

Resolution No. _____

**Resolution Approving the Application to the
Iowa Department of Economic Development
For the establishment of the City of Muscatine Enterprise Zone**

Whereas the City of Muscatine (hereafter referred to as the “City”) is a political subdivision of the State of Iowa (the “State”); and

Whereas, the intent of the Enterprise Zone legislation (hereinafter, the “Act”) is to promote new economic development in economically distressed areas by encouraging communities to target resources in ways that attract productive private investment. In addition, enterprise zones are expected to foster job creation, enhance property tax values, promote industrial revitalization, and increase the tax base of the community; and

Whereas, the City of Muscatine falls within and meets the criteria for the establishment of an Enterprise Zone; and

Whereas, under the Act, one of the benefits provided to eligible businesses is a City exemption from taxation of all, or a portion, of the actual value added by improvements to real property that is: 1) directly related to new jobs created by the location of an eligible business and 2) used in the operation of a business; and

Whereas, it is the intention of the City to exempt from local taxation under the following schedule:

Property Tax Exemption-Unless otherwise stipulated by the Muscatine City Council, the City of Muscatine will exempt from property taxation the value added to the property upon which an eligible business locates or expands in an Enterprise Zone and which is used in the operations of the eligible business in accordance with the following schedule:

- (1) For the first year, eighty percent (80%)**
- (2) For the second year, seventy percent (70%)**
- (3) For the third year, sixty percent (60%)**
- (4) For the fourth, fifty percent (50%)**
- (5) For the fifth through sixth, forty percent (40%)**
- (6) For the seventh through eighth year, thirty percent (30%)**
- (7) For the ninth through tenth year, twenty percent (20%)**

The amount of value added shall be the amount of the increase in assessed valuation of the property following the location of the business in the Enterprise Zone.

Whereas, it is the intent of the City, with the exception of the previously stated property tax exemption schedule, to allow an eligible business to have access to all other economic development benefits as defined in the Act.

NOW, THEREFORE BE IT RESOLVED BY THE CITY, that

1. The City of Muscatine supports and endorses the application to the Iowa Department of Economic Development for the development of an Enterprise Zone as defined in the following description:

The description of the qualifying area of Muscatine follows:

The legal description of the Muscatine Enterprise Zone will encompass Census Tract 508 block group 3, all of Census Tract 509 and Census Tract 510 block group 1.

The description's point of beginning (POB) is designated as the point where Mad Creek intersects with Washington Street. The easterly border of the Enterprise Zone runs along Mad Creek south to the Mississippi River. At the river the zone's border turns south by southwest. It runs parallel and adjacent to the river along Mississippi Drive. It continues adjacent to the river, but turns more southerly and at the intersection of Hershey Avenue, Mississippi Drive and Grandview Avenue the road adjacent to the proposed Enterprise Zone becomes Grandview Avenue. The zone continues adjacent to the river until reaching Oregon Street where it turns North, and proceeds along Oregon to the east of the center line of Oregon and subsequently turns back to the North on Grandview Avenue's south side of Grandview's centerline until reaching Bleeker Street where it turns to the North and West and proceeds along Bleeker on the north and east side of Bleeker's centerline. At the intersection of Bleeker and Sterneman the border turns west to proceed along Sterneman's north centerline. At a point directly across the Muscatine Slough from Pond Street the zone turns to the north until reaching the slough at which point it turns to the west and its border proceeds along align to the north of and bordering the Muscatine Slough. At the west end of the Muscatine Slough the border turns to the north retaining the Slough to its east until reaching the center point of the west end of the Muscatine Slough at which point it turns to the west retaining the zone to its north. The zone proceeds until reaching Houser Street's centerline where it turns to the north. It continues to the north on the east side Houser Street's centerline until reaching Lucas Street's centerline where it turns East by Southeast with the zone laying to the south of Lucas Street. The zone turns north at the centerline of 8th Street. The zone is bounded on the northwest by 8th Street until reaching the centerline of Orange Street where the zone's boundary turns northwest with the zone being to the north and east of Orange Street. The zone's Orange street border continues to the centerline of 9th Street where it turns towards the north and east with the zone on the south and east side of 9th Street. The Enterprise Zone continues back to the originating point of beginning.

2. It is recognized the City of Muscatine will function as the lead applicant city for this application for financial assistance.
3. The Mayor is hereby authorized and directed to sign this resolution, and, if necessary, the application and any other related documents for the State of Iowa Enterprise Zone program.

4. Said application shall be forwarded to the Iowa Department of Economic Development as provided under Enterprise Zone guidelines.

Passed, Approved, and Adopted this _____ day of _____, 2011.

AYES: _____

NAYS: _____

City Council of the City of Muscatine

Richard W. O'Brien, Mayor

ATTEST:

Gregg Mandsager, City Administrator