

MILLS COUNTY, IOWA
URBAN RENEWAL PLAN
MILLS COUNTY HOUSING URBAN RENEWAL AREA

I. INTRODUCTION

Chapter 403 of the Code of Iowa authorizes counties to establish areas within certain boundaries known as “urban renewal areas,” and to exercise special powers within these areas. In order to facilitate the use of urban renewal for economic development, in 1985, the Iowa General Assembly amended Chapter 403 to authorize boards of supervisors to create “economic development” areas. An economic development urban renewal area may be any area of a county which has been designated by the board of supervisors as an area which is appropriate for commercial, industrial and/or residential housing enterprises and in which the county seeks to encourage further development.

As an additional expression of the role for local governments in private economic development, the General Assembly also enacted Chapter 15A of the Code of Iowa, which declares that economic development is a “public purpose” and authorizes local governments to make grants, loans, guarantees, tax incentives and other financial assistance to private enterprise. The statute defines “economic development” as including public investment involving the creation of new jobs and income or the retention of existing jobs and income that would otherwise be lost.

The process by which an economic development urban renewal area may be created begins with a finding by the board of supervisors that such an area needs to be established within the county. An urban renewal plan is then prepared for the area, which must be consistent with the county’s existing comprehensive or general plan. Certain affected taxing entities must be notified and given an opportunity to comment on the plan. The board of supervisors must hold a public hearing on the urban renewal plan, following which, the board of supervisors may approve the plan.

The Board of Supervisors of Mills County (the “County”) has determined to establish the Mills County Housing Urban Renewal Area (the “Urban Renewal Area”). This document is intended to serve as the Urban Renewal Plan (the “Plan”) for the Urban Renewal Area and will guide the County in promoting economic growth through the encouragement of commercial, industrial, and residential development in such Urban Renewal Area as detailed herein. This document is an Urban Renewal Plan within the meaning of Chapter 403 of the Code of Iowa and sets out proposed projects and activities within the Urban Renewal Area.

II. DESCRIPTION OF URBAN RENEWAL AREA

A description of all property (the “Property”) that has been included within the Urban Renewal Area is attached hereto as Exhibit A.

III. URBAN RENEWAL OBJECTIVES

The primary objectives for the development of the Urban Renewal Area are:

1. To contribute to a diversified, well-balanced local economy by creating job opportunities and strengthening the property tax base.
2. To assist in providing land and resources for new and expanded commercial, industrial and residential development in a manner that is efficient from the standpoint of providing municipal services.
3. To stimulate through public action and commitment, private investment in residential, commercial and industrial development, and to encourage job retention, growth and expansion through the use of various federal, state and local incentives, including tax increment financing.
4. To provide municipal infrastructure, services and facilities that enhance possibilities for economic development and community attractiveness to private enterprise.
5. To help finance the cost of streets, water, sanitary sewer, storm sewer, or other public improvements in support of new residential, commercial and industrial development.
6. To provide a more marketable and attractive investment climate.
7. To provide public facilities to enhance County services and enhance the economic attractiveness of the community.
8. To increase the number of housing units in the County that are safe, attractive and comfortable.
9. To provide assistance for housing on a County-wide basis to families whose incomes are no greater than 80% of the median family income in the County.

IV. URBAN RENEWAL PROJECTS AND ACTIVITIES

The following types of activities are examples of the specific actions which may be undertaken by the County within the Urban Renewal Area:

1. Preparation of plans related to the development and implementation of the Urban Renewal Area and specific urban renewal projects.
2. Construction of public improvements and facilities, including streets, public utilities or other facilities in connection with an urban renewal project.

3. Construction of buildings or specific site improvements such as grading and site preparation activities, access roads and parking, railroad spurs, fencing, utility connections, and related activities.

4. Acquisition, preparation and disposition of property for development and/or redevelopment.

5. Making available, as appropriate, financing for development projects, including conventional municipal borrowing and tax increment financing resulting from increased property values in the Urban Renewal Area.

6. Pursuant to state law, provision of direct financial assistance, including grants, loans and tax increment rebate agreements, to private persons engaged in economic development, in such form and subject to such conditions as may be determined by the Board of Supervisors.

