

RESTATED AND AMENDED URBAN REVITALIZATION PLAN  
CITY OF DECORAH, IOWA

2014 DECORAH HOUSING URBAN REVITALIZATION AREA

ADOPTED NOVEMBER 3, 2014

AMENDED DECEMBER 18, 2017

AMENDED OCTOBER 1, 2018

AMENDED JANUARY 3, 2023



Public Hearing held September 2, 2014  
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Amended January 3, 2023

## 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 in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use.”

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

“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

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 2014 Decorah Housing Urban Revitalization Area (the “Revitalization Area”), and the legal description of real property to be included within the Revitalization Area is as follows:

All real property situated within the incorporated municipal limits of the City of Decorah, Iowa as of October 3, 2022.

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. 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

2. 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

3. The 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 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 residential, commercial and industrial 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: Effective as of **April 1, 2023**, the following schedules for exemption from taxation shall become available<sup>1</sup>:

**1. Residential Improvements.** The construction of new residential facilities and the rehabilitation of and additions to existing residential facilities.

*Exemption:* All qualified real estate assessed as residential property, *excluding property classified as residential property under Section 441.21, subsection 14, paragraph “a”, subparagraph (6) of the Code of Iowa*, is eligible to receive an exemption from taxation for a period of five years on 100% of the first \$75,000 of actual value added by the improvements.

**2. Residential Improvements (Multiresidential).** The construction of new residential facilities and the construction of additions to existing residential facilities if such residential facilities contain three or more separate dwelling units.

*Exemption:* All qualified real estate assessed as residential property under Section 441.21, subsection 14, paragraph “a”, subparagraph (6) of the Code of Iowa, is eligible to receive an exemption from taxation on 100% of the first \$40,000 per unit on new construction or improvements of three or more separate living quarters for a period of five years.

**3. Multi-residential Improvements (Decorah Business Park-Airport Urban Renewal District Subdistrict).** The construction of new multi-residential facilities and the rehabilitation of and additions to existing multi-residential facilities, to the extent that such facilities are situated on some portion of the following described property (the “Urban Renewal District Subdistrict”) in the Revitalization Area:

*Certain real property which is situated within the boundaries of the City’s former Decorah Business Park-Airport Urban Renewal District, more particularly described on Exhibit C hereto.*

*Exemption:* All qualified real estate assessed as multi-residential and / or commercial property, if the property consists of three or more separate living quarters with at least 75% of the space used for residential purposes and situated in the Urban Renewal District Subdistrict is eligible to receive an exemption from taxation for a period of ten years of the actual value added by the improvements as follows:

For the first through fourth years, an exemption from taxation on 90% of the actual value added.

For the fifth through seventh years, an exemption from taxation on 80% of the actual value added.

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<sup>1</sup>Prior to April 1, 2023 the schedules for exemption from taxation set forth in Section F of the October 1, 2018 RESTATED AND AMENDED URBAN REVITALIZATION PLAN shall remain in effect.

For the eighth through tenth years, an exemption from taxation on 70% of the actual value added.

#### **4. Actual Value Added.**

Actual value added by 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, the increase in actual value of the property must be at least 10%.

#### **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 1<sup>st</sup> 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**

