

**December 15, 2014**

**To: Mayor Bemrich and City Council**

**From: David Fierke, City Manager**

**Subject: TIF Ordinance Amendment**

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**ACTION: For vote Monday, December 22, 2104**

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**Brief History**

In order to use Tax Increment Financing to provide incentives for the JMC Manufacturing expansion project, financing for administrative and professional support for FY 15, and support for the Downtown Fort Dodge Self-Supported Municipal Improvement District for FY 15, the Council approved an amendment to the Urban Renewal Plan and Area.

**Analysis of Issue**

A portion of the JMC property is currently located within the TIF District. In order to collect TIF from all of the property in the proposed project area, there are additional parcels that need to be added to the TIF District.

**Budget Impact**

Incentive payments in an amount not to exceed \$50,000 from the increment produced from the proposed project would be paid to JMC Manufacturing over three years through annual appropriations. Payments would be limited to 80% of the increment produced from the project.

**Strategic Plan Impact**

Policy C.1.5: The rehabilitation, reuse, or removal of currently unused or underutilized structures, sites and infrastructure shall be accomplished.

Policy C.1.6: City government shall be an active participant, facilitator and partner in the creation of large and small business and industrial development opportunities capitalizing upon the unique human and economic resources of the area.

Policy C.1.7: Economic development efforts shall protect, enhance and encourage a high quality of life, image and cultural amenities as critical factors in business retention, recruitment and economic growth.

**Existing Plan Impact**

Consistent with the TIF Ordinance.

**Subcommittee or Commission Review / Recommendation**

None

**Staff Conclusions / Recommendations**

Staff recommends approval of the first consideration of the attached Ordinance.

**Alternatives**

The only alternative would be to not approve the attached Ordinance, which would prohibit the City from collecting TIF funds from the amended area.

**Implementation and Accountability**

If approved, staff will forward the Ordinance to the Webster County Auditor's Office.

Signed



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Vickie L. Reeck  
Community Development Manager

Approved



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David R. Fierke, City Manager

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE PROVIDING FOR THE DIVISION OF TAXES LEVIED ON TAXABLE PROPERTY IN THE DECEMBER 2014 ADDITION TO THE CENTER CITY AND INDUSTRIAL PARK URBAN RENEWAL AREAS, PURSUANT TO SECTION 403.19 OF THE CODE OF IOWA

WHEREAS, the City Council of the City of Fort Dodge, Iowa (the “City”) enacted an ordinance entitled “An Ordinance Providing For The Division Of Taxes Levied On Taxable Property In The Center City and Industrial Park Urban Renewal Areas, Pursuant To Section 403.19 of the Code of Iowa”; and

WHEREAS, pursuant to that ordinance, the Center City and Industrial Park Urban Renewal Areas in the City of Fort Dodge was designated a “tax increment district”; and

WHEREAS, the City Council now desires to increase the size of the “tax increment district” by adding additional property;

BE IT ENACTED by the City Council of the City of Fort Dodge, Iowa:

Section 1. Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the December 2014 Addition to the Center City and Industrial Park Urban Renewal Areas of the City of Fort Dodge, Iowa, each year by and for the benefit of the state, city, county, school districts or other taxing districts after the effective date of this ordinance in order to create a special fund to pay the principal of and interest on loans, moneys advanced to or indebtedness, including bonds proposed to be issued by the City of Fort Dodge to finance projects in the such area.

Section 2. Definitions. For use within this ordinance the following terms shall have the following meanings:

“City” shall mean the City of Fort Dodge, Iowa.

“County” shall mean Webster County, Iowa.

“December 2014 Urban Renewal Area Addition” shall mean the December 2014 Addition to the Center City and Industrial Park Urban Renewal Areas of the City of Fort Dodge, Iowa, the legal description of which is set out below:

*Certain real property situated in the City of Fort Dodge, County of Webster, State of Iowa, more particularly described as follows:*

All of Lots 1-5, Block 6, Original Town of Fort Dodge, Iowa; the adjacent ROW westerly of said Block 6 and that part of First Avenue North lying West of North 3<sup>rd</sup> Street, all in the Original Town of Fort Dodge, Iowa, EXCEPT the South 58’ of said Lot 1 and EXCEPT the East 12’ of the South 58’ of said lot 2, Block 6.