V. SPECIFIC URBAN RENEWAL PROJECTS

The County has determined to undertake the following initiative in the Urban Renewal Area as an economic development urban renewal project:

Name of Project: N-T Lands, L.L.C. Housing Development Project

Date of Board Approval of Project: November 9, 2021

Description of the Project: N-T Lands, L.L.C. (the “Developer”) is undertaking the development of a residential subdivision (the “Housing Project”) situated on the Property (as described in Section II hereof), including the corresponding construction of public infrastructure (the “Infrastructure Project”). The County will use tax increment financing to support the Developer’s construction of the Infrastructure Project on the Property.

The addition of new residential housing in the County will enhance the quality of life in the County thereby resulting in economic growth in the County.

The costs incurred by the County in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$10,000.

Description of Properties to be Acquired in Connection with the Project: It is not anticipated that the County will acquire real property in connection with the Housing Project.

Description of Use of TIF: The County intends to enter into a development agreement (the “Agreement”) with the Developer with respect to the Infrastructure Project and to provide annual appropriation economic development payments (the “Payments”) to the Developer thereunder. The Payments, in an amount not to exceed \$1,800,000, will be funded with incremental property tax revenues to be derived from the Property. It is anticipated that the County’s total commitment of incremental property tax revenues with respect to the Infrastructure Project including the Payments, the Admin Fees and the LMI Set Aside (as described below) will not exceed \$2,429,380.

LMI Set Aside: Pursuant to the provisions of Section 403.22 of the Code of Iowa, the County will provide low and moderate income family housing assistance in its area of operation in an amount not less than 34.41% of the incremental property tax revenues applied to the Infrastructure Project.

VI. LAND USE PLAN AND PROPOSED DEVELOPMENT

The County's long range development plans for this Urban Renewal Area are matched to its general plan for development in the County and will be tailored to comply with the overall land use needs. All urban renewal activities within the Urban Renewal Area will be consistent with the County's general land use plans.

VII. TAX INCREMENT FINANCING

In order to promote economic growth in the Urban Renewal Area, the County may be requested to acquire land, construct public improvements or provide economic development loans, grants or other tax incentives for the benefit of private and public enterprises in order to enhance the value of property in the Urban Renewal Area. As part of the Urban Renewal Area, the County has adopted an ordinance to create a tax increment district (the "TIF District"), within which the property taxes eventually paid by new private development may be used to pay costs of urban renewal projects for these types of activities, including reimbursing the County or paying debt service on obligations issued by the County. The use of these tax revenues is known as tax increment financing ("TIF").

Depending upon the date upon which the TIF District is legally established and the date on which debt is initially certified within the TIF District, an original taxable valuation is established for the property within the TIF District, which is known as the "base valuation." The "base valuation" is the assessed value of the taxable property in the TIF District as of January 1 of the calendar year preceding the calendar year in which the County first certifies the amount of any debt payable from TIF revenues to be generated within that TIF District. When the value of the property inside the TIF District increases by virtue of new construction or any other reason, the difference between the base valuation and the new property value is the "tax increment" or "incremental value."

Procedurally, after tax increment debt has been incurred for the financing of improvements within the TIF District or for the payment of economic development incentives to private and public entities, property taxes levied by all local jurisdictions (city, county, school, area college) against the incremental value, with the exception of taxes levied to repay current or future debt incurred by local jurisdictions and the school district instructional support and physical plant and equipment levies, are allocated by state law to the County's tax increment fund rather than to each local jurisdiction. These new tax dollars are then used to pay principal of and interest on any tax increment debt incurred or to pay the costs of projects in the Urban Renewal Area.

VIII. RESIDENTIAL DEVELOPMENT

One of the County's objectives in the Urban Renewal Area is to promote new residential development and the corresponding construction of public infrastructure.

When a County utilizes TIF to support the provision of public infrastructure related to residential development, a percentage of the TIF revenues generated by the project (or other funds of the County) must be used to provide assistance to LMI families

Unless a reduction is approved by the Iowa Economic Development Authority, the percent of incremental revenues used to provide LMI assistance must be at least equal to the percentage of LMI families living in the County. That percentage is currently 34.41%. LMI families are those whose incomes do not exceed 80% of the median county income.

The requirement to provide assistance for LMI housing may be met either by ensuring that at least 34.41% of the units constructed in the area are occupied by families whose incomes are at or below 80% of the median county income, or by setting aside an amount equal to 34.41% of the project costs for LMI housing activities elsewhere in the County.

