City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager

DATE: September 19, 2019

SUBJECT: Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area

- Consideration of Ordinance for the division of revenues under Section 403.19, Code of Iowa, for the Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area – Second Reading

On September 9th, the City Council held a public hearing, approved a resolution adopting the Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area, and held a first reading on an ordinance for the division of revenues under Section 403.19, Code of Iowa, for the Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area. At the September 23rd meeting the City Council will be asked to consider the second reading of said ordinance.

In order to collect tax increment revenue from the amended area, Council will need to adopt the attached ordinance that allows for the levying and collection of tax increment financing property taxes for fund public improvements and grant payments within the Amended and Restated Central Business District Urban Renewal Area. This ordinance will allow the City Clerk to certify to the County Auditor beginning December 1, 2019 the need for the collection of tax increment financing property taxes for the re-payment of expenses for public improvements and grant payments in the area. The December 1, 2019 certification will freeze the taxable base valuation as of January 1, 2018. The first year of TIF collection from the additional area will be Fall 2020 (FY 2020/2021).

The attached Ordinance also directs the City Clerk to maintain the special revenue fund previously established for the collection of the tax increment financing property taxes for the re-payment of the expenses for the public improvements and grant payments.

RECOMMENDATION: Council consideration and approval of the second reading, waiving the third reading and move final adoption of the attached Ordinance that allows for the levying and collection of tax increment financing property taxes for the Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 9 OF THE CARROLL MUNICIPAL CODE, PROVIDING THAT GENERAL PROPERTY TAXES LEVIED AND COLLECTED EACH YEAR ON ALL PROPERTY LOCATED WITHIN THE AMENDED CENTRAL BUSINESS DISTRICT PROJECT AREA, IN THE CITY OF CARROLL, COUNTY OF CARROLL, STATE OF IOWA, BY AND FOR THE BENEFIT OF THE STATE OF IOWA, CITY OF CARROLL, COUNTY OF CARROLL, CARROLL COMMUNITY SCHOOL DISTRICT, AND OTHER TAXING DISTRICTS, BE PAID TO A SPECIAL FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON LOANS, MONIES ADVANCED TO AND INDEBTEDNESS, INCLUDING BONDS ISSUED OR TO BE ISSUED, INCURRED BY THE CITY IN CONNECTION WITH THE AMENDED CENTRAL BUSINESS DISTRICT PROJECT AREA (**SIXTH AMENDED AND RESTATED URBAN RENEWAL PLAN**)

WHEREAS, the City Council of the City of Carroll, State of Iowa, has heretofore, in Chapter 9 of the Carroll Municipal Code, provided for the division of taxes within the Central Business District Project Area ("Central Business District Project Area" or "Urban Renewal Area"), pursuant to Section 403.19, Code of Iowa; and

WHEREAS, additional territory now has been added to the Central Business District Project Area through the adoption of the Sixth Amended and Restated Urban Renewal Plan (the "Urban Renewal Plan") for the Central Business District Project Area; and

WHEREAS, indebtedness has been incurred by the City, and additional indebtedness is anticipated to be incurred in the future, to finance urban renewal project activities within the amended Central Business District Project Area, and the continuing needs of redevelopment within the amended Central Business District Project Area are such as to require the continued application of the incremental tax resources of the amended Central Business District Project Area; and

WHEREAS, the following enactment is necessary to accomplish the objectives described in the premises.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARROLL, STATE OF IOWA, THAT:

Chapter 9 of the Carroll Municipal Code, to the extent applicable to the Central Business District Project Area, including Ordinances Nos. 8502, 9001, 9120, 0817, 1412, and 1701, is hereby amended to read as follows:

Section 1. For purposes of this Chapter, the following terms shall have the following meanings:

a) Original Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 1967, which Original Project Area includes the lots and parcels located within the area legally described as follows:

> Commencing at the intersection of the centerline of Sixth Street and the easterly right of way line of Court Street; thence South along said easterly right of way line of Court Street to the southerly right of way line of Fifth Street; thence West along said southerly right of way line of Fifth Street to the easterly right of way line of Main Street; thence south along the right of way line of Main Street to the southerly right of way line of Fourth Street; thence west along said southerly right of way line of Fourth Street to a point approximately 15 feet northeasterly and parallel to the northeastern-most track of the Chicago & Great Western Railroad; thence northwesterly (approximately 15') parallel to the railroad track to the westerly line of the north-south alley extended between West Street and Carroll Street; thence north along the westerly line of said alley to the centerline of Sixth Street; thence east along said centerline of Sixth Street to the point of beginning.