“Urban Renewal Area” shall mean the entirety of the Center City and Industrial Park Urban Renewal Areas, as amended from time-to-time.

Section 3. Provisions for Division of Taxes Levied on Taxable Property in the December 2014 Urban Renewal Area Addition. After the effective date of this ordinance, the taxes levied on the taxable property in the December 2014 Urban Renewal Area Addition each year by and for the benefit of the State of Iowa, the City, the County and any school district or other taxing district in which the December 2014 Urban Renewal Area Addition is located, shall be divided as follows:

(a) 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 upon the total sum of the assessed value of the taxable property in the December 2014 Urban Renewal Area Addition, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the special fund referred to in paragraph (b) below, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for said taxing

district into which all other property taxes are paid. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in the December 2014 Urban Renewal Area Addition on the effective date of this ordinance, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll applicable to property in the annexed territory as of January 1 of the calendar year preceding the effective date of the ordinance which amends the plan for the December 2014 Urban Renewal Area Addition to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.

(b) that portion of the taxes each year in excess of such amounts shall be allocated to and when collected be paid into a special fund of the City to pay the principal of and interest on loans, moneys advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under the authority of Section 403.9(1), of the Code of Iowa, incurred by the City to finance or refinance, in whole or in part, projects in the Urban Renewal Area, and to provide assistance for low and moderate-income family housing as provided in Section 403.22, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2 of the Code of Iowa, and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the taxing district without limitation by the provisions of this ordinance. Unless and until the total assessed valuation of the taxable property in the December 2014 Urban Renewal Area Addition exceeds the total assessed value of the taxable property in such area as shown by the assessment roll referred to in subsection (a) of this section, all of the taxes levied and collected upon the taxable property in the December 2014 Urban Renewal Area Addition shall be paid into the funds for the respective taxing districts as taxes by or for said taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness, and bonds, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the December 2014 Urban Renewal Area Addition shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

(c) the portion of taxes mentioned in subsection (b) of this section and the special fund into which that portion shall be paid may be irrevocably pledged by the City for the payment of the principal and interest on loans, advances, bonds issued under the authority of Section 403.9(1) of the Code of Iowa, or indebtedness incurred by the City to finance or refinance in whole or in part projects in the Urban Renewal Area.

(d) as used in this section, the word "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property.

Section 4. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 5. Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 6. Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law.

Passed on first consideration by the City Council of the City of Fort Dodge, Iowa this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Ayes: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Other: \_\_\_\_\_

Passed on second consideration by the City Council of the City of Fort Dodge, Iowa this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Ayes: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Other: \_\_\_\_\_

Passed on third consideration by the City Council of the City of Fort Dodge, Iowa this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

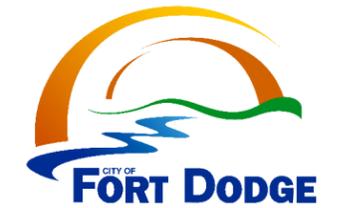
Ayes: \_\_\_\_\_  
Nays: \_\_\_\_\_  
Other: \_\_\_\_\_

CITY OF FORT DODGE, IOWA

BY: \_\_\_\_\_  
Matt Bemrich, Mayor

ATTEST:

\_\_\_\_\_  
Jeff Nemmers, City Clerk

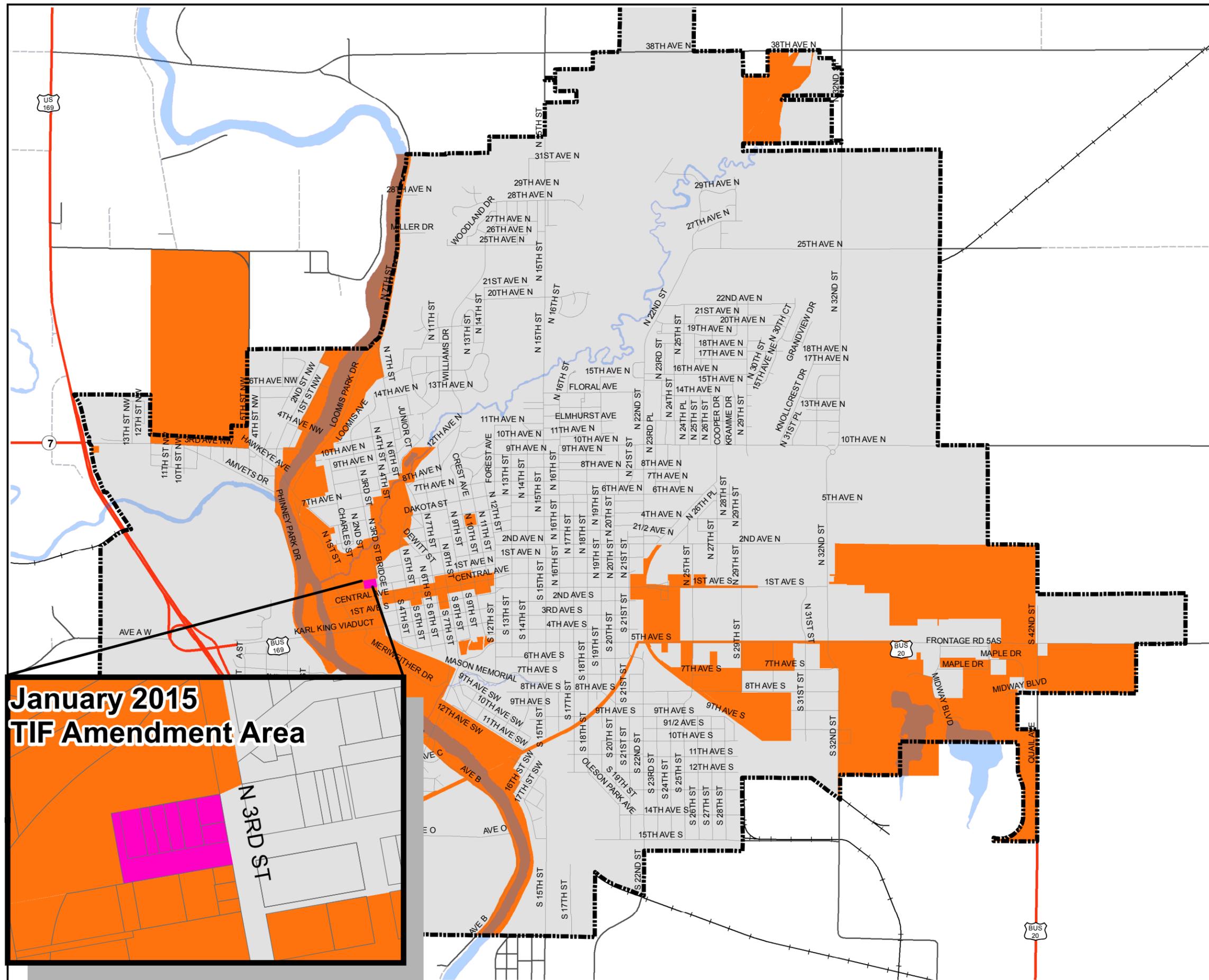
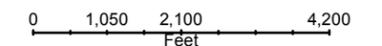
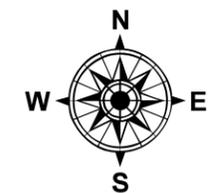


# TIF DISTRICT AMENDMENT

January 2015

## Legend

- January 2015 TIF Amendment
  - TIF Area
  - CORPORATE LIMITS
  - Rivers and Creeks
- ### COUNTY ROADS
- City
  - County
  - County Paved
  - County Paved1
  - State
  - US
  - Railroads



**January 2015  
TIF Amendment Area**

N 3RD ST