



COMMERCIAL & INDUSTRIAL

2025

Urban Revitalization Plan

CITY OF INWOOD, IOWA COMMERCIAL & INDUSTRIAL

AMENDED AND RESTATED URBAN REVITALIZATION PLAN

2025

INTRODUCTION

In 2016, the City of Inwood, Iowa (the "City") adopted a Commercial & Industrial Urban Revitalization Plan (the "Original Plan"). In response to legislative changes, the City is amending and restating the Original Plan to, among other things, add an additional eligibility requirement for commercial projects. The City is also extending the term of the Original Plan and limiting the availability of tax exemption incentives for projects receiving incentives under the City's tax increment financing program. The terms of this Amended and Restated Plan (hereinafter referred to as the "Plan") shall be effective immediately upon adoption by the city council following a public hearing as required by Section 404.2(6), Code of Iowa.

SECTION 1. URBAN REVITALIZATION ACT

1.1 AUTHORIZING LEGISLATION

The Urban Revitalization Act, Chapter 404, Code of Iowa (the "Act"), was enacted into law by the Iowa legislature in 1979. The Act is intended to encourage redevelopment and revitalization within a designated area by authorizing incentives to the private sector. Qualified real estate within the designated area may be eligible to receive a partial exemption from property taxes on improvements for a specified number of years. The primary intent of this bill is to provide cities with a long-term increase or stabilization in their tax base by encouraging rehabilitation or new construction which might not otherwise have occurred.

1.2 DESIGNATION CRITERIA

Section 404.1 of the Iowa Code provides that the city council may designate an area of the city as a revitalization area, if that area meets any one of the following situations:

- a. An area in which there is a prominence of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire and other causes or a combination of such factors, is conductive to ill health, transmission of disease, infant mortality, Juvenile delinquency or crime, and which is detrimental to the public health, safety, or welfare.
- b. An area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, incompatible land use relationships, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment

delinquency exceeding the actual value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or a combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, or welfare, in its present condition and use.

- c. An area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance should be preserved or restored to productive use.
- d. An area designated appropriate as an economic development area as defined in section 403.17. Pursuant to section 403.17(10), "Economic Development Area" means an area of a municipality designated by the local governing body as appropriate for commercial and industrial enterprises, public improvements related to housing and residential development, or construction of housing and residential development for low and moderate income families, including single or multifamily housing. Such designated area shall not include agricultural land, including land which is part of a century farm, unless the owner of the agricultural land or century farm agrees to include the agricultural land or century farm in the area. For purposes of this subsection, "century farm" means a farm in which at least forty acres of such farm have been held in continuous ownership by the same family for 100 years or more.
- e. An area designated as appropriate for public improvements related to housing and residential development, or construction of housing and residential development, including single or multifamily housing.

SECTION 2. STATEMENT OF PURPOSE

2.1 RESOLUTION OF NECESSITY

The city council of Inwood, Iowa has adopted a resolution finding that conditions requiring the rehabilitation, conservation, development and redevelopment, or a combination thereof, exists within the City. It was determined those areas not presently in need of rehabilitation are appropriate for designation as an economic development area for commercial/industrial enterprises. The city council established the necessity to take action to halt and reverse these conditions in order to protect the health, safety and welfare of the residents and businesses in the area and, therefore, resolved to create a Commercial & Industrial Urban Revitalization Area in order to allow the incentives and tools provided in Chapter 404, Code of Iowa, to be employed in the area. [Chapter 404.2(1), Code of Iowa, 2025]

2.2 URBAN REVITALIZATION DISTRICT DESIGNATION

The City of Inwood has also designated by ordinance, an area that substantially meets some or all the requirements set forth in the Section 404.1, Code of Iowa. Some of these requirements are mentioned in Section 1 of this Plan.

2.3 PURPOSE AND PLAN GOAL

The purpose of the Plan is to establish an urban revitalization area, to be known as the Inwood Commercial & Industrial Urban Revitalization Area (hereinafter referred to as the "Area") in accordance with the provisions established in Chapter 404, Code of Iowa, to outline certain provisions for revitalization activities which includes but is not limited to tax abatement. The overall goal of the Plan is to help create an environment which will provide better opportunities for new, expanded, or improved commercial and industrial activity. This will result in an overall benefit to future planning efforts for a progressive community.

