

ORDINANCE NO. 1065 (2024/2025)

Ordinance No. 1065 (2024/2025). An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Nevada Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa

WHEREAS, the City Council of the City of Nevada, Iowa (the “City”) previously enacted certain ordinances providing for the division of taxes levied on taxable property in the Nevada Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa; and

WHEREAS, pursuant to such ordinances, certain taxable properties within the Nevada Urban Renewal Area in the City were designated a “tax increment districts”; and

WHEREAS, the City Council now desires to create a new “tax increment district” by adding certain real property currently situated in the Nevada Urban Renewal Area;

BE IT ENACTED by the Council of the City of Nevada, Iowa:

Section 1. Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the Nevada Urban Renewal Area, 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 to finance projects in such area.

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

“City” shall mean the City of Nevada, Iowa.

“County” shall mean Story County, Iowa.

“Tax Increment Financing District Addition” shall mean certain real property situated in the Nevada Urban Renewal Area, more particularly described as follows:

Lots 1 through 33, Northview Plat 1, City of Nevada, Story County, State of Iowa.

“Urban Renewal Area” shall mean the entirety of the Nevada Urban Renewal Area as amended from time to time.

Section 3. Provisions for Division of Taxes Levied on Taxable Property in the Tax Increment Financing District Addition. After the effective date of this ordinance, the taxes levied on the taxable property in the Tax Increment Financing District 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 Tax Increment Financing District 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 Tax Increment Financing District 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 Tax Increment Financing District 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 Tax Increment Financing District 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, taxes for the instructional support program levy of a school district imposed pursuant to Section 257.19 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 Tax Increment Financing District 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 Tax Increment Financing District 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 Tax Increment Financing District 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 and approved by the City Council of the City of Nevada, Iowa, the ____ day of February, 2025.

Brian Hanson, Mayor

Attest:

Kerin Wright, City Clerk

First Consideration: __, 2025
Second Consideration: __, 2025
Final Consideration: __, 2025