

ORDINANCE NO. 13,594

AN ORDINANCE giving prior approval for a partial exemption from property taxation on the value to be added by new construction to industrial real estate located at 303 New York Avenue and owned by Bonded Fiber and Quilting Inc. in accordance with Chapter 427B of the Iowa Code and Chapter 10A of the Des Moines Municipal Code.

WHEREAS, pursuant to Chapter 427B of the Iowa Code and Chapter 10A of the Des Moines Municipal Code, the City Council is authorized to give prior approval for a partial exemption from property taxation on the value to be added by new construction to industrial real estate; and

WHEREAS, Bonded Fiber and Quilting Inc. has requested that the City Council give such prior approval to a project involving the reconstruction and refitting of an industrial building at 303 New York Avenue which building improvements will cost approximately \$130,000; and

WHEREAS, pursuant to Section 1(a) of said Chapter 10A, the Iowa Department of Economic Development has recommended that the City Council approve the request for prior approval for partial tax exemption for the building reconstruction and refitting project which will constitute new construction on the basis that (1) the reconstruction of the building is required due to economic obsolescence, (2) the reconstruction is necessary to implement recognized industry standards for the manufacture and processing of specific products, and (3) the reconstruction is required for the owner of the building to continue to competitively manufacture or process those products; and

WHEREAS, pursuant to Section 3(2) of said Chapter 10A, before the City Council may give such prior approval to a proposal, it must schedule a public hearing and public notice of same, and "at least thirty days after such hearing the city council, by ordinance, may give its prior approval of a tax exemption"; and

WHEREAS, pursuant to Roll Call No. 98-309, dated February 3, 1998, the City Council scheduled the required public hearing for February 16, 1998, and authorized publication of notice thereof; and

WHEREAS, after due notice, the public hearing was held before the City Council on February 16, 1998; and

WHEREAS, at the conclusion of the public hearing, the City Council, pursuant to Roll Call No. 98-468, directed the Legal Department to prepare this ordinance for first consideration by the City Council on March 23, 1998, for the purpose of establishing this Council's prior approval of a partial tax exemption for the -2-

Bonded Fiber and Quilting Inc. reconstruction and refitting project in accordance with Section 3(2) of said Chapter 10A; NOW, THEREFORE,

Be It Ordained by the City Council of the City of Des Moines, Iowa:

Section 1. That the City Council finds that the entire industrial building reconstruction and refitting project of Bonded Fiber and Quilting Inc. costing approximately \$130,000 at 303 New York Avenue is in conformance with the zoning for the City and constitutes new construction eligible for a tax exemption under Chapter 427B of the Iowa Code and Chapter 10A of the Des Moines Municipal Code in that (1) the reconstruction of the building is required due to economic obsolescence, (2) the reconstruction is necessary to implement recognized industry standards for the manufacture and processing of specific products, and (3) the reconstruction is required for the owner of the building to continue to competitively manufacture or process those products; and

Sec. 2. That the exemption shall be available for five years for the portion of the project otherwise qualified and for which an exemption has not previously been granted, and the amount of such exemption shall be determined in accordance with the schedule set forth in Section 2 of Chapter 10A of the Des Moines Municipal Code. Sec. 3. That the exemption given prior approval hereunder shall be allowed only if the following requirement is satisfied:

a) The exemption is not allowable until all the new construction has been completed and found to be qualified real estate.

-3-

Sec. 4. That the proceedings to give prior approval for partial tax exemption by this ordinance for the industrial building reconstruction and refitting project of Bonded Fiber and Quilting Inc. are hereby determined to comply with Chapter 10A of the Des Moines Municipal Code.

Sec. 5. This ordinance shall constitute prior approval for partial tax exemption under Iowa Code Chapter 427B for the industrial building reconstruction and refitting project of Bonded Fiber and Quilting Inc.

Sec. 6. That a certified copy of this ordinance and Ordinance No. 11,038 shall be promptly forwarded to the County Assessor for Polk County, Iowa.

Sec. 7. This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

FORM APPROVED:

Lawrence R. McDowell

City Solicitor

Intergovernmental Programs