b) First Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 1971, which First Amended Project Area includes the lots and parcels located within the area legally described as follows:

> Block 23 located between 5th, Main, 4th, and Court Streets.

c) Second Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 1985, which Second Amended Project Area includes the lots and parcels located within the area legally described as follows:

> Commencing at the southeast corner of the intersection of Fourth Street with Adams Street; thence westerly along the southerly right of way line of Fourth Street to the easterly right of way line of Carroll Street; thence southerly to a point approximately 40 feet north of the northerly track of the Chicago and Northwestern Railroad; thence westerly approximately 40 feet parallel to said northerly track to a point approximately 600 feet west of the westerly right of way line of West Street; thence northerly parallel to and 600 feet west of West Street to the middle of Sixth Street; thence easterly along the middle of Sixth Street to the westerly line of the alley between West Street and Carroll Street; thence south along the westerly line of said alley to a point 15 feet northeast of the former northeast track of the Chicago and Great Western Railroad; thence southeasterly 15 feet parallel to said former track to the point of beginning.

d) Third Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 1990, which Third Amended Project Area includes the lots and parcels located within the area legally described as follows:

> Commencing at the center of the intersection of Fourth Street with the centerline of Adams Street; thence southerly to a point approximately 30 feet north of the westerly main track of the Chicago and Northwestern Railroad; thence westerly,

approximately 30 feet parallel to said westerly track, to the intersection with the centerline of Highway 71; thence northerly along the centerline of Highway 71 to its intersection with the centerline of Highway 30; thence southeasterly along the centerline of Highway 30 to the intersection with West Sixth Street extended; thence westerly along the centerline of West Sixth Street to a point 600 feet west of West Street; thence southerly parallel to and 600 feet west of West Street to a point 30 feet north of the northerly track of the Chicago and Northwestern Railroad; thence Southeasterly 30 feet parallel to the northerly track of the Chicago and Northwestern Railroad to the easterly right of way line of Carroll Street; thence north to the Southerly right of way line of Fourth Street; thence easterly along the Southerly right of way line of Fourth Street to the point of beginning.

e) Fourth Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 1991, which Fourth Amended Project Area includes the lots and parcels located within the area legally described as follows:

Beginning at the Intersection of U.S. Highway No. 30 and U.S. Highway No. 71 in Carroll, Carroll County, Iowa; thence Northwesterly along the centerline of said U.S. Highway 30 to the South line of the Northeast Quarter of the Northeast Quarter of Section 23, Township 84 North, Range 35 West of the 5th P.M., Carroll County, Iowa; thence East to the Easterly line of the northeast access road extended, running parallel to and east of U.S. Highway 71, thence southerly along the east line of the northeast access road to the centerline of Tenth Street, thence westerly along the centerline of Tenth Street to the centerline of Highway No. 30; thence northwesterly to the point of beginning.

f) Fifth Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District in 2008, which Fifth Amended Project Area includes the lots and parcels located within the area legally described as follows:

Commencing at the intersection of the centerline of Sixth Street (U.S. Highway 30) and the easterly right of way line of Court Street; thence southerly along said easterly right of way line of Court Street to the southerly right of way line of Fifth Street; thence easterly along said southerly right of way line of Fifth Street to the easterly right of way line of Grant Road; thence northerly along said easterly right of way line of Grant Road to the northerly right of way line of Seventh Street; thence westerly along said northerly right of way line of Seventh Street to the easterly right of way line of Simon Avenue; thence northerly along said easterly right of way line of Simon Avenue to the northerly right of way line of Eighth Street; thence westerly along said northerly right of way line of Eighth Street to the easterly right of way line of Salinger Avenue; thence northerly along said easterly right of way line of Salinger Avenue to the northerly right of way line of Ninth Street; thence westerly along said northerly right of way line of Ninth Street to the easterly right of way line of Boylan Avenue; thence northerly along said easterly right of way line of Boylan Avenue to the northerly right of way line of Tenth Street; thence westerly along the northerly right of way line of Tenth Street to the southeast corner of Lot 7 of Neu Add., Sub of Block 4 and Resubdivision of Lot 5;

thence northerly along the westerly lot lines of Neu Add., Sub of Block 4 and Resubdivision of Lot 5 to the northerly right of way line of Fifteenth Street; thence westerly along the northerly right of way line of Fifteenth Street to the easterly line of the northeast access road extended, east of U.S. Highway 71; thence southerly along the easterly line of the northeast access road to the northerly right of way line of Tenth Street; thence westerly along said northerly right of way line of Tenth Street to the centerline of Sixth Street (U.S. Highway 30); thence southeasterly along said centerline of Sixth Street (U.S. Highway 30) to the point of beginning.