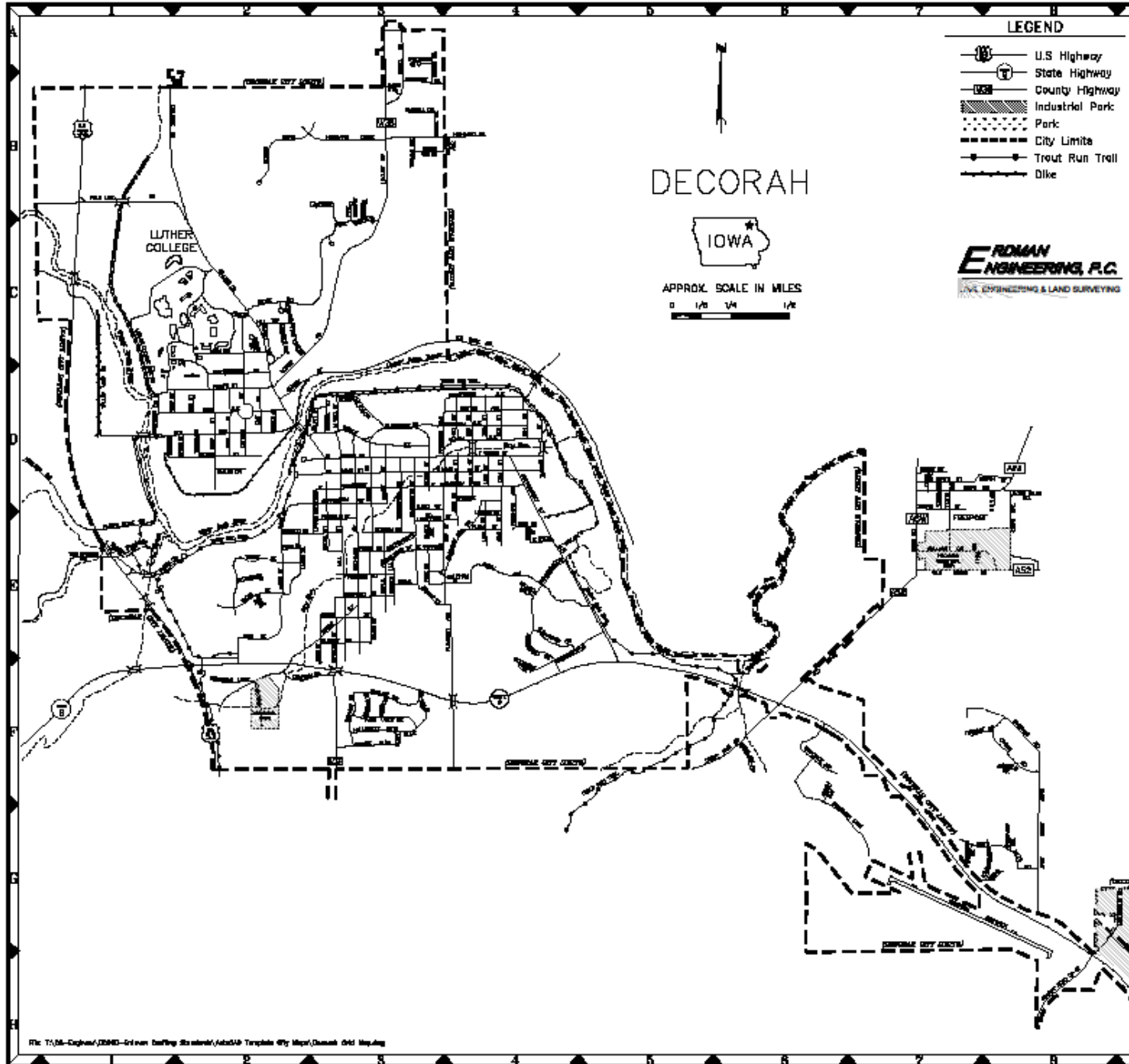
The names and addresses of the owners of the property located within the Revitalization Area and the assessed valuation of such property is set forth on Exhibit B attached hereto.

**M. REVITALIZATION AREA ALSO INCLUDED IN DECORAH URBAN RENEWAL AREAS**

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 2014 DECORAH HOUSING REVITALIZATION AREA



**EXHIBIT B**

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

(on file with the City Clerk's Office)