If funds are set aside, as opposed to constructing affordable housing in the Urban Renewal Area, the type of assistance provided anywhere within the County may include but is not necessarily limited to:

1. Owner/renter-occupied housing rehabilitation.
2. Grants, credits or other direct assistance to LMI families.
3. Homeownership assistance.
4. Tenant-based rental assistance.
5. Down-payment assistance.
6. Mortgage interest buy-down assistance.
7. Infrastructure development for LMI housing.

IX. EFFECTIVE PERIOD

This Urban Renewal Plan will become effective upon its adoption by the Board of Supervisors and will remain in effect until it is repealed by the Board of Supervisors. The collection of incremental property taxes in the Urban Renewal Area will continue for the maximum number of years authorized by Chapter 403 of the Code of Iowa unless otherwise determined by action of the Board of Supervisors.

X. PLAN AMENDMENTS

This Urban Renewal Plan may be amended in accordance with the procedures set forth in Chapter 403 of the Code of Iowa to, for example, change the project boundaries, modify urban renewal objectives or activities, or to carry out any other purposes consistent with Chapter 403 of the Code of Iowa.

XI. FINANCIAL INFORMATION

COUNTY DEBT INFORMATION

1. Current constitutional debt limit:	\$ <u>80,475,128</u>
2. Outstanding general obligation debt:	\$ _____
3. Proposed amount of debt to be incurred:	\$ <u>1,800,000</u> (Project)
	\$ <u>10,000</u> (Admin Fees)
	\$ <u>619,380</u> (LMI Set Aside)
	\$ <u>2,429,3890</u> (Total)

**EXHIBIT A
LEGAL DESCRIPTION
MILLS COUNTY HOUSING URBAN RENEWAL AREA**

Certain real property situated in Mills County, State of Iowa more particularly described as follows:

A parcel of land located in part of the Northwest Quarter of the Southwest Quarter (NW^{1/4} SW^{1/4}) of Section Thirteen (13), Township Seventy-three (73) North, Range Forty-three (43) West of the Fifth Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows: Commencing at the Northeast Corner of said NW^{1/4} SW^{1/4}; thence S00°04'35"W along the East line of said NW^{1/4} SW^{1/4} a distance of 820.41 feet to the beginning of a curve concave Northwesterly, having a central angle of 48°29'18" and a radius of 279.14 feet; thence Southwesterly along the centerline of a county road and along said curve an arc length of 236.23 feet with a chord bearing and distance of S24°19'14"W, 229.25 feet to the end of said curve; thence S48°33'54"W along said centerline a distance of 204.40 feet to the Point of Beginning; thence continuing S48°33'54"W along said centerline a distance of 56.28 feet to the beginning of a curve concave Northwesterly, having a central angle of 41°00'59" and a radius of 339.90 feet; thence Southwesterly along said centerline and along a portion of said curve an arc length of 180.44 feet with a chord bearing and distance of S63°46'20"W, 178.33 feet; thence N13°43'12"W a distance of 198.73 feet; thence N01°34'53"W a distance of 158.00 feet; thence N65°12'38"E a distance of 212.11 feet; thence S00°39'56"E a distance of 263.54 feet; thence S39°14'46"E a distance of 77.94 feet to the Point of Beginning. Note: The East line of the NW^{1/4} SW^{1/4} of said Section 13 is assumed to bear S00°04'35"W for this description.

And also:

A parcel of land located in part of the NW^{1/4} NW^{1/4} and in part of the SW^{1/4} NW^{1/4} and in part of the NW^{1/4} SW^{1/4}, all located in Section 13, Township 73 North, Range 43 West of the 5th Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows: Commencing at the Northeast Corner of said NW^{1/4} NW^{1/4}; thence S00°04'35"W along the East Line of said NW^{1/4} NW^{1/4} a distance of 466.69 feet to the Point of Beginning; thence continuing S00°04'35"W along said East line and along the East line of the SW^{1/4} NW^{1/4} and along a portion of the East line of said NW^{1/4} SW^{1/4} a distance of 2979.31 feet to the beginning of a curve concave Northwesterly having a central angle of 48°29'18" and a radius of 279.14 feet; thence Southwesterly along a portion of said curve on are length of 20.71 feet with a chord bearing and distance of S02°12'05"W, 20.70 feet; thence N89°55'25"W a distance of 299.23 feet; thence N00°04'35"E a distance of 3000.00 feet; thence S89°55'25"E a distance of 300.00 feet to the Point of Beginning. Said parcel contains 20.70 acres, more or less, including presently established county road right-of-way, and is subject to easements of record. Note: The North line of the NW^{1/4} of said Section 13 is assumed to bear N89°15'54"W for this description.

