



Tax Increment Financing Policy

Adopted on:



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City of Marion Economic Development Policy

It shall be the policy of the City of Marion to use the City Council Adopted Strategic Plan, Comprehensive Plan, Urban Renewal Plans and area-specific development plans as the framework for the City's economic development activities. The Strategic Plan calls for specific support of the following economic development activities:

- Complete branding project
- Complete the next phase of the Central Corridor plan
- Construct major transportation corridors
- Design Uptown portion of Central Corridor project
- Investigate possibilities for airport development
- Develop a parking plan for Central Corridor
- Improve connectivity of major streets
- "Freshen-up" Uptown Marion
- Continue to move forward with Tower Terrace Road
- Enhance gateway/entryway beautification features/signage
- Enhance facilities for recreation (pools, gyms, library, performing arts center, etc.)
- Move forward with Library expansion project
- Move forward with Functions & Fitness project
- Continue support of Prospect Meadows
- Expand the trail system

The City also provides support to area organizations that help to incubate, foster and grow business operations by providing non-traditional collaborative environments.

The expected result of these activities are: increased economic activity, more jobs, lower unemployment, higher wages, greater property values, more tax revenues, more ownership and entrepreneurial opportunities and revitalization of underutilized or blighted areas.

The City will consider the use of financial incentive programs including City, State and Federal economic development funds, tax increment financing, public private partnerships and other tools in order to achieve the expected results.

It will be the policy of the City of Marion to endeavor to assist Marion-based businesses with expansion and to attract, recruit, retain, foster and develop business that is new to our



region or metropolitan statistical area (MSA) through the use of incentives. The City will not actively recruit business from other jurisdictions within our MSA unless a business is seeking to expand or a business is considering relocation outside the state. Should businesses from jurisdictions within our MSA wish to locate in Marion we will notify our neighboring jurisdiction of the interest per the terms of adopted Fair Play Agreements and Resolutions. It will be the general practice of the City of Marion to not provide economic incentives to businesses wishing to relocate from another jurisdiction within our MSA unless said business is seeking to expand or considering a relocation outside the state.

Projects requesting City financial assistance will be subject to a financial analysis which determines if City financial assistance is necessary. The analysis will examine all financing sources for a project and the project costs, with scrutiny of the developer's return based largely on developer equity and the maximization of project debt. Analysis will focus specifically on cash on cash rate of return and debt coverage requirements for the private financing. This process allows consideration of public financing that fills a gap and precludes undue enrichment to the developer. Special consideration may be given to projects where the City is competing outside our MSA for businesses, projects supporting development plans for a specific geographic area, and businesses identified by the Council as high quality jobs.

The use of TIF rebates shall be considered highly preferable to the alternative, "cash upfront" TIF. Cash-based incentives shall be considered only as a last resort if the financial analysis dictates that it is needed to make the project succeed and if it meets the goals of the Council's adopted plans for a TIF area. This type of assistance shall only be utilized for projects that exceed \$2.75m in capital investment, unless this provision is waived by the City Council. Additionally, cash incentives may only be awarded in the following order of preference:

- Direct loan repayable to the City of Marion as a residual receipts loan with full repayment by the developer at such time as sufficient equity exists in the project for the developer to refinance and repay the City in full;
- Direct loan repayable to the City of Marion as an interest-only loan with a balloon with full repayment by the developer at such time as sufficient equity exists in the project for the developer to refinance and repay the City in full;
- Forgivable loan based on achievement of milestones by the developer;
- Economic development incentive grant (only available if required by a companion source of public funding for a project, such as assistance provided through the State of Iowa).



Evaluative tools expected to be submitted shall include a financial pro-forma highlighting the developer equity contribution, cash on cash rate of return, and the relationship between expected project cash flow and the debt coverage ratio required by the private lender for the project. Verification of the debt coverage ratio and lending terms required by the private lender shall be required. Based on the initial analysis, the city reserves the right to request other written evaluation reports, established benefit metrics, and other performance tools as may be used to evaluate the use of economic incentives from the early stages of project development through the issuance of an incentive and post incentive to make sure the objectives are met.

Developers who receive incentives will be required to enter into development agreements which delineate the terms, conditions, understandings, expected results and the performance measures required for receiving incentives. For up front financing security is required.

When incentive programs are used, they will be used to maximize the benefits to the City of Marion. The dollar amount and time duration of the incentive shall be the smallest amount necessary to achieve the maximum amount of city benefit as determined by the City.

In return for public financial assistance, developers will be expected to meet all or some of the following minimum standards (not in priority order):

- Achieve high quality architectural and site design
- Offer energy efficiency and sustainability features beyond what is required through adopted building codes
- If a residential project, the contribution to an affordable housing fund or the provision of a certain percent of affordable housing units within the project that fill a need identified by the City
- Creation and/or retention of high quality jobs
- Developer equity (not including debt) to be equal to or greater than the public financing requested
- The redevelopment of underutilized and/or blighted properties
- Projects achieving public purposes as detailed in the Comprehensive Plan, Adopted Sub-area plans, Urban Renewal Area planning documents, and/or the City Council adopted Strategic Plan (or other plans as applicable).

Despite the need for the program to be flexible and nimble in order to respond to the ever changing economic conditions of the marketplace, it will be the policy of the City to ensure that the process of using incentives is an open and transparent public process which instills



confidence in the public's understanding of how economic development incentives are utilized.