EXHIBIT C

DESCRIPTION OF THE FORMER DECORAH BUSINESS PARK – AIRPORT URBAN RENEWAL AREA

Beginning at the intersection of the west right-of-way line of Sumner Street in the City of Decorah with the east-west center section line of Section 15, Township 98 North, Range 8 West of the 5<sup>th</sup> Principal Meridian; thence Easterly along said east-west center section line of said Section 15 to the northeast corner of the Northwest Quarter of the Southeast Quarter (E 1/8 corner) of said Section 15; thence Southerly along the east line of said quarter-quarter of said Section 15 to the southeast corner of said quarter-quarter (SE 1/16 corner); thence Easterly along the north line of the Southeast Quarter of the Southeast Quarter of said Section 15 to the northeast corner of Lot 2 of 1 in said quarter-quarter of said Section 15; thence Southerly along the east and south line of said Lot 2 of 1 and continuing Southerly along the south and east line of Lot 2 in said quarter-quarter to the northeast corner of Lot 2 of 1 in the Northeast Quarter of the Northeast Quarter of Section 22; thence Southerly along the east line of said Lot 2 of 1 and continuing Southerly along the east line of Lot 1 of 1 of 1 in said quarter-quarter and continuing Southerly along the east line of Lot A in the Southeast Quarter of the Northeast Quarter of said Section 22 to the southeast corner of said Lot A, being a point on the centerline of the Upper Iowa River; thence Southeasterly along said centerline of the Upper Iowa River to a point on the north line of the Northeast Quarter of the Southeast Quarter of said Section 22; thence Easterly along the north line of said quarter-quarter and continuing along the north line of the Northwest Quarter of the Southwest Quarter and north line of the Northeast Quarter of the Southwest Quarter of Section 23 to a point on the centerline of said Upper Iowa River; thence Northeasterly along said centerline of the Upper Iowa River to a point on the west line of the Southwest Quarter of the Southeast Quarter of Section 14; thence Northerly along the west line of said quarter-quarter of said Section 14 to the northwest corner of said quarter-quarter (S 1/8 corner) of said Section 14; thence Easterly along the north line of said quarter-quarter and continuing along the north line of the Southeast Quarter of the Southeast Quarter of said Section 14 to the northeast corner of said quarter-quarter (ESE 1/8 corner) of said Section 14; thence Southerly along the east line of said quarter-quarter of said Section 14 to a point of the extension of the north line of Lot 2 of 1 in the Freeport Industrial Park 1<sup>st</sup> Addition, said park being in the Southwest Quarter of the Southwest Quarter and the Southeast Quarter of the Southwest Quarter of Section 13, Township 98 North, Range 8 West; thence Easterly along the extension of and north line of said Lot 2 of 1 and north line of Lot 2 to the southwest corner of Lot 4 in said Freeport Industrial Park 1<sup>st</sup> Addition; thence Northerly along the west line of said Lot 4 to the northwest corner of said Lot 4, being a point on a north line of said Freeport Industrial Park 1<sup>st</sup> Addition; thence Easterly and Northerly along the north line of said Freeport Industrial Park 1<sup>st</sup> Addition and continuing along the west line of Lot 1 of 8 in said Southeast Quarter of the Southwest Quarter of said Section 13 to the northwest corner of said Lot 1 of 8; thence Easterly along the north line of said Lot 1 of 8 and continuing along the north line of Lot 1 of 7 and Lot 1 of 9 to a point on the westerly right-of-way line of 170<sup>th</sup> Avenue (county road); thence Southerly and Southeasterly along said right-of-way line of 170<sup>th</sup> Avenue and continuing along the westerly-southerly right-of-way line of County Road A-52 (Old Stage Road) to a point on the north-south center section line of Section 24; thence Southerly along said north-south center section line to the northwest corner of the Southwest Quarter of the Southeast Quarter (S 1/8 corner) of said Section 24; thence Easterly along the north line of said quarter-quarter of said Section 24 to the northeast corner of said quarter-quarter (SE 1/16 corner) of said Section 24; thence Southerly along the east line of said quarter-quarter of said Section 24 to the northwest corner of the Northeast Quarter of the Northeast Quarter (NNE 1/8 corner) of Section 25; thence Easterly along the north line of said quarter-quarter of said Section 25 to the northeast corner of said quarter-quarter (NE corner) of said Section 25; thence Southerly along the east line of said quarter-quarter of said Section 25 to the northwest corner of the Southwest Quarter of the Northwest Quarter (WNW 1/8 corner) of Section 30, Township 98 North, Range 7 West of the 5<sup>th</sup> Principal Meridian, also being a corner on the north line of the Decorah Business Park; thence Easterly along the north line of said quarter-quarter of said Section 30, north line of the Decorah Business Park and continuing Southeasterly along the north line of said Park to the northeast corner of the Decorah Business Park, being a point on the east line of the Southwest Quarter of the Northwest Quarter of said Section 30;