And also:

A parcel of land located in part of the NW1/4 NW1/4 and in part of the SW1/4 NW1/4 and in part of the NW1/4 SW1/4 of Section 13, and in part of the NE1/4 NE1/4 and in part of the SE1/4 NE1/4 and in part of the SW1/4 NE1/4 and in part of the NE1/4 SE1/4 and in part of the NW1/4 SE1/4 of Section 14, all in Township 73 North, Range 43 West of the 5th Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows:

Commencing at the Northeast Corner of said NW1/4 NW1/4; thence N89°59'06"W along the North line of said NW1/4 NW1/4 a distance of 589.36 feet to the Point of Beginning; thence S00°37'23"E a distance of 774.98 feet; thence N89°25'35"E a distance of 289.38 feet to the West line of Ohana Ridge Subdivision; thence S00°38'07"E along said West line a distance of 1966.48 feet to the Northeast Corner of Lake Ohana – Phase 1A Subdivision; thence S21°35'00"W along the North line of said Lake Ohana – Phase 1A Subdivision a distance of 124.86 feet; thence S26°28'39"W along said North line a distance of 175.21 feet; thence S40°40'44"W along said North line a distance of 111.09; thence S32°46'25"W along said North line a distance of 85.79 feet; thence S38°34'12"W along said North line a distance of 197.73 feet; thence S50°30'56"W along said North line a distance of 65.23 feet; thence S59°02'49"W along said North line a distance of 95.58 feet; N90°00'00"W along said North line a distance of 584.76 feet; thence N77°43'26"W along said North line a distance of 160.39 feet; thence N84°20'45"W along said North line a distance of 159.37 feet; thence N79°14'01"W along said North line a distance of 33.08 feet to a point on a curve having a central angle of 155°34'44"W and a radius of 55.00 feet; thence Northwesterly along said curve an arc length of 149.33 feet with a chord bearing and distance of N66°52'26"W, 107.51 feet; thence N90°00'00"W along said North line a distance of 234.32 feet; thence N00°00'00"E a distance of 226.41 feet; thence N90°00'00"W a distance of 627.29 feet; thence N00°00'00"E a distance of 717.01 feet; thence N90°00'00"E a distance of 630.36 feet; thence N90°00'00"E a distance of 718.10 feet; thence N90°00'00"E a distance of 18.00 feet; thence N00°00'00"E a distance of 1089.99 feet; thence S89°28'05"W a distance of 207.47 feet; thence N00°00'00"E a distance of 175.48 feet; thence N90°00'00"W a distance of 66.00 feet; thence N00°00'00"E a distance of 252.07 feet; thence N45°46'51"W a distance of 30.51 feet to the South right-of-way line of a county road (Barrus Road); thus N00°00'00"E a distance of 102.61 feet to the North line of said NE1/4 NE 1/4; thence N89°06'23"E along said North line a distance of 964.69 feet to the Northeast Corner of said Section 14; thence N89°59'06"E along the North line of said NW1/4 NW1/4 a distance of 754.35 feet to the Point of Beginning. Said parcel contains 140.76 acres, more or less, and is subject to easements of record.

Note: The North line of the NW1/4 NW1/4 of said Section 13 is assumed to bear N89°59'06"W for this description.

And also:

A Parcel of land located in part of the NW1/4 NW1/4 of Section 13, Township 73 North, Range 43 West of the 5th Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows

Commencing. at the Northeast Corner of said NW1/4 NW1/4 and the Point of Beginning; thence S00°37'23"E along the East line of said NW1/4 NW1/4 a distance of 466.84 feet to the Northeast Corner of Lot 1 of Ohana Ridge Subdivision; thence S89°21'53"W along the North line of said Lot 1 a distance of 300.00 feet to the Northwest Corner of said Lot 1; thence S00°38'07"E along the West line of said Lot 1 and along part of the West line of Lot 2 of said Ohana Ridge

Subdivision a distance of 301.76 feet; thence S89°25'35"W a distance of 289.38 feet; thence N00°37'23"W a distance of 774.98 feet to the North line of said NW1/4 NW1/4; thence S89°59'06"E along said North line a distance of 589.36 feet to the Point of Beginning. Said parcel contains 8.36 acres, more or less, including presently established county road right-of-way (1.36 ac.), and is subject to easements of record.

