

# Welcome to the City of Peosta, Iowa



The City of Peosta works to maintain a friendly, safe, clean, diverse, and growing community large enough to remain economically viable and provide its residents with a modern infrastructure, yet small enough to maintain a strong sense of family and community. To accomplish this, the city vigorously seeks opportunities to help the private sector build the local economy through commercial and industrial. Special consideration is given to economic development projects which will create new jobs, increase property values, and/or generate new revenue within the Peosta community.

The Peosta Tax Abatement, Urban Revitalization incentives for economic development in commercial and industrial areas are negotiable and subject to Iowa Code Chapter 404, Urban Revitalization law, an evaluation of the overall value, potential impacts, and availability of funds. Any abatement assistance provided to private developers is determined at the discretion of the City Council and subject to approval of a written redevelopment agreement.

***State of Iowa Chapter 404 of the Code of Iowa, the Urban Revitalization Law dictates how the City of Peosta can implement and use this tool.***

## Urban Revitalization for Commercial and Industrial Property

The Urban Revitalization Law sets the basis for tax exemption schedules that Peosta may use in their plans. Cities may offer commercial and industrial properties a three-year, 100% exemption for the actual value added from improvements or additions. Another option is a 10-year schedule with a sliding scale of exemptions, beginning at 80% in the first year before reaching 20% in the tenth year. Cities are allowed to adopt different schedules than those described in the Revitalization Law, but they cannot offer a greater exemption.

## Establishing an Urban Revitalization Area

There are several steps to establishing an urban revitalization area. As stated in the Section 404.2 of the Code, Peosta city council must first approve a resolution finding that the “rehabilitation, conservation, redevelopment, economic development or a combination thereof of the area is necessary in the interest of the public health, safety or welfare of the residents of the city.”

The council must then prepare an urban revitalization plan, which needs to include several items. The plan must include a legal description of the area with a map depicting the existing parcels of real estate, the assessed property valuation in the area broken out by land and building values, a list of names and addresses of property owners, the existing zoning and land uses, and any plans for expanding city services.

Plans also need to detail whether the revitalization policies are applicable to some, none or all the commercial, industrial or agricultural property in the area (or some combination of the properties) and whether it is for rehabilitation and additions to existing structures or for new construction. Any tax

exemption schedules or assessment increase requirements need to be included as well. Finally, the plan must specify the estimated length of time the area will be active, any provisions that have been made for

the relocation of property owners and families, and any state, federal or private grants or loans that can be used as a funding source for residential improvements.

Once the proposed plan has been put together, the city must schedule a public hearing and notify all property owners and tenants in the proposed area. This notice must be published not less than four and not more than 20 days prior to the hearing. In addition, notice must be mailed to each property owner not less than 30 days prior to the public hearing date. The council could be forced to hold a second hearing if property owners representing at least 10% of privately-owned property or residential property in the area have signed and submitted a petition within 30 days of the first hearing. Once these requirements have been met, the council is authorized to adopt the urban revitalization plan.

***For more information,  
contact***

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