2.4 PLAN OBJECTIVES

Objectives that will be met in achieving this goal are as follows:

- a. Tax abatement will encourage new commercial and industrial construction that will add to the value of property in the community, ultimately Increasing the overall tax base.
- b. New commercial and industrial construction and/or additions will contribute to an overall improved appearance of the community and boost the local economy.
- c. Creating a healthier local economy and better physical appearance of buildings within the community will increase the draw or attraction of new local business and industry.
- d. Assisting commercial and industrial uses conforming to the city's land use regulations and planning initiatives to promote orderly growth in a fashion consistent with the direction the policy makers in Inwood have established.
- e. To utilize and leverage to the greatest extent possible available local, state and federal funding programs in addition with tax abatement incentives.

SECTION 3. DESCRIPTION OF URBAN REVITALIZATION AREA

3.1 AREA DESCRIPTION

The boundary of the Area includes all real estate within the incorporated city limits of the City of Inwood, Iowa. Properties eligible for commercial property tax abatement under the auspices of the Plan include those qualified real estate properties zoned as commercial or industrial along with being assessed as commercial or industrial; and located within the Area as seen in Exhibit A. For official assessment classifications, parcel information for each property located in the urban revitalization district is available for public inspection at the Lyon County Assessor's Office in Rock Rapids, Iowa. Furthermore, those properties which shall become annexed into the City of Inwood in the future shall automatically be included within the boundaries of the Commercial & Industrial Urban Revitalization Area. [Chapter 404.2(2)(a), Code of Iowa, 2025]

3.2 EXISTING ASSESSED VALUATIONS AND OWNERS OF RECORD OF REAL ESTATE IN URBAN REVITALIZATION AREA

Available at City Hall is a list inclusive of all real estate parcels that existed within the Area at the time of adoption of the Original Plan. Information is provided for each real

estate parcel located in the Area which contains, at a minimum, the following information:

- a. Existing assessed valuation of the real estate
- b. Information separating the valuation of land and improvements
- c. Names and addresses of the last owners of record [Chapter 404.2(2)(b, c), Code of Iowa, 2025]

3.3 EXISTING ZONING OF URBAN REVITALIZATION AREA

The City of Inwood is zoned. There are eight (8) zoning classifications consisting of:

- AC -Agriculture District
- CN - Conservation District
- R-1-Slngle Family Residential District
- R-2 - Multiple Family Residential District
- MH - Mobile/Manufactured Housing District
- C-1- Downtown Commercial District**
- C-2 - Highway Commercial District**
- GI - General Industrial District**

Although the boundaries of the Area contain all properties within the City limits of Inwood, the tax abatement benefits are only eligible to those properties assessed as commercial or industrial and located within the C-1, C-2 or GI zoning districts. If a speculative business or industry is desiring to build on land zoned other than commercial or industrial, the property must be rezoned accordingly prior to being eligible to receive tax abatement benefits. A copy of the city's official zoning map is available for public inspection at City Hall.

3.4 EXISTING AND FUTURE LAND USE

Existing land uses within the entire Area include agricultural, residential, commercial and industrial land uses. Only those uses assessed and zoned accordingly as either commercial or industrial in nature are eligible to apply to receive tax abatement benefits. Future development within the Area eligible to receive tax abatement benefits will be restricted to future commercial and industrial uses that are compatible with existing developments and consistent with the City's comprehensive land use plan. If property changes from a non-commercial or non-industrial use to a proposed commercial or industrial land use, this would subsequently change the taxable assessed valuation of the property to either commercial or industrial. In this instance, these future properties would also qualify for tax benefits provided within the Plan. [Chapter 404.2(2)(d), Code of Iowa, 2025]