Note: The North line of the NW1/4 of said Section 13 is assumed to bear N89°59'06"W for this description.

And also:

A Parcel of land located in part of the NW1/4 SW1/4 of Section 13, and in part of the NE1/4 SE1/4 of Section 14, all located in Township 73 North, Range 43 West of the 5th Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows; Commencing at the Southwest Corner of the NW1/4 SW1/4 of said Section 13; thence S87°55'09"W along the South line of the NE1/4 SE1/4 of said Section 14 a distance of 993.65 feet; thence N00°00'00"E a distance of 358.23 feet; thence N90°00'00"E a distance of 62.95 feet; thence N01°44'05"W a distance of 298.34 feet; thence N90°00'00"E a distance of 435.13 feet to a point on a curve to the right having a central angle of 270°04'17" and a radius of 55.00 feet; thence along the arc of the curve, 149.33 feet with a chord bearing and distance of S66°52'26"E, 107.51 feet; thence S79°14'01"E a distance of 33.08 feet; thence S84°20'45"E a distance of 159.37 feet; thence S77°43'26"E a distance of 160.39 feet; thence N90°00'00"E a distance of 584.76 feet; thence N59°02'49"E a distance of 95.58 feet; thence N50°30'56"E a distance of 65.23 feet; thence N38°34'12"E a distance of 197.73 feet; thence N32°46'25"E a distance of 85.79 feet; thence N40°40'44"E a distance of 111.09 feet; thence N26°28'39"E a distance of 175.21 feet; thence N21°35'00"E a distance of 124.86 feet to the West line of Lot 12, Ohana Ridge Subdivision as platted in Mills County, Iowa; thence S00°38'07"E along the West line of said Ohana Ridge Subdivision a distance of 731.77 feet; thence S64°29'59"W along said West line a distance of 212.11 feet; thence S00°52'09"W a distance of 158.00 feet; thence S14°25'52"E a distance of 198.73 feet to a point on a curve to the right having a central angle of 41°01'02" and a radius of 339.90 feet; thence along the arc of the curve 62.89 feet with a chord bearing and distance of S83°34'14"W, 62.80 feet to the end of said curve; thence S88°52'10"W along the North line of Van Pelt Addition a distance of 827.55 feet to the Point of Beginning. Said parcel contains 27.08 acres, more or less, including public road right-of-way (4.90 ac.) and overhead electric line easement (2.43 ac.), and is subject to other easements of record.

Note: The East line of the SE1/4 of Section 14 is assumed to bear S00°41'52"E for this description,

And also:

A parcel of land located in part of the NW 1/4 SW 1/4 of Section 13, Township 73 North, Range 43 West of the 5th Principal Meridian, Mills County, Iowa, said parcel being more fully described as follows:

Commencing at the Northeast Corner of said NW 1/4 SW 1/4; thence S00°04'35" along the East line of said NW 1/4 SW 1/4 a distance of 820.41 feet to the beginning of a curve concave Northwesterly, having a central angle of 48°29'18" and a radius of 279.14 feet; thence

Southwesterly along the centerline of a county road and along a portion of said curve an arc length of 20.71 feet with a chord bearing and distance of S02°12'05"W 20.70 feet to the Point of Beginning; thence continuing Southwesterly along said centerline and along a portion of said curve an arc length of 215.52 feet with a chord bearing and distance of S26°26'44"W 210.21 feet to the end of said curve; thence S48°35'54"W along said centerline a distance of 204.40 feet; thence N39°14'16"W a distance of 77.94 feet; thence N00°39'56"W a distance of 263.54 feet; thence S89°55'25"E a distance of 299.23 feet to the Point of Beginning, less and except that portion of land taken for county road right-of-way.

NOTE: The East line of the NW 1/4 SW 1/4 of said Section 13 is assumed to bear S00°04'35"W for this description.