g) Sixth Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 2014, which Sixth Amended Project Area includes the lots and parcels located within the area legally described as follows:

Commencing at the intersection of the centerline of Sixth Street (U.S. Highway 30) and the easterly right of way line of Grant Road; thence southerly along the easterly right of way line of Grant Road to the northerly right-of-way line of the Union Pacific Railroad; thence southeasterly along said northerly right-of-way line of the Union Pacific Railroad to the southwest corner of the East 81 feet of that part of the East Half of the Northwest Quarter of Section 30, Township 84 North, Range 34 West of the 5th P.M., lying north of the right-of-way of the Union Pacific Railroad; thence northerly along said westerly property line thereof to the southwest corner of Lot 26 of the Northeast Quarter of the Northwest Quarter of Section 30, Township 84 North, Range 34 West of the 5th P.M.; thence easterly along said southerly property line of Lot 26 to the southeast corner of said Lot 26; thence northerly to the southerly right of way line of Highway 30; thence easterly along the said southerly right of way line of Highway 30 to the easterly right of way line of Bella Vista Drive; thence northerly along said easterly right of way line of Bella Vista Drive to a point parallel with the north property line of Lot E of Bella Vista First Addition First Resubdivision to the City of Carroll; thence westerly across Bella Vista Drive, and continuing westerly along the north property line of said Lot E of Bella Vista First Addition First Resubdivision; thence southerly along the west property line of said Lot E of Bella Vista First Addition First Resubdivision; thence westerly along the south property line of Lot F of Bella Vista First Addition First Subdivision to the City of Carroll to the easterly right of way line of Monterey Drive; thence northerly along said easterly right of way line of Monterey Drive to a point parallel with the northerly right of way line of Eighth Street; thence westerly across Monterey Drive and continuing westerly along said northerly right of way line of Eighth Street, continuing westerly along the north property line of Lot 2, (except Lots A, C, D, E, and F thereof) Southeast Quarter of the Southwest Quarter of Section 19, Township 84 North, Range 34 West of the 5th P.M., Carroll, and continuing westerly along the northerly right of way line of Eighth Street, to the westerly right of way line of Vine Street; thence southerly along said westerly right of way line of Vine Street to the northerly right of way line of Seventh Street; thence westerly along said northerly right of way line of Seventh Street to the easterly right of way line of Grant Road; thence southerly along said easterly right of way line of Grant Road to the point of beginning.

h) Seventh Amended Project Area means that portion of the City of Carroll, State of Iowa, included in the Central Business District Project Area in 2016, which Seventh Amended Project Area includes the lots and parcels located within the area legally described as follows:

> Commencing at the intersection of the westerly right of way line of Court Street and the Southerly right of way line of Fifth Street; thence East along said southerly right of way line of Fifth Street to the easterly right of way line of Clark Street; thence South along said easterly right of way line of Clark Street to the northern boundary of the railroad right of way; thence West along the northern boundary of the railroad right of way to the easterly right of way line of Main Street; thence North along said easterly right of way line of Main Street to the northerly right of way line of Fourth Street; thence East along said northerly right of way line of Fourth Street to the westerly right of way line of Court Street; thence North along said westerly right of way line of Court Street to the southerly right of way line of Fifth Street.

i) Eighth Amended Project Area means that portion of the City of Carroll, State of Iowa, include in the Central Business District Project Area by the Sixth Amended and Restated Urban Renewal Plan for the Central Business District Project Area approved by Resolution No. 19-67 on the 9th day of September, 2019, which Eighth Amended Project Area includes the lots and parcels located within the area legally described as follows:

> Commencing at the intersection of the easterly right of way line of Clark Street and the northern boundary of the railroad right of way; thence West along the northern boundary of the railroad right of way to the westerly right of way line of Main Street; thence South along said westerly right of way line of Main Street to the southerly right of way line of Second Street; thence East along said southerly right of way line of Second Street to the easterly right of way line of Court Street; thence North along said easterly right of way line of Court Street to the southerly right of way line of Third Street; thence East along said southerly right of way line of Third Street to the easterly right of way line of Clark Street; thence North along said easterly right of way line of Clark Street to the northern boundary of the railroad right of way and the point of beginning.

j) Amended Area shall mean that portion of the City of Carroll, State of Iowa, described in Section 1, subsection (a)-(i).