SECTION 4. PROPOSED PUBLIC SERVICE IMPROVEMENTS

At the time of publication of this document, the City of Inwood has not put forth any service or infrastructure improvements within the Area and there are no immediate plans for the expansion of public services or infrastructure in the Area that will directly or indirectly affect the properties eligible to receive benefits described in the Plan. The City maintains there may be a time in the future when the City would consider potential long

term service improvement projects to benefit the community. Possible future public service Improvements may include, but not limited to:

- Ongoing street improvement projects
- Sanitary sewer maintenance and improvements
- Fire department equipment improvements
- Needed or proposed water system improvements
- Storm water drainage improvements
- Continued development of residential building lots
- Continued development and/or expansion of the city's business or industrial park
- Promotion and retention of economic development and business development

[Chapter 404.2(2)(e), Code of Iowa, 2025]

SECTION 5. STATEMENT OF APPLICABILITY OF REVITALIZATION

5.1 APPLICABILITY

The following paragraphs establish the applicability of the revitalization programs and benefits to various properties in the Area. [Chapter 404.2(2)(f), Code of Iowa, 2025)

- a. Revitalization activities covered under this Plan shall be applicable only to real estate assessed as commercial or industrial within the Area. Revitalization benefits shall not be applicable to any property that does not meet this requirement.
- b. Revitalization benefits in the Area are also applicable to the areas assessed as agricultural, but intended for commercial or industrial development. The City believes there will be no loss of agricultural land to accomplish the objectives of this plan.
- c. Revitalization of qualified real estate in the Area may consist of rehabilitation or additions to existing structures, or new construction on unimproved real estate, or combination thereof.

5.2 TERM OF REVITALIZATION BENEFITS

Revitalization activities in the Area shall be applicable under the revitalization Plan until December 31, 2044. The City Council may review and evaluate the need for this revitalization Plan during its term. If the City feels the goals for revitalization are achieved and continuation no longer benefits the community, then the city council reserves the right to repeal the ordinance establishing the Inwood Commercial & Industrial Urban Revitalization Area at any time. In that event, all existing exemptions shall continue until their expiration. Conversely, if, in the opinion of the city council, the established goals and objectives of the Plan have not been attained, the city council may extend the life of the revitalization Area.

SECTION 6. RELOCATION PROVISIONS

As established in Section 404.6, Code of Iowa, the City, upon application to it and after verification by it, shall require compensation of at least one month's rent and may require compensation of actual relocation expenses be paid to a qualified tenant whose

displacement is due to action on the part of a property owner to qualify for benefits conferred by this Plan. A "qualified tenant" means the legal occupant of a residential dwelling unit which is located within the designated Urban Revitalization Area and who has occupied the same dwelling unit continuously since one year prior to the adoption of the Original Plan. Relocation expenses shall be the responsibility of owners of said property where any displacement of necessity to relocate occurs, as condition for receiving tax exemption or other allowable benefits under this Plan. It is not anticipated any proposed revitalization activities undertaken in the Area will displace or cause need for relocation of any persons, families, or businesses. Therefore, the City of Inwood is not creating a plan for the relocation of persons, families or businesses. [Chapter 404.2(2)(g), Code of Iowa, 2025]

SECTION 7. INCREASE IN ACTUAL VALUE REQUIREMENTS

7.1 QUALIFIED REAL ESTATE

As used in this Plan, "qualified real estate" means real property assessed as commercial or industrial located in the designated revitalization Area, and to which improvements are added during the time the Area was so designated a revitalization area and which improvements increased the actual value by at least the amount or percentage indicated in Section 7.5 below.

7.2 IMPROVEMENTS

As used in this Plan, "improvements" includes rehabilitation and additions to existing structures as well as new construction on vacant land or on land with existing structures.

7.3 IMPROVEMENTS ON AGRICULTURAL LAND

The city council finds in order to meet the goals and objectives of this Plan, new construction on land either assessed or classified as agricultural will be considered for improvements in regard to meeting the eligibility requirements for receiving the benefits established within this plan, so long that the proposed improvements to that land will be assessed as commercial or industrial.

7.4 ACTUAL VALUE ADDED BY THE IMPROVEMENTS

For the purposes of this Plan, "actual value added by the Improvements" shall mean the actual value added as of the first year for which the exemption was received.