See also companion documents:

- City of Marion Strategic Plan
- City of Marion Comprehensive Plan
- City of Marion Central Corridor Plan
- City of Marion Uptown Plan
- Neighborhood at Indian Creek Development Plan
- Marion Enterprise Center Zoning Ordinance
- Urban Renewal Plans for the following Urban Renewal Areas: Winslow Road, Tower Terrace West, 29th Avenue, REC, Marion Commerce Corridor, and Secrist Road.
- Urban Renewal Strategy Plan

City of Marion Tax Increment Financing Strategy Statement

The City of Marion has several different Urban Renewal Areas (URA's) that provide the opportunity for the City to use Tax Increment Financing (TIF). Each area was adopted with a particular focus to meet a specific need or set of needs in the community. This document outlines the intent of each district and sets the parameters for City-provided incentives in each URA. It is the intent of the Council that this be a basic guideline and act as a living document that changes as the needs of the community change over time.

Use of TIF requires a finding of Public Purpose for the use of City funds to support private development. By adopting this document, the Council is documenting that projects meeting the stated goals herein meet the Public Purpose test by meeting one or all of the following criteria: Addressing a public safety hazard; Expansion of the employer base; Expansion of the property tax base; Diversification of the property tax base; Diversification of Marion's employer base; Elimination of competitive barriers; Consistency with adopted plans for the URA; Meeting an identified community need; Remediation of brownfield areas; Meeting requirements for funding from other governmental entities; and specific purposes as the Council may outline for a particular project. Examples of the criteria may include, but are not limited to:

- Addressing a public safety hazard. Construction of public infrastructure to address a public safety need. Examples would include building a road to allow access to an area



that has been cut off from emergency services during flooding events, building a road that will reduce the response time of emergency services, provision of a safe room in public buildings, installation of outdoor warning sirens, installation or replacement of bridges to provide access to emergency equipment.

- Expansion of the employer base. Projects that expand the community employer base in general include recruitment of new businesses and expansion of existing local employers. Preference will be given to projects that provide full-time positions that meet or exceed the laborshed average wage and benefit package and those project that fit an identified niche in the community.
- Expansion of the property tax base. An expanded property tax base is key to keeping property taxes at a reasonable level for existing property owners. Examples would include projects that expand the commercial and industrial property tax base, including the support of municipal or nonprofit facilities that drive private investment. Residential projects may only be considered if there is a concrete, identified need in the community or consistency with a targeted development plan for an area. Specific examples would include the extension of infrastructure into areas to create development opportunities, regional stormwater detention, airport development, and partnerships to develop industrial or commercial business parks.
- Diversification of the property tax base. Reducing the community's reliance on the residential property tax base is a key priority of the city. Projects include business construction or expansion projects, commercial and mixed use historic preservation/restoration project, and infrastructure projects needed to ready areas for private investment.
- Diversification of Marion's employer base. Robust communities are not overly dependent on a limited number of large employers to provide job opportunities. A diverse business sector reduces risk to a community from sudden changes in the economy. Projects that do not duplicate the products or services offered by existing Marion employers will be given preference. Expansion of existing employers will be eligible as well.
- Elimination of competitive barriers. Competitive barriers include infrastructure that cannot support a particular business, such as upgrading intersections. Additional competitive barriers include incentives available in other communities that preclude Marion from being able to compete for a project, such as lack of available property



zoned and developed land. Specific projects examples include the Marion Enterprise Center, Industrial Center East, and the Tower Terrace West corridor.

- Consistency with adopted plans for the URA. Each urban renewal area has a statement of purpose provided when it was created. Additionally, some areas, such as the 29th Avenue URA and Marion Commerce Corridor URA, have plans that were adopted outlining specific development plans and priorities in those areas. Examples include multi-story mixed use buildings in the Marion Commerce Corridor URA, commercial at the 29th/35th intersection in the 29th Avenue URA, and commercial development in the Tower Terrace West URA.
- Meeting identified community need. Projects that fill a specific gap in the market will be considered based on studies conducted by the City or provided by others. Examples include senior housing that qualifies for tax credits through the State of Iowa, a hotel, or business projects that meet a local need.
- Remediation of brownfield areas. Eliminating hazards posed by brownfields is a longstanding public purpose. Projects include privately led redevelopment that creates new investment in an area, direct municipal expenses needed to correct environmental conditions, and public projects and remediate a site via land use controls.
- Meeting requirements for funding from other governmental entities. State and federal requirements for local matching funds shall be considered a public purpose. This would include direct financial assistance, tax credits, or other state and federal funding programs.
- Acceleration of tax base. If the providing assistance can be shown to accelerate the construction of facilities into an earlier year, the city may provide assistance. Acceleration may be applied in all identified districts.
- Highest and best use. Should public assistance result in a higher use of property than otherwise contemplated, the city may provide assistance. Highest and best use may be applied in all districts.
- Height bonus. In certain districts, the city may identify areas in which it is in the public interest to foster higher density through vertical construction. Development may qualify for additional incentives if needed to maintain project feasibility with additional floors. This may only be applied in identified districts or subareas within identified districts.



Tax Increment Financing Policy

- Specific purpose for a particular project. The council may adopt a public purpose statement for an individual project or category of projects if they do not meet any of the criteria in this policy.
- Publicly Owned Facilities. It shall be the policy of the city to voluntarily restrict the use of TIF revenues for public facilities to only those projects necessary to support development. Examples would include public parking (including structures) and public safety facilities where continued development of the community creates a need. Public attractions that are unique to the market may also be eligible (ex. public plaza, Prospect Meadows).