Section 2. The taxes levied on the taxable property in the Amended Area, legally described in Section 1 hereof, by and for the benefit of the State of Iowa, City of Carroll, County of Carroll, Carroll Community School District, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in this Ordinance provided.

Section 3. As to the Original Project Area, that portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts taxing property in the Original Area upon the total sum of the assessed value of the taxable property in the Original Project Area as shown on the assessment roll as of January 1, 1966, being the assessment roll last equalized prior to the adoption of the original Urban Renewal Plan for the

Central Business District Project Area, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid. The taxes so determined shall be referred herein as the "base period taxes" for such area.

As to the First Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 1970, being the assessment roll last equalized prior to the adoption of the First Amendment to the Urban Renewal Plan for the Central Business District Project Area.

As to the Second Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 1983, being the assessment roll last equalized prior to the adoption of the Second Amendment to the Urban Renewal Plan for the Central Business District Project Area.

As to the Third Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 1989, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of Ordinance No. 9001.

As to the Fourth Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 1990, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of Ordinance No. 9120.

As to the Fifth Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 2007, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of Ordinance No. 0817.

As to the Sixth Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 2013, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of Ordinance No. 1412.

As to the Seventh Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 2016, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of Ordinance No. 1701.

As to the Eight Amended Project Area, base period taxes shall be computed in the same manner using the total assessed value shown on the assessment roll as of January 1, 2018, being the assessment roll applicable to the property in such area as of January 1 of the calendar year preceding the effective date of this Ordinance.

Section 4. That portion of the taxes each year in excess of the base period taxes for the Amended Area, determined for each sub-area thereof as provided in Section 3 of this Ordinance, shall be allocated to and when collected be paid into the special tax increment fund previously

established by the City of Carroll, State of Iowa, to pay the principal of and interest on loans, monies advanced to, or indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under authority of Section 403.9 or Section 403.12, Code of Iowa, incurred by the City of Carroll, State of Iowa, to finance or refinance, in whole or in part, urban renewal projects undertaken within the Urban Renewal Area pursuant to the Urban Renewal Plan, as amended, except that (i) taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2, Code of Iowa, and taxes for the instructional support program of a school district imposed pursuant to Section 257.19, Code of Iowa,(but in each case only to the extent required under Section 403.19(2), Code of Iowa); (ii) taxes for the payment of bonds and interest of each taxing district; (iii) taxes imposed under Section 346.27(22), Code of Iowa, related to joint county-city buildings; and (iv) any other exceptions under Section 403.19, Code of Iowa, shall be collected against all taxable property within the Amended Area without any limitation as hereinabove provided.

Section 5. Unless or until the total assessed valuation of the taxable property in the areas of the Amended Area exceeds the total assessed value of the taxable property in the areas shown by the assessment rolls referred to in Section 3 of this Ordinance, all of the taxes levied and collected upon the taxable property in the Amended Area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes.

Section 6. At such time as the loans, monies advanced, bonds and interest thereon and indebtedness of the City of Carroll, State of Iowa, referred to in Section 4 hereof have been paid, all monies thereafter received from taxes upon the taxable property in the Amended Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

Section 7. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed. The provisions of this Ordinance are intended and shall be construed so as to continue the division of taxes from property within the Amended Area under the provisions of Section 403.19, Code of Iowa, as authorized in Chapter 9 of the Carroll Municipal Code, and to fully implement the provisions of Section 403.19, Code of Iowa, with respect to the division of taxes from property within the Eight Amended Project Area as described above. Notwithstanding any provisions in any prior Ordinances or other documents, the provisions of this Ordinance and all prior Ordinances relating to the Urban Renewal Area, as amended, shall be construed to continue the division of taxes from property within the Area to the maximum period of time allowed by Section 403.19, Code of Iowa. In the event that any provision of this Ordinance shall be determined to be contrary to law it shall not affect other provisions or application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19, Code of Iowa, with reference to the Amended Area and the territory contained therein.

Section 8. This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

PASSED AND APPROVED this _____ day of _____, 2019.

_____
Mayor

ATTEST:

_____
City Clerk

Read First Time: September 9, 2019

Read Second Time: _____, 2019

Read Third Time: _____, 2019

PASSED AND APPROVED: _____, 2019.

I, _____, City Clerk of the City of Carroll, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2019, signed by the Mayor on _____, 2019, and published in the Carroll Times Herald on _____, 2019.

_____
City Clerk, City of Carroll, State of Iowa

(SEAL)

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