7.5 INCREASE IN VALUE ADDED REQUIREMENT

In order to qualify for the tax exemptions or other benefits conferred in this Plan, the improvements made to qualified real estate must increase the actual value of such real estate by at least \$10,000 for new construction or ten percent (10%) for any addition to or rehabilitation of existing structures.

SECTION 8. TAX EXEMPTION SCHEDULES

Option 1: All qualified real estate assessed as commercial or industrial shall receive a one hundred percent (100%) exemption from taxation on the actual value added by the improvements for a period of three (3) years, determined as follows:

1 st Year	one hundred percent (100%) of actual value added
2 nd Year	one hundred percent (100%) of actual value added
3 rd Year	one hundred percent (100%) of actual value added

Option 2: All qualified real estate assessed as commercial or industrial shall receive a partial exemption from taxation on the actual value added by the improvements. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows:

1 st Year	eighty percent (80%) of actual value added
2 nd Year	seventy percent (70%) of actual value added
3 rd Year	sixty percent (60%) of actual value added
4 th Year	fifty percent (50%) of actual value added
5 th Year	forty percent (40%) of actual value added
6 th Year	forty percent (40%) of actual value added
7 th Year	thirty percent (30%) of actual value added
8 th Year	thirty percent (30%) of actual value added
9 th Year	twenty percent (20%) of actual value added
10 th Year	twenty percent (20%) of actual value added

The owners of qualified real estate assessed as commercial or industrial, and otherwise eligible for either of the above exemptions, shall elect one exemption schedule at the time of application. Once the election has been made and the exemption granted, the owner is not permitted to change the exemption schedule.

SECTION 9. OTHER SOURCES OF FUNDING

9.1 PROPERTY OWNERS ENCOURAGED

The city council encourages all property owners to investigate funding sources for improvements to real estate, and to apply for those funding sources which are applicable to the types of improvements proposed.

9.2 STATE AND FEDERAL ASSISTANCE

At this time there are no plans by the City of Inwood to provide any funding for revitalization activities through any federal or state grant or loan programs. Although, the City will not prohibit the use of such programs should they become available or be used in the Area. The City also reserves the power to apply for and accept funds for these programs from time to time in order to meet the goals and objectives of the Plan or any other plan adopted by Inwood. [Chapter 404.2(j), Code of Iowa, 2025]

SECTION 10. APPLICATION PROCEDURE

10.1 APPLICATION FILED

An application shall be filed for each new tax exemption claimed using the form attached to this Plan as Exhibit B, which form may be amended from time to time by the city. The first application for an exemption shall be filed by the owner of the property with the City of Inwood by February 1st 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, or the following two assessment years, unless, upon the request of the owner at any time, the City provides by resolution that the owner may file an application by February 1 of any other assessment year selected by the City of Inwood. [Chapter 404.4, Code of Iowa, 2015]

10.2 CONTENTS OF APPLICATION

The application shall contain, but not be limited to, the following Information:

- a. Name of applicant/property owner
- b. Applicant's complete mailing address and telephone number
- c. The nature of the improvement(s)
- d. Estimated or actual cost of the improvement(s)
- e. The estimated or actual date of completion
- f. The name(s) of the tenants that occupied the property on the date the City adopted the resolution of necessity referred to in Section 404.2(1), Code of Iowa
- g. An applicable exemption schedule as identified In Section 404.3, Code of Iowa
- h. Copy of most recent property tax statement

Additional Requirement for Properties Assessed as Commercial: Property owners submitting applications on or after July 1, 2024 for improvements to property assessed as commercial must also enter into a written assessment agreement with the city specifying a minimum actual value for the completed improvements, consistent with and to the extent required by the provisions of Iowa Code Section 404.3C in effect at the time the application is submitted to the city. The form of the assessment agreement is attached as Exhibit C.