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thence Southerly, Westerly, and Southerly along the east line of said Decorah Business Park and continuing to a point on the southerly right-of-way line of Oil Well Road (county road); thence Westerly along said southerly right-of-way line of Oil Well Road to a point on the east line of the Northeast Quarter of the Northeast Quarter of Section 36, Township 98 North, Range 8 West of the 5<sup>th</sup> Principal Meridian; thence Southerly along the east line of said quarter-quarter of said Section 36 to a point on the easterly right-of-way line of Iowa Highway #9; thence Southeasterly along said easterly right-of-way line of Iowa Highway #9 to highway station 251+00; thence Southwesterly along a line perpendicular to said easterly right-of-way line of Iowa Highway #9 to a point on the westerly right-of-way line of Iowa Highway #9; thence Northwesterly along said westerly right-of-way line of Iowa Highway #9 to a point on the east line of the Northeast Quarter of the Northeast Quarter of said Section 36; thence Southerly along the east line of said quarter-quarter of said Section 36 to the southeast corner of said quarter-quarter (ENE 1/8 corner) of said Section 36; thence Westerly along the south line of said quarter-quarter and continuing along the south line of the Northwest Quarter of the Northeast Quarter of said Section 36 to the southwest corner of said quarter-quarter (N 1/8 corner) of said Section 36; thence Northerly along the west line of said quarter-quarter of said Section 36 to the southeast corner of the Southeast Quarter of the Southwest Quarter (S 1/4 corner) of Section 25; thence Westerly along the south line of said quarter-quarter and continuing along the south line of the Southwest Quarter of the Southwest Quarter of said Section 25 to the southwest corner of said quarter-quarter (SW corner) of said Section 25; thence Northerly along the west line of said quarter-quarter of said Section 25 to the southeast corner of the Northeast Quarter of the Southeast Quarter (ESE 1/8 corner) of Section 26; thence Westerly along the south line of said quarter-quarter and continuing along the south line of the Northwest Quarter of the Southeast Quarter of said Section 26 to the southwest corner of said quarter-quarter (S 1/8 corner) of said Section 26; thence Northerly along the west line of said quarter-quarter and continuing along the west line of the Southwest Quarter of the Northeast Quarter of said Section 26 to the southeast corner of the Northeast Quarter of the Northwest Quarter (N 1/8 corner) of said Section 26; thence Westerly along the south line of said quarter-quarter of said Section 26 to the southwest corner of said quarter-quarter (NW 1/16 corner) of said Section 26; thence Northerly along the west line of said quarter-quarter and continuing along the west line of the Southeast Quarter of the Southwest Quarter of Section 23 to a point on the westerly right-of-way line of Stone Hill Road (county road); thence Northwesterly along said westerly right-of-way line of Stone Hill Road and continuing to a point on the northerly right-of-way line of Trout Run Road (county road); thence Northeasterly along said Northerly right-of-way line of Trout Run Road to a point on said west line of the Southeast Quarter of the Southwest Quarter of said Section 23; thence Northerly along the west line of said quarter-quarter of said Section 23 to the southeast corner of the Northwest Quarter of the Southwest Quarter (SW 1/16 corner) of said Section 23; thence Westerly along the south line of said quarter-quarter and continuing along the south line of the Northeast Quarter of the Southeast Quarter of Section 22 to the southwest corner of said quarter-quarter (SE 1/16 corner) of said Section 22; thence Northerly along the west line of said quarter-quarter of said Section 22 to the southeast corner of the Southwest Quarter of the Northeast Quarter (E 1/8 corner) of said Section 22; thence Westerly along the south line of said quarter-quarter of said Section 22 to a point on the extension of the centerline of Montgomery Street in the City of Decorah; thence Northwesterly along the extension of and centerline of said Montgomery Street to a point on the extension of the south right-of-way line of the alley in Block Two of Matteson's Addition in the City of Decorah; thence Easterly along the extension of and south right-of-way line of said alley to a point on the west right-of-way line of Sumner Street in the City of Decorah; thence Northerly along the west right-of-way line of said Sumner Street to the point of beginning.