Story County, Iowa

Economic Development Process and Policies

Adopted by the Story County Board of Supervisors on the 2nd day of October, 2012

Amended:	April 30, 2013	May 27, 2014
	May 17, 2016	December 5, 2017
	April 2, 2019	March 31, 2020
	May 26, 2020	

Due to potential tax increment financing revenues available to the County, the Board of Supervisors can expect to receive requests regarding various projects throughout the County.

Because these requests may become routine, the Story County Board of Supervisors developed this process and policies to establish structure and objectivity to the standard operating procedures for evaluating economic development projects. Establishing standard procedures and a framework for incentives will allow applicants to more clearly understand the County's intentions in evaluating such projects and ensure that the County's financial resources are used as efficiently and effectively as possible while limiting the impact to public budgets. Funds may or may not be available in any given year.

Tax Increment Financing (TIF) goals, objectives and strategies

TIF assistance in Story County will be used to enhance the taxpayer's enjoyment of the county and/or to increase the taxable valuation of lands in Story County. Story County established the Urban Renewal Area Program as the formal mechanism in which to receive applications and determine funding awards as applicable. It is with the goal of **community improvement** in mind that we have developed the following criteria for evaluating proposals through the Urban Renewal Area Program using TIF assistance in Story County, Iowa:

1. **Percentage Limitation**
   In order to maintain appropriate and consistent tax revenues for all taxing entities, TIF (revenues collected) debt payments should not exceed 50% of the available TIF increment created by the TIF property in any year. This limitation is set to realize the needs and obligations of the general fund, townships and school districts and to ensure that the utilization of TIF will have minimal impact to their ongoing operations.

2. **School Funding Recognition**
   The County will recognize any changes to State funding capabilities and reevaluate the Economic Development Process and Policies (TIF policy) should the State change school funding formulas.

3. **Eligibility.**
   The following types of Economic Development projects will be considered through the Urban Renewal Area Program TIF assistance:

   a) Transportation Infrastructure Enhancement
   b) Public Land and Trail Improvement
   c) Communication and Utility Infrastructure Expansion
   d) Main Street and Town Center Revitalization
   e) Housing Development, Rehabilitation, and/or Conversion

4. **No Tax Increment Rebate, Grants, Loans or Assistance to Private Business.**
   Story County will not use TIF funds to participate in any direct disbursement or rebate to a private entity.
5. **Required Match Guidelines**. It is expected that applicants identify a match of 25% of the total project costs.

Economic Development Project Process

The following **standard operating procedure** applies to project requests for economic development funding through the *Urban Renewal Area Program*:

Step 1 - Pre-Application Conference *(prior to the Third ~~Tuesday~~ Friday of May June – Annually)*. Annually, County staff will hold an information session to review application forms, timeline, and procedures. In order to be deemed an eligible applicant, potential applicants must attend this meeting.

Step 2 - Application Deadline *(prior to the ~~Fifth~~ Second Tuesday of ~~June~~ July – (Annually)* This is the information gathering stage of a project which will provide the foundation for subsequent decision making by the Board of Supervisors. Applicants shall submit the Urban Renewal Area Project Application and include as much information as possible. Only one application is allowed per organization per grant cycle. If an organization submits more than one grant application, all applications submitted by that organization will be deemed ineligible for grant funds and will not be reviewed. To ensure fairness for all, applications that are incomplete, do not follow the guidelines, whose representative did not attend the Pre-Application Conference, or miss the deadline will not be reviewed.

Step 3 – Acknowledgement of Applications *(prior to the ~~Second~~ Third Tuesday of July – Annually)*

Step 4 – Notification of Applicants *(prior to the First Tuesday of August – Annually)*. The Board of Supervisors shall notify the school district, municipality, and/or township trustees in the TIF district from which monies may be utilized for payment of the proposed TIF projects through the Urban Renewal Area Program. Further notice is sent to taxing authorities associated with the individual projects.

The notice shall be given by regular mail to the entities referenced above indicating how to view the project applications on file, date of the next regularly-scheduled Board of Supervisors meeting, date of consultation meeting, and include a copy of the existing Urban Renewal Area Plan. The notice requirement's intent is designed to encourage input from the area from which taxes will be utilized so that the Board can consider input from the public in its evaluation stage.

Step 5 – Consultation Meeting *(First Tuesday of September – Annually)*. The Board of Supervisors will schedule a consultation meeting to discuss potential projects.

Step 6 – Evaluation *(prior to the First Tuesday of October – Annually)*. The purpose of the evaluation stage is to weigh the public costs and benefits of the project. The Board of Supervisors will evaluate the public purpose/benefit involved, the strength of the opportunity, and the public costs involved. As part of the evaluation process, the Auditor shall prepare a report showing the status of all TIF projects, monies expended and monies owed on current TIF projects so that the Board of Supervisors can evaluate the funds available for all proposed projects. Further, the Board of Supervisors recognizes the importance of citizen input on proposed projects and will post all applications for projects on its website prior to decisions on the project so that the

public may review the applications and prepare for any comment at ~~the~~ weekly meetings of the Board of Supervisors.

Step 7 – Urban Renewal Area Plan Updated *(prior to November 1).* Story County in consultation with the Story County Civil Attorney will prepare necessary updates to the Urban Renewal Area Plan to reflect any approved projects and present for action by the Board of Supervisors.

Step 7 – Incur Debt *(i.e. borrow money – prior to November 1).*

Step 8 – Debt Certified *(December 1).* Costs of all approved projects and the repayment schedule will be certified to the County Auditor.

Addition of TIF Property Process

The following **standard operating procedure** applies to requests for adding property to the Tax Increment Financing list, requiring amendments to Chapter 8 – Urban Renewal of the Story County Code of Ordinances.

Step 1 – Identification *(prior to September 1).* A parcel is identified as a possible addition to the TIF list. Primary consideration will be given to utility structures and/or facilities, including wind turbines (as part of a Commercial - Wind Energy Conversation System (C-WEC) and solar installations as part of a Commercial - Solar Energy System (C-SES). Secondary consideration will be given to specific development requesting a specific improvement; *i.e. a potential Commercial Facility requests a specific upgrade/improvement to public infrastructure.*

Step 2 – Evaluation *(prior to September 15).* The Board of Supervisors will work with the County Assessor to ascertain projected taxable values for the property in question.

Step 3 – Urban Renewal Area Plan and Ordinance Updated *(prior to November 1).* Story County in consultation with the Story County Civil Attorney will prepare necessary updates to reflect any approved property to the Urban Renewal Area Plan and present the Urban Renewal Area Plan and Ordinance to the Board of Supervisors for consideration (including three readings).