The city reserves the right to charge an application fee to cover administrative costs. This fee will be set by resolution of the city council. [Chapter 404.4, Code of Iowa, 2025]

10.3 CITY COUNCIL APPROVAL

The city shall approve the application, subject to review by the Lyon County Assessor, pursuant to Section 404.51 Code of Iowa if:

- a. the project is in conformance with the Inwood Urban Revitalization Plan
- b. the project is located within the Area designated within the Plan
- c. the improvements were made during the time the Area was so designated a revitalization area [Chapter 404.4, Code of Iowa, 2025]

10.4 CITY COUNCIL FORWARDING APPROVED APPLICATIONS

The city shall forward for review all approved applications to the Lyon County Assessor by March 1 of each year with a statement indicating whether Section 404.3 subsection 1, 2, 3 or 4 applies or if a different schedule has been adopted, which exemption from that schedule applies. Applications for exemption for succeeding years on approved projects shall not be required. [Chapter 404.4, Code of Iowa, 2025]

10.5 DETERMINATION BY COUNTY ASSESSOR

The Lyon County Assessor shall, for each first-year approved application, make a physical review of all properties. The County Assessor shall determine if the improvements made increased the actual valuation of the qualified real estate by the ten (10%) percent requirement. [Chapter 404.5, Code of Iowa, 2015]

10.6 NEW STRUCTURES

If a new structure is erected on land upon which no structure existed at the start of new construction, the assessor shall proceed to determine the actual value of property and certify the valuation determined pursuant to Section 404.3, Code of Iowa, to the County Auditor at the time of transmitting the assessment roles. [Chapter 404.5, Code of Iowa, 2025]

10.7 NOTIFICATION BY THE ASSESSOR

The County Assessor will then notify the applicant of the determination, which may be appealed to the local board of review pursuant to Section 441.37, Code of Iowa. [Chapter 404.5, Code of Iowa, 2025]

10.8 SUCCEEDING YEARS OF TAX EXEMPTION

After the initial tax exemption is granted, the County Assessor shall continue to grant the tax exemption, with periodic physical review by the Assessor, for the time period specified on the approved application submitted by the property owner. The tax exemption shall be made on succeeding years of the exemption schedule without new applications. [Chapter 404.5, Code of Iowa, 2025]

SECTION 11. PRIOR APPROVAL BY CITY COUNCIL

According to Section 404.4, Code of Iowa, a person 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, by resolution, give its prior approval for an improvement project if the project is in conformance with the Plan. Such prior approval shall not entitle the owner to exemption from taxation until the improvements have been completed and found to be qualified real estate. If the proposal is not approved, the person may submit an amended proposal for the governing body to approve or reject.

SECTION 12. LIMITATION TO ELIGIBILITY FOR PROPERTY IN URBAN RENEWAL AREA

There may exist one or more urban renewal areas (established pursuant to Chapter 403 of the Code of Iowa) within the City establishing a tax increment financing program.

Accordingly, a property that, in the determination of the city council, is within an existing urban renewal area and receiving benefits from the tax increment financing program shall not be eligible for tax abatement under this Plan absent specific approval from the city council. If an application under this Plan is denied by the city council because the property for which an exemption is requested is within an existing urban renewal area, the owner may reapply for benefits under this Plan for the same property if the property has subsequently been removed from the urban renewal area, provided the property remains in the designated Commercial & Industrial Urban Revitalization Area and all other requirements of this Plan are met.

