

L. EXEMPTIONS

Commercial and Residential: All qualified real estate assessed as commercial or residential property is eligible to receive an exemption from taxation on the actual value added by the improvements. The exemption is for a period of five (5) years, determined as follows:

- A) For the first year - 75%
- B) For the second year - 60%
- C) For the third year - 45%
- D) For the fourth year - 30%
- E) For the fifth year - 15%

M. 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 of the assessment year for which the exemption is first claimed, but not later than the year in which all improvements included in the project are first assessed for taxation. 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.

N. APPLICATION REVIEW

Owners may submit a proposal for an improvement project to the City Council to receive prior approval for eligibility for a tax exemption on the project. The City Council shall give its prior approval if the project is in conformance with this plan for revitalization. However, if the proposal is not approved, the owner(s) may submit an amended proposal for the City Council to approve or reject. Such prior approval shall not entitle the

owner(s) to exemption from taxation until the improvements have been completed and found to be qualified for the exemption.

The City Council shall approve all applications submitted for approval if:

1. The project, as determined by the City Council, is in conformance with this plan; and,
2. The project is located within the Area; and,
3. The project is not located in an area which has received either direct or indirect benefit from a tax increment financing program; and,
4. The improvements were made during the time the Area was so designated.

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.

O. OTHER SOURCES OF REVITALIZATION FUNDS

At this time, there are no federal or state grants or loans for improvements in the area other than those of conventional lending institutions at normal market rates. However, it is not the intention of the City of Mitchellville to prohibit the use of other appropriate federal or state revitalization or incentive programs within the Area. The City may, in the future, apply for housing rehabilitation and/or economic development funding assistance through the Community Development Block Grant Program.