

Committee of the Whole  
July 10, 2018

Present: Mayor Vulich, Councilmembers Seeley, McGraw, Allesee, Connell, Schemers, and Odor, City Attorney, City Administrator, City Clerk, Press and interested citizens. Councilmember Gassman – absent.

1. Tax Abatement on Single-Family Residential Homes – City Administrator Matt Brooke

Administrator Brooke stated Ahlers & Cooney had provided a confidential memo to the Council regarding amendments to the Urban Revitalization Schedule. Administrator Brooke stated the schedule could be amended to provide greater rebates for improvements made to homes in designated blighted areas. Administrator Brooke stated the Iowa Code provided two abatement options for blighted areas: 100% abatement for ten years and 115% abatement for ten years. Administrator Brooke stated the 115% abatement for ten years option had a limitation that the amount of actual value added subject to exemption could not exceed \$20,000.00.

Mayor Vulich inquired where the blighted areas were. Administrator Brooke stated the map of the blighted areas was projected to be completed by Jennifer at Simmering-Cory later in the week. Administrator Brooke stated the blighted areas were generally consistent with the areas recently designated as an “Opportunity Zone” as well as a portion of the north end of the City. Councilmember Seeley stated the Miller Ridge area was to be removed from any designated blighted areas on the map.

Councilmember Allesee inquired if there would be any concerns for the tax structure. Administrator Brooke stated if the 100% abatement option was chosen there would not be concerns. Councilmember Schemers inquired if there was a cap. Administrator Brooke stated for the 100% abatement option there was no cap; however, for the 115% abatement option, there was a cap at \$20,000.00.

Administrator Brooke stated comparisons could be provided to show the difference in abatement amounts at the 100% and 115% abatement options for a projected increase in assessed value for a residential property. Councilmember Connell inquired if the formula would be provided. Mayor Vulich stated the Assessor’s website had a tool that homeowners could use to determine how an increase in assessed value due to an improvement to their home could impact the real estate taxes for the property.

Administrator Brooke stated there was limited participation in the current urban revitalization program and promotion of the program was important. Administrator Brooke stated the Building & Neighborhood Services Department and Assessor Tiesman were supportive of promoting the existing program. Councilmember Schemers concurred. Administrator Brooke suggested that the matter could return to the July 24, 2018 Committee of the Whole for further consideration.

M/S, Allesee-Connell moved to place the Tax Abatement on Single-Family Residential Homes on the next Committee of the Whole agenda for further consideration. On roll call, Seeley, McGraw, Allesee, Connell, Schemers, Odor – Yes; Gassman – Absent. Motion carried.

In discussion before roll call, Councilmember Connell inquired if abatements could be applied just to the City levy or to the levy for the School District as well. Administrator Brooke stated verification would be provided at the next Committee of the Whole meeting.

2. Mayor and Council Updates

Mayor Vulich thanked everyone who attended and worked at the 4<sup>th</sup> of July festival. Mayor Vulich stated there was a fantastic fireworks show and a great skydiving performance. Councilmember Allesee stated Finally Fridays on Friday, July 6<sup>th</sup> had one of the largest attendance records since its inception. Councilmember Odor stated the Skyline Center received one grant to expand its greenhouse and another grant to create a physical retail store near the Skyline warehouse. Councilmember Odor stated the grants would provide additional opportunities to serve the disabled members of the community.

M/S, Connell-Schemers moved to adjourn. All in favor.

Respectfully Submitted,

Lisa Frederick  
City Clerk