EXHIBIT A
INWOOD COMMERCIAL & INDUSTRIAL URBAN REVITALIZATION AREA MAP

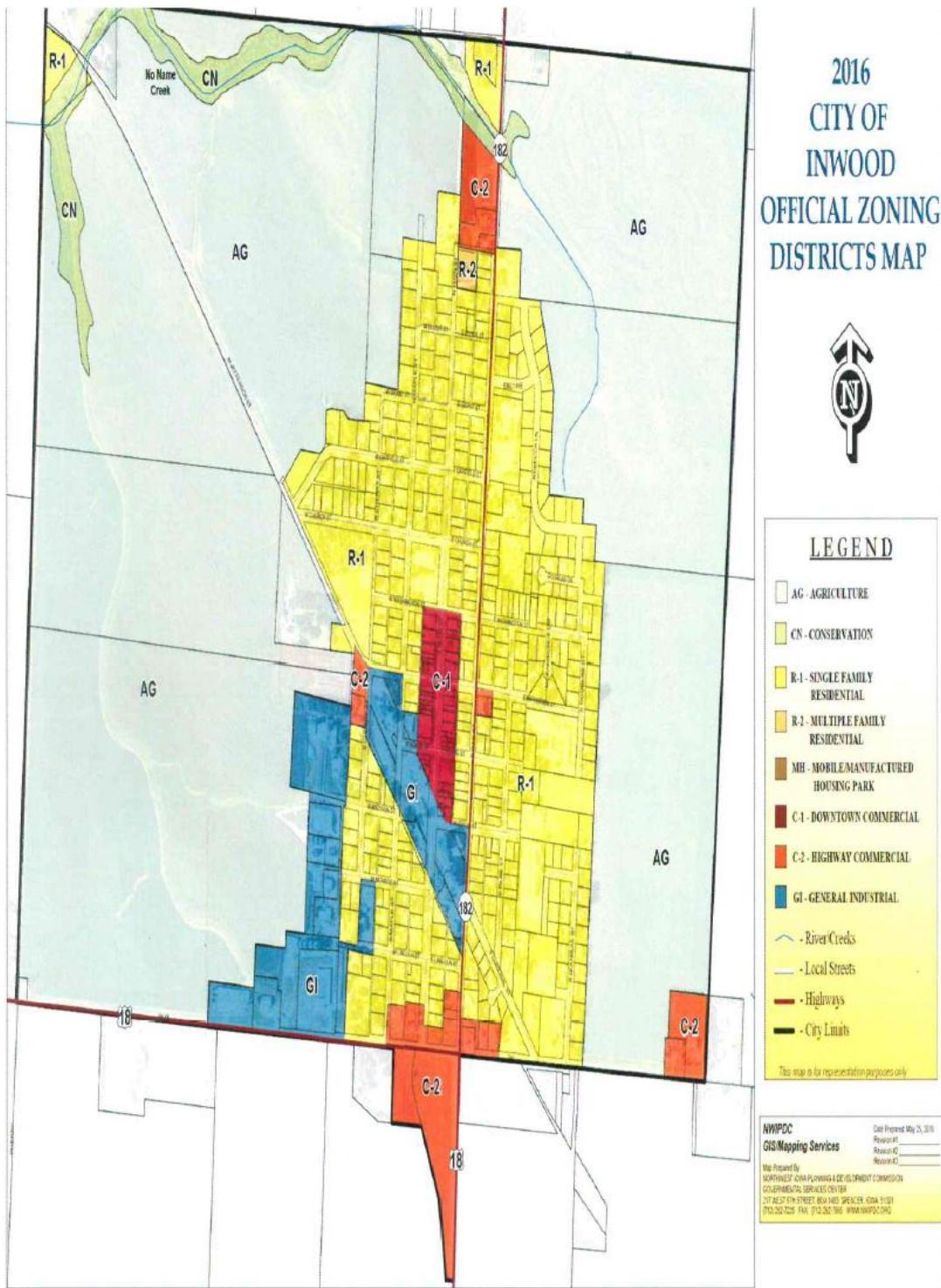


EXHIBIT B APPLICATION

APPLICATION FOR COMMERCIAL & INDUSTRIAL TAX ABATEMENT UNDER THE AMENDED AND RESTATED URBAN REVITALIZATION PLAN FOR INWOOD, IOWA

FOR PROPERTY TAX EXEMPTION FOR IMPROVEMENTS UNDER THE PROVISIONS OF THE AMENDED AND RESTATED URBAN REVITALIZATION PLAN ADOPTED BY THE CITY COUNCIL OF THE CITY OF INWOOD, IOWA.

*This application must be filed with the City by February 1st of the assessment year for which the exemption is first claimed, but not later than February 1st of the year in which all improvements included in the project are first assessed for taxation, or February 1st of the following two assessment years.

Inwood's Amended and Restated Urban Revitalization Plan allows property tax exemptions as follows, please select the schedule for which you are applying:

— Option 1: All qualified real estate assessed as commercial or industrial shall receive a one hundred percent (100%) exemption from taxation on the actual value added by the improvements for a period of three (3) years

1 st Year	one hundred percent (100%) of actual value added
2 nd Year	one hundred percent (100%) of actual value added
3 rd Year	one hundred percent (100%) of actual value added

— Option 2: All qualified real estate assessed as commercial or industrial shall receive a partial exemption from taxation on the actual value added by the improvements. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows:

1 st Year	eighty percent (80%) of actual value added
2 nd Year	seventy percent (70%) of actual value added
3 rd Year	sixty percent (60%) of actual value added
4 th Year	fifty percent (50%) of actual value added
5 th Year	forty percent (40%) of actual value added
6 th Year	forty percent (40%) of actual value added
7 th Year	thirty percent (30%) of actual value added
8 th Year	thirty percent (30%) of actual value added
9 th Year	twenty percent (20%) of actual value added
10 th Year	twenty percent (20%) of actual value added

In order to be eligible, the property must have been located in the Urban Revitalization Area when the improvements were made. The Area includes all real estate within the official incorporated city limits of the City of Inwood, Iowa.

Address of Property: _____

Legal Description: _____

Title Holder or Contract Buyer: _____

Address of Owner (if different than above): _____

Phone Number (to be reached during the day): _____

Email Address: _____

Property is assessed as: Residential Commercial** Industrial

****If property is assessed as commercial, the application must include an executed Minimum Assessment Agreement**

Nature of Improvements: New Construction Improvements to Existing Structure

Specify Improvements: _____

Permit Number(s) from the City of Inwood [Attach approved Building Permit to this application]

Date Permit(s) Issued: _____

Permit(s) Valuation: _____

Estimated or Actual Date of Completion: _____

Estimated or Actual Cost of Construction: _____

The name(s) of the tenant(s) that occupied any building on the property on May 2, 2016, if known:

Application for: Prior Approval for Intended Improvements Approval of Improvements Completed

Signature: _____

Name (Printed) _____

Title: _____

Company: _____

Date: _____

This Application is a summary of some of the Plan terms; for complete information, read a copy of the AMENDED AND RESTATED URBAN REVITALIZATION PLAN, available at City Hall.

ATTACHMENTS:

- YOUR APPROVED BUILDING PERMIT TO THIS APPLICATION**
- A COPY OF MOST RECENT PROPERTY TAX STATEMENT**
- IF COMMERCIAL PROJECT, A COPY OF THE EXECUTED MINMUM ASSESSMENT AGREEMENT**

FOR CITY USE:

CITY COUNCIL	Application is: Approved/Disapproved (circle one) If disapproved, reason for disapproval: _____
	If approved, for which schedule: <input type="checkbox"/> 3-year 100% <input type="checkbox"/> 10-year sliding scale
	Date _____ Resolution No. _____
	Attested by the City Clerk _____ Date forwarded to County Assessor _____
This Application is to be forwarded by the City to the County Assessor by March 1.	
ASSESSOR	Present Assessed Value _____
	Assessed Value with Improvements _____
	Eligible or Not Eligible for Tax Abatement _____
	Assessor _____ Date _____

EXHIBIT C – Required for Commercial Projects

Prepared by:

Return to: City of Inwood, Iowa; Attn: City Clerk

MINIMUM ASSESSMENT AGREEMENT

THIS MINIMUM ASSESSMENT AGREEMENT ("Minimum Assessment Agreement" or "Assessment Agreement") is dated as of _____, 20____, by and between the City of Inwood, Iowa (the "City"), an Iowa municipal corporation, and [OWNER OF QUALIFIED REAL ESTATE], a(n) Iowa _____ ("Owner").

WHEREAS, consistent with the provisions of the City's Commercial & Industrial Urban Revitalization Plan (the "Plan"), the Owner has submitted an Application for Tax Abatement dated as of _____, 20____ (the "Application") regarding certain commercial real estate owned by Owner and located in one of the Urban Revitalization Area, which real estate is legally described as follows:

[LEGAL DESCRIPTION]

(the "Property");

WHEREAS, the Application describes certain improvements that have been or are proposed to be constructed on the Property (the "Eligible Improvements"); and

WHEREAS, pursuant to Iowa Code Section 404.3C, the City and Owner desire to establish a Minimum Actual Value for the Eligible Improvements and Property following completion of the Eligible Improvements for the duration of the tax abatement requested by the Owner by submission of the Application, under the provisions of the Plan; and

WHEREAS, the Lyon County Assessor has reviewed the preliminary plans and specifications for the Eligible Improvements that are contemplated to be constructed.

NOW, THEREFORE, the parties to this Minimum Assessment Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Upon substantial completion of construction of the Eligible Improvements, the minimum actual value fixed for assessment purposes for the Eligible Improvements and the Property (building and land value) in the aggregate shall be not less than _____ Dollars (\$_____), before rollback.

The Minimum Actual Value shall terminate and be of no further force or effect as of December 31, ____ ("Assessment Termination Date"). Upon the Assessment Termination Date, this Minimum Assessment Agreement shall no longer control the assessment of the Property.

2. This Minimum Assessment Agreement shall be promptly recorded by the City with the Recorder of Lyon County, Iowa. Such filing shall constitute notice to any subsequent encumbrancer of the Property (or part thereof), whether voluntary or involuntary, and this Minimum Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent encumbrancer, including the holder of any mortgage.

3. This Minimum Assessment Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

4. Nothing herein shall be deemed to waive the rights of Owner from seeking administrative or legal remedies to reduce the actual value assignment made by the Assessor in excess of the Minimum Actual Value established herein. In no event, however, shall Owner seek to reduce the actual value to an amount below the Minimum Actual Value established herein during the term of this Agreement. This Minimum Assessment Agreement may be amended or modified and any of its terms, covenants, representations, warranties or conditions waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by the party waiving compliance.

5. If any term, condition or provision of this Minimum Assessment Agreement is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity or inoperability shall not affect the remainder hereof, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained herein.

6. The Minimum Actual Value herein established shall be of no further force and effect and this Minimum Assessment Agreement shall terminate pursuant to the Assessment Termination Date set forth in Section 1 above.

[Remainder of this page is blank. Signatures start on the next page.]

(SEAL)

CITY OF INWOOD, IOWA

By: _____, Mayor

ATTEST:

By: _____
_____, City Clerk

STATE OF IOWA)
COUNTY OF LYON)
) SS

On this _____ day of _____, ___, before me a Notary Public in and for said State, personally appeared _____ and _____, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Inwood, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Minimum Assessment Agreement – City]

[OWNER]

By: _____

Print Name: _____

Its: _____

STATE OF _____)
) SS
COUNTY OF _____)

This record was acknowledged before me on this _____ day of _____, _____, by _____, as the _____ of [OWNER], on behalf of whom the record was executed.

Notary Public in and for said state

[Signature page to Minimum Assessment Agreement – Owner]

CERTIFICATION OF ASSESSOR

The undersigned, having reviewed the plans and specifications for the Eligible Improvements to be constructed, and being of the opinion that the minimum actual value contained in the foregoing Minimum Assessment Agreement appears reasonable, hereby certifies as follows:

The undersigned Assessor, being legally responsible for the assessment of the above described property upon completion of the improvement to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall be not less than \$ _____.

Assessor for the County of Lyon, Iowa

Date

STATE OF IOWA)
) SS
COUNTY OF LYON)

Subscribed and sworn to before me by _____, Assessor for the County of Lyon, Iowa on this _____ day of _____, 20____.

Notary Public for the State of Iowa

Consistent with Iowa Code §404.3C, a copy of Iowa Code §404.3C is attached, as follows:

1. For revitalization areas established under this chapter on or after the effective date of this division of this Act and for first-year exemption applications for property located in a revitalization area in existence on the effective date of this division of this Act filed on or after the effective date of this division of this Act, commercial property shall not receive a tax exemption under this chapter unless the city or county, as applicable, and the owner of the qualified real estate enter into a written assessment agreement specifying a minimum actual value until a specified termination date for the duration of the exemption period.

2. a. The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made to the property and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$ *****.

b. The assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.