan for the 2013 Muscatine Housing Urban Revitalization Area as tentatively approved on the 11th day of April, 2013, is hereby adopted.

Section 2. The City Clerk is hereby directed to file a copy of this resolution and of the Proposed Plan with the Muscatine County Assessor.

....

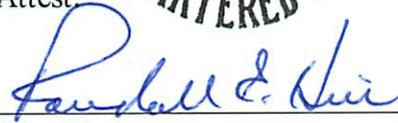
Upon motion and vote, the meeting adjourned.





Mayor

Attest:



City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and Approved May 16, 2013.





Mayor

Attest:



City Clerk

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS

I, the undersigned, do hereby certify that I am the duly appointed City Clerk of the City of Muscatine, Iowa, and that the above and foregoing is a true, correct and complete copy of the minutes of the meeting of the Council, held as therein shown insofar as such minutes pertain to the adoption of the proposed plan for the 2013 Muscatine Housing Urban Revitalization Area.

I certify further that I filed a copy of the plan and the resolution approving the plan with the Muscatine County Assessor.

WITNESS MY HAND this 16th day of May, 2013.



City Clerk