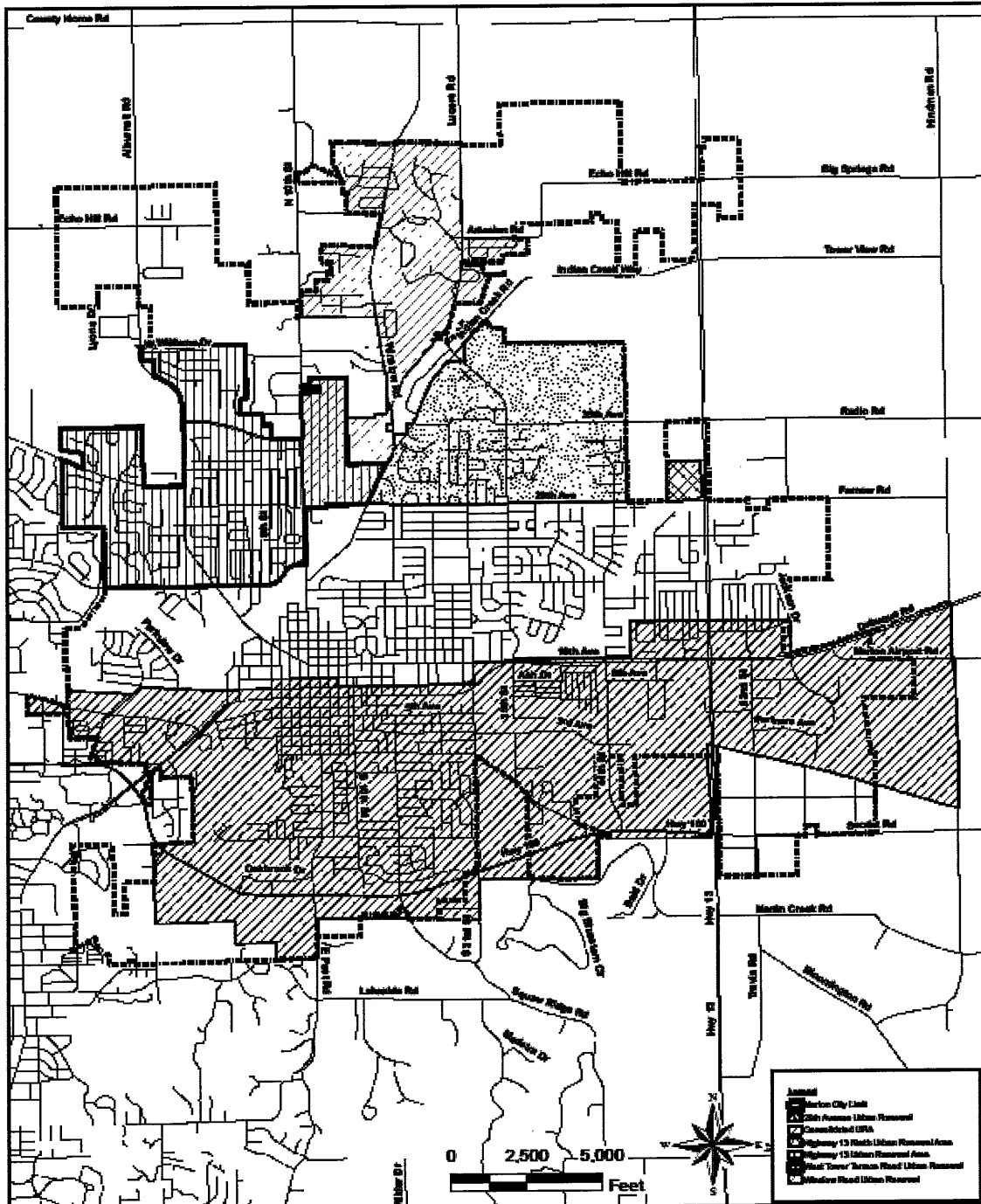
The following pages in this document outline the assistance parameters for each URA in the city, subject to the general provisions following this section. If future urban renewal areas are created, this document will be amended to include their information.

General Provisions:

The following provisions apply to all urban renewal areas, with the exception of the Marion Commerce Corridor district. It shall be the policy of the City of Marion that there is no automatic qualifier for incentives. Each project shall be reviewed on its own merits and subject to a financial analysis to determine an appropriate incentive, if any. The City reserves the right to have the financial analysis conducted by a third party firm if warranted as determined solely by the City. In the case of projects qualifying under the “acceleration” criteria, the incentive amount is limited to the equivalent of a 3 year 100% or 5 year 50% rebate.

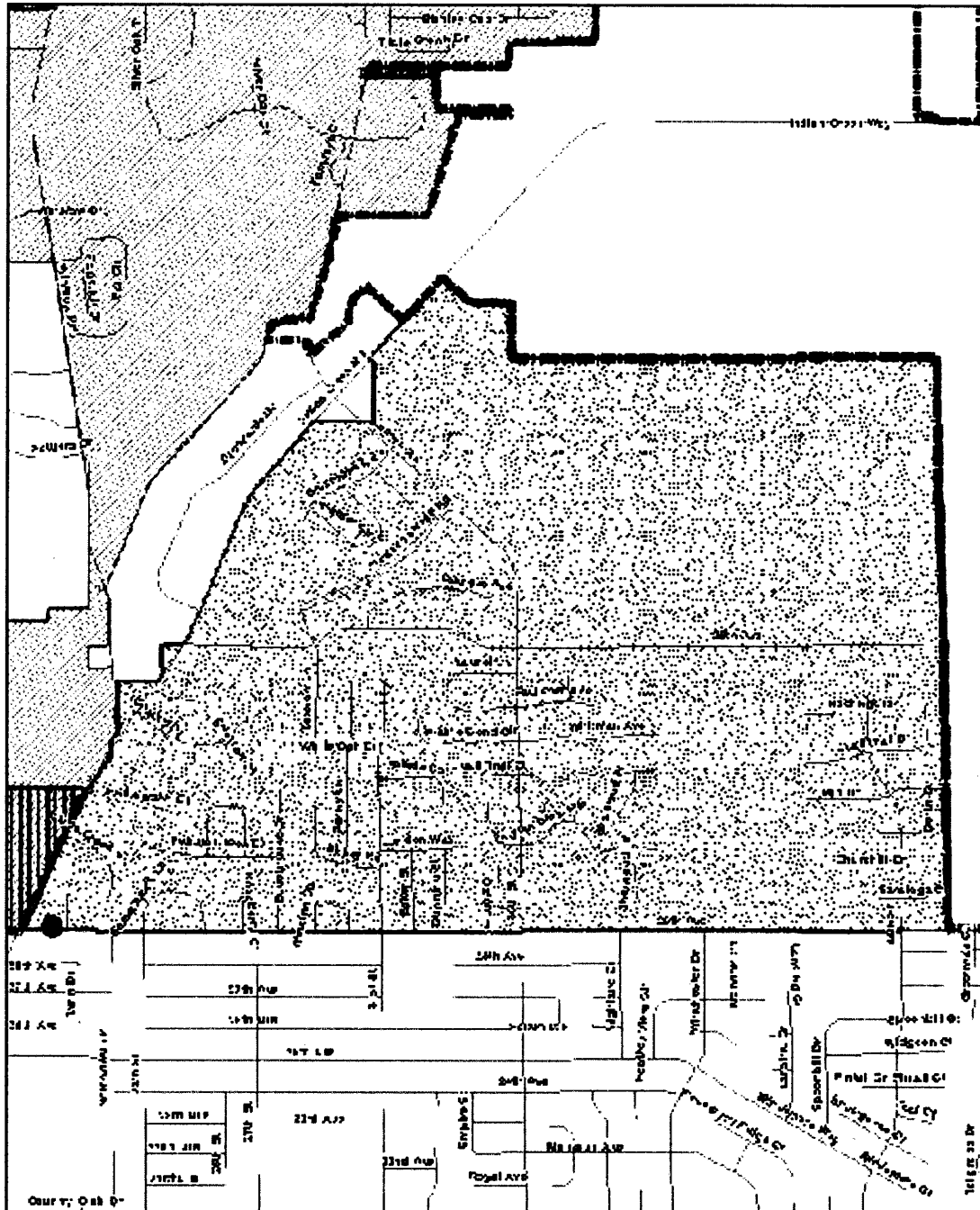


Marion TIF Districts May 2015





29th Avenue Urban Renewal Area



29th Avenue Urban Renewal Area
City of Marion

1 inch = 1,183 feet

Legend
— 100 ft



29th Avenue Urban Renewal Area

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. To stimulate through public action and commitment, private investment in new commercial, single-family and multi-family residential development.
2. To plan and provide sufficient land for new development in a manner that is efficient from the standpoint of providing municipal service.
3. To provide for installation and improvement of public works and facilities which contribute to the sound development of the entire City.
4. To increase the number of affordable residential units in the City that are safe, attractive and comfortable.
5. To provide a more marketable and attractive investment climate.
6. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.

Specific actions allowable under the URP:

1. To undertake and carry out Urban Renewal Projects through the execution of contracts and other instruments.
2. To arrange for or cause to be provided the construction or repair of public infrastructure including streets, water and sewer systems, public utilities or other facilities in connection with Urban Renewal Projects.
3. To provide for the construction of specific site improvements such as grading and site preparation activities, access roads and parking, fencing, utility connections, and related activities.
4. To make loans or grants to private persons or businesses for economic development purposes on such terms as may be determined by the City Council.
5. To borrow money and to provide security therefore.
6. To make or have made surveys and plans necessary for the implementation of the Urban Renewal Program or specific Urban Renewal Projects.
7. To use tax increment financing to achieve a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure.
8. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City of Marion and the State of Iowa.



Specific Projects from the adopted Neighborhood at Indian Creek Development Plan:

1. Projects surrounding and supporting a large centrally located park
2. Neighborhood square
3. Mixed use projects
4. Small commercial center supporting neighborhood needs
5. Projects improving walkability in the district

Projects excluded from eligibility for TIF assistance would include:

1. Single Family Housing
2. Multi-family housing (unless necessary to qualify for other state or federal investment-ex. senior housing tax credits or meeting an identified community need)

Additional projects that would be of particular interest in this district would include infrastructure improvements related to public safety and the continued extension of the Tower Terrace corridor.

Other applicable plans: Comprehensive Plan, Strategic Plan

Employer Based Commercial Projects:

Employer Based Commercial Negotiable depending on level of investment for building, quality of jobs created, and amount of jobs created with a target equivalent to a 5 year 100% rebate

Mixed Use Projects:

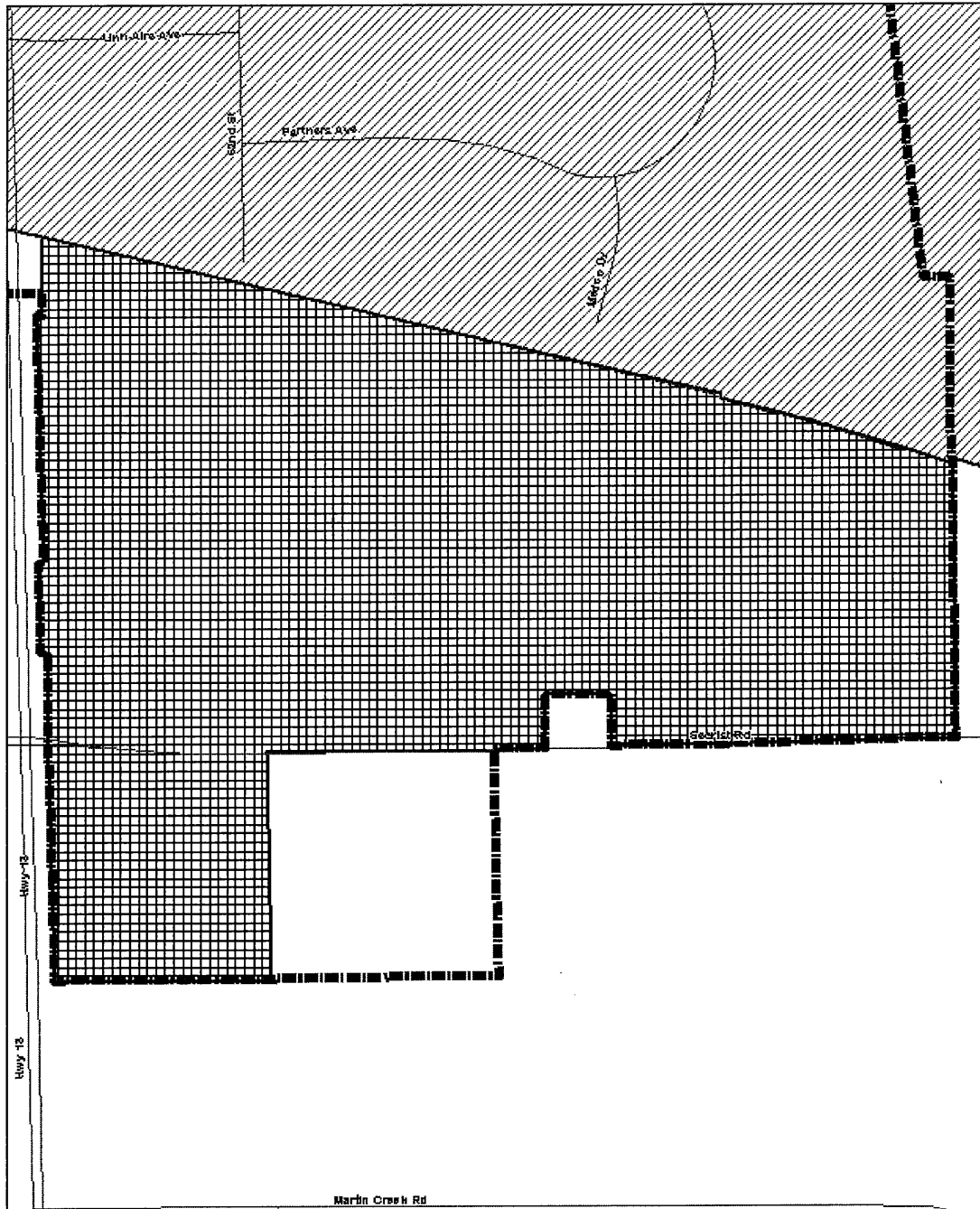
Mixed Use Projects Reviewable based on commercial value created (residential excluded)

Other Criteria:

Height Bonus Commercial properties and/or mixed use properties may be eligible for additional assistance if the density (and by extension the tax base created) can be increased on individual parcels by constructing additional floors in identified subareas of the district.



Highway 13 Urban Renewal Area



1 inch = 736 feet

City of Marion

Legend
— Roads



Highway 13 Urban Renewal Area

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. To stimulate through public action and commitment, private investment in new commercial, industrial, and multi-family residential development Address incompatible land use issues through zoning ordinance amendments, creation of an overlay zoning district and using site design to alleviate adverse impacts.
2. To plan for and provide sufficient land for new development in a manner that is efficient from the standpoint of providing municipal services.
3. To provide for the installation of public works and facilities which contribute to the sound development of the entire City.
4. To increase the number of affordable residential units in the City that are safe, attractive and comfortable.
5. To provide a more marketable and attractive investment climate.
6. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.

Specific actions allowable under the URP:

1. To undertake and carry out Urban Renewal Projects through the execution of contracts and other instruments.
2. Arrange for, or cause to be provided, the construction or repair of public infrastructure including streets, sidewalks, and public utilities in connection with development of the overall project area.
3. To provide for the construction of specific site improvements such as grading and site preparation activities, access roads and parking, fencing, utility connections, and related activities.
4. Make loans or grants to private persons or businesses for economic development purposes on such terms as may be determined by the City Council.



5. Borrow money and provide security therefore.
6. To make or have made surveys and plans necessary for the implementation of the Urban Renewal program or specific Urban Renewal projects.
7. To use tax increment financing to achieve a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure.
8. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City of Marion and the State of Iowa.

Additional projects that would be of particular interest in this district would include infrastructure improvements related to public safety and development of a robust north/south and east/west road network.

Other applicable plans: Comprehensive Plan, Strategic Plan, Airport Layout Plan, Land Use Plan (airport protection), Zoning Ordinance (airport protection)

Employer Based Commercial Projects

Employer Based Commercial Negotiable depending on level of investment for building, quality of jobs created, and amount of jobs created with a target equivalent to a 5 year 100% rebate

Mixed Use Projects

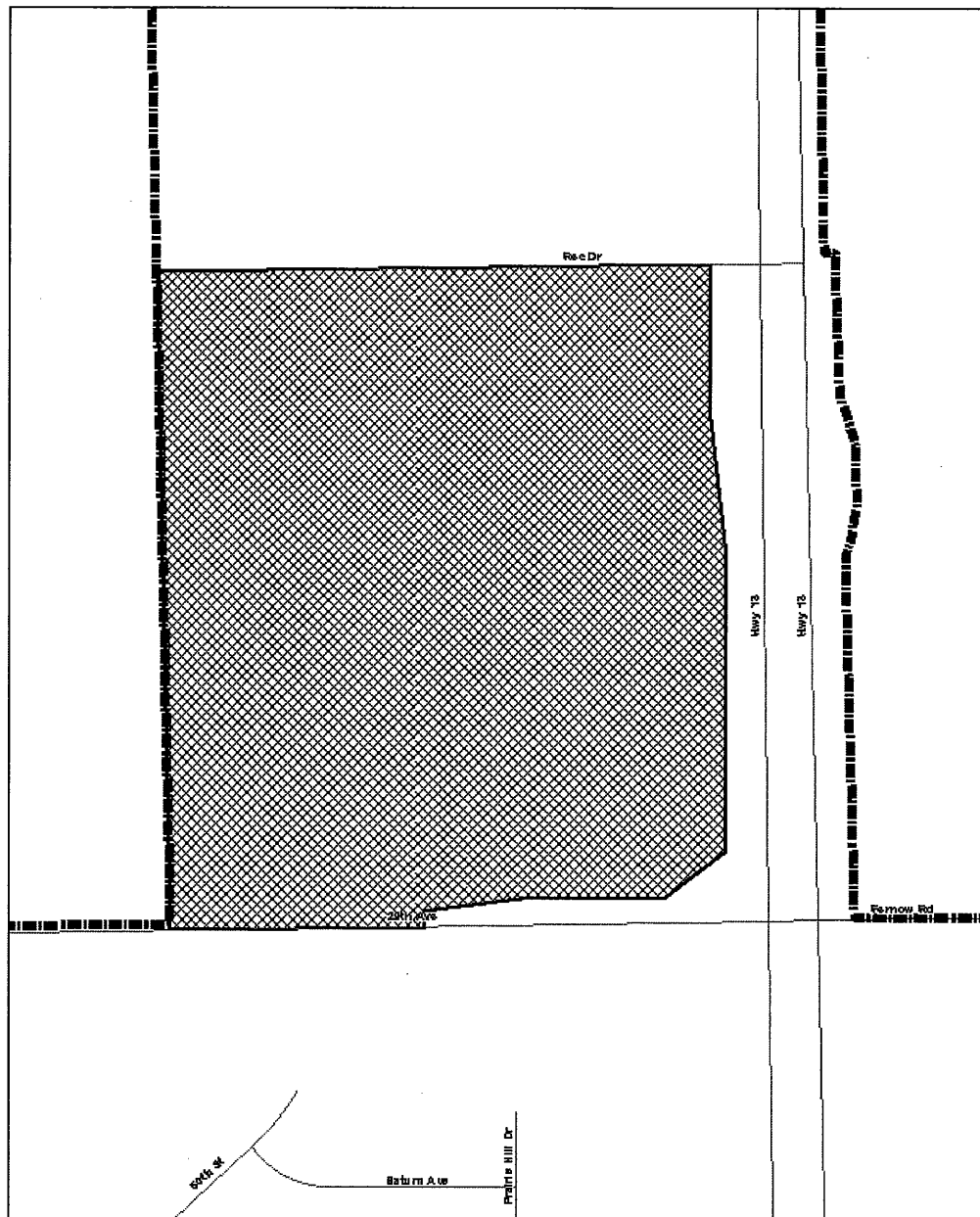
Mixed Use Projects Reviewable based on commercial value created (residential excluded)

Other Criteria

Height Bonus Commercial properties and/or mixed use properties may be eligible for additional assistance if the density (and by extension the tax base created) can be increased on individual parcels by constructing additional floors in identified subareas of the district.



Highway 13 North Urban Renewal Area



1 inch = 260 feet

City of Marion

Legend
— Florida



Highway 13 North Urban Renewal Area

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. To stimulate through public action and commitment, private investment in new commercial, industrial, and multi-family residential development.
2. To plan for and provide sufficient land for new development in a manner that is efficient from the standpoint of providing municipal services.
3. To provide for the installation of public works and facilities which contribute to the sound development of the entire City.
4. To increase the number of affordable residential units in the City that are safe, attractive and comfortable.
5. To provide a more marketable and attractive investment climate.
6. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.

Specific actions allowable under the URP:

1. To undertake and carry out Urban Renewal Projects through the execution of contracts and other instruments.
2. To arrange for or cause to be provided the construction or repair of public infrastructure including streets, water and sewer systems, public utilities or other facilities in connection with Urban Renewal Projects.
3. To provide for the construction of specific site improvements such as grading and site preparation activities, access roads and parking, fencing, utility connections, and related activities.
4. To make loans or grants to private persons or businesses for economic development purposes on such terms as may be determined by the City Council.
5. To borrow money and to provide security therefore.
6. To make or have made surveys and plans necessary for the implementation of the



Tax Increment Financing Policy

Urban Renewal Program or specific Urban Renewal Projects.

7. To use tax increment financing to achieve a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure.
8. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City of Marion and the State of Iowa.

Employer Based Commercial

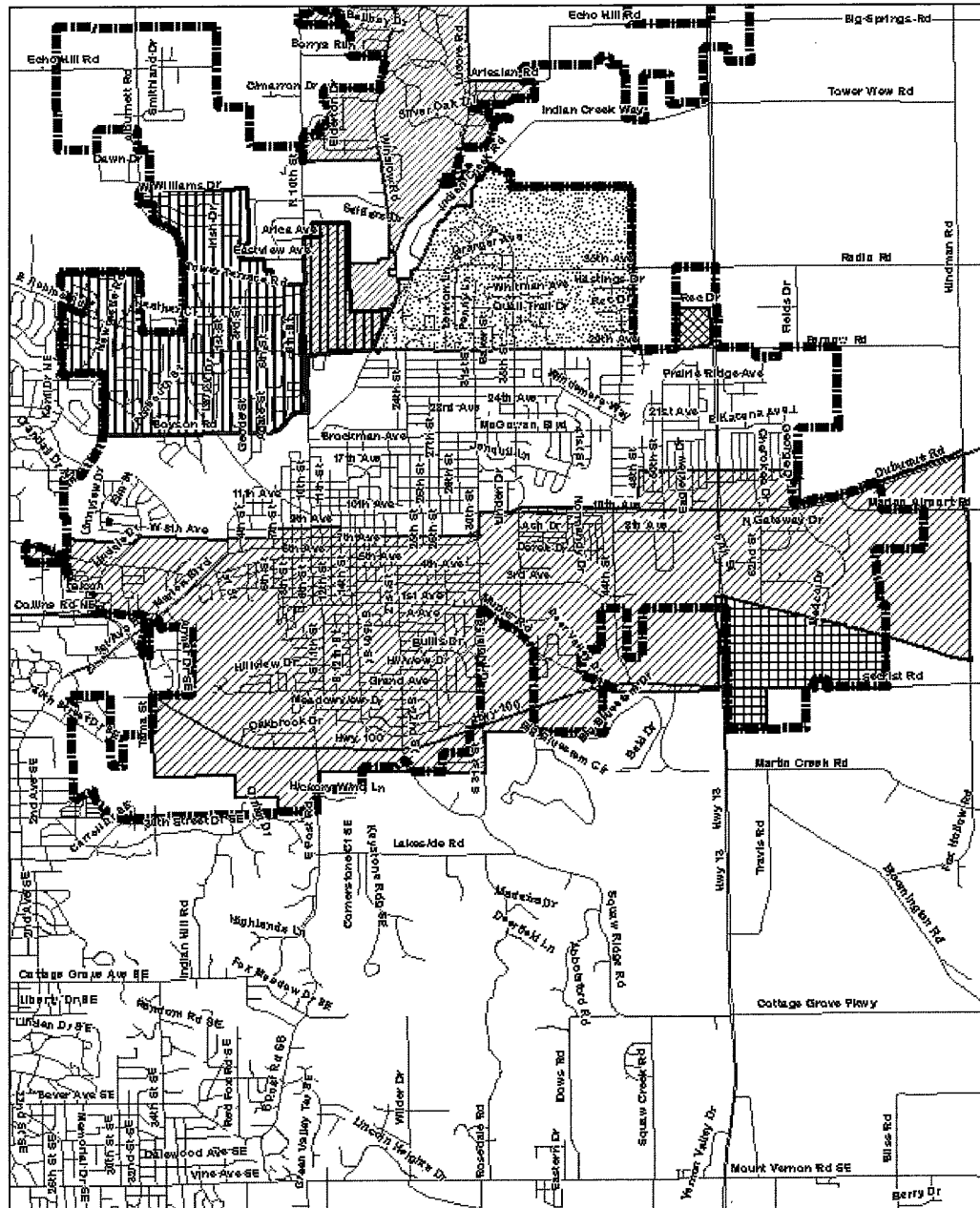
Employer Based Commercial Negotiable depending on level of investment for building, quality of jobs created, and amount of jobs created with a target equivalent to a 5 year 100% rebate

Mixed Use Projects

Mixed Use Projects
excluded)

Reviewable based on commercial value created (residential

Marion Commerce Corridor Urban Renewal Area



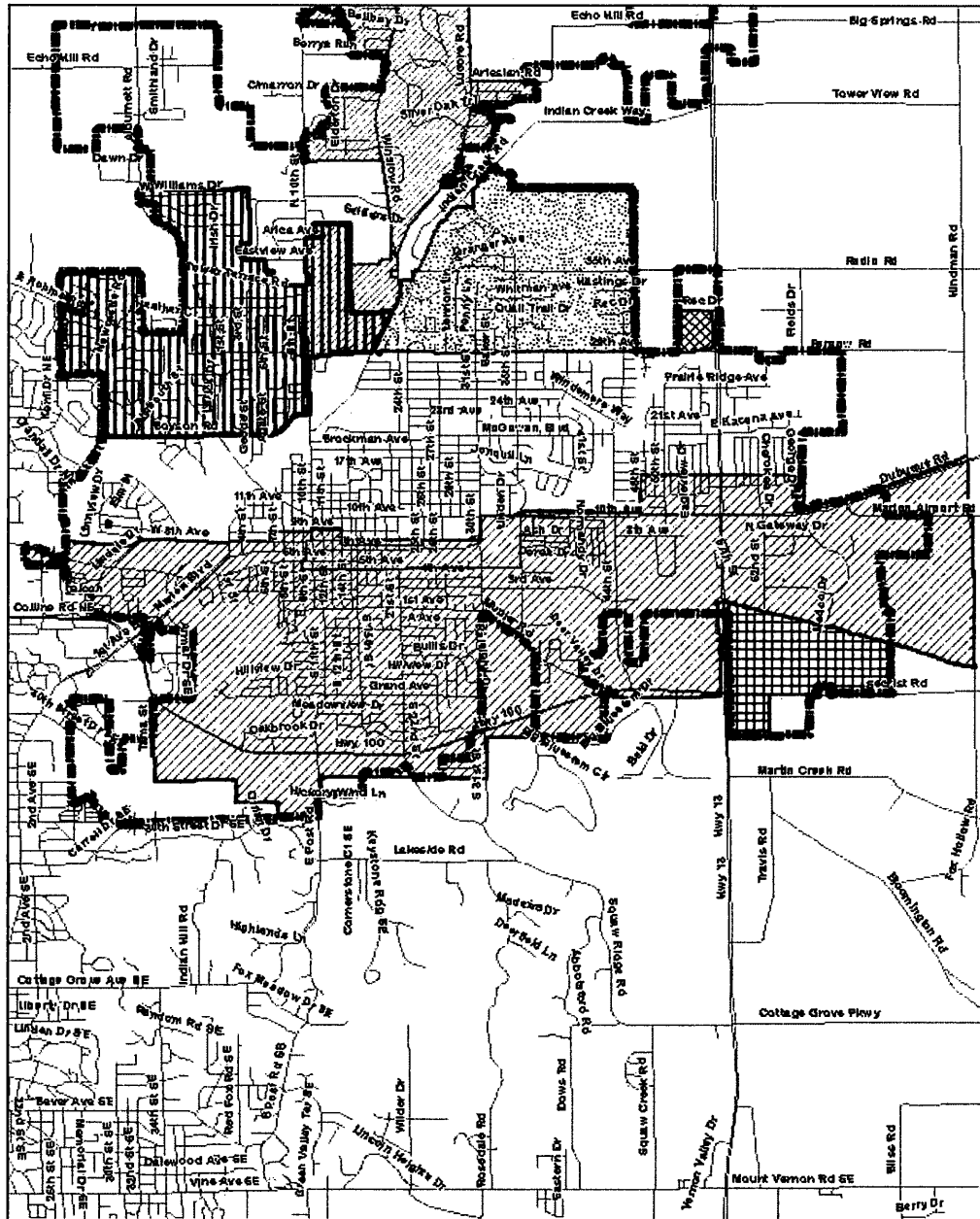
1 inch = 4,154 feet

City of Marion

Legend



Marion Commerce Corridor Urban Renewal Area
Showing Former Urban Revitalization District Boundaries



Marion Commerce Corridor Urban Renewal Area

City of Marion

1 inch = 4,154 feet

Legend
— Road



Marion Commerce Corridor Urban Renewal Area

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. To contribute to a diversified, well-balanced local economy by creating job opportunities and strengthening the property tax base.
2. To assist in providing land and resources for new and expanded commercial industrial development in a manner that is efficient from the standpoint of providing municipal services.
3. To stimulate through public action and commitment, private investment in commercial development, and to encourage commercial and industrial job retention, growth and expansion through the use of various federal, state and local incentives.
4. To provide municipal infrastructure, services and facilities that enhance possibilities for economic development and community attractiveness to private enterprise and alleviate the Blighted Conditions
5. To undertake projects, both public and private, targeted at the alleviation of the Blighted Conditions.
7. To assist in providing land and resources for new and expanded affordable residential development for families of low and moderate income in a manner that is efficient from the standpoint of providing municipal services.
8. To stimulate through public action and commitment, private investment in affordable residential development for families of low and moderate income through the use of various federal, state and local incentives, including tax increment financing.
9. To provide public facilities to enhance City services and enhance the economic attractiveness of the community.
10. To alleviate conditions of slum and blight in the Urban Renewal Area.
11. To provide a more marketable and attractive investment climate.

Specific actions allowable under the URP:

1. Preparation of plans related to the development and implementation of the Urban Renewal Areas and specific urban renewal projects.
2. Construction of public improvements and facilities, including streets, public utilities or other facilities in connection with an urban renewal project.
3. Construction of buildings or specific site improvements such as grading and site preparation activities, access roads and parking, railroad spurs, fencing, utility connections, and related activities.



Tax Increment Financing Policy

4. Acquisition, preparation and disposition of property for development and/or redevelopment.
5. Making available, as appropriate, financing for development projects, including conventional municipal borrowing and tax increment financing resulting from increased property values in the Urban Renewal Areas.
6. Pursuant to state law, provision of direct financial assistance, including grants, loans and tax increment rebate agreements, to private persons engaged in economic development, in such form and subject to such conditions as may be determined by the City Council.

Specific Projects from the Central Corridor Plan, Uptown Development Plan, and Branding Study:

1. Completion of traffic corridor and infrastructure improvements
2. Remediation of brownfield conditions
3. Projects improving walkability and access to all modes of transportation
4. Investments in public parking
5. Creation of a central plaza
6. Construction and/acquisition of a market pavilion
7. Lighting and signage enhancements
8. Public art
9. Identified “cornerstone” projects
10. Historic preservation
11. Mixed use projects
12. Housing projects that diversify housing types and stock in identified strategic areas
13. Projects that provide, upgrade, or enhance a buffer zone protecting the Pucker Street Historic District
14. Assembly of individual properties into larger parcels for redevelopment

Projects excluded from eligibility for TIF assistance would include (subject to the provisions in the base level assistance section):

1. Single family housing
2. Projects that convert properties from residential to commercial tax base, unless accompanied by a 200% increase in taxable value and in an area identified as a protection zone for Pucker Street



3. Projects under 1 acre in size, unless in areas specifically identified in central corridor plan documents or exempted by the city council due to unusual site characteristics (ex: undeveloped commercial lot platted prior to stormwater management standards)

Base level assistance:

The Marion Commerce Corridor URA is unique in that it replaced an urban revitalization area, under which property owners would have automatically qualified for a tax incentive based on a stepped down abatement schedule. At the time the district was formed, the city council made a commitment to honor that schedule for investments in the former revitalization area boundaries. Under the terms of this policy, the city council states that the city will honor that commitment until July 1, 2017, and after that it will sunset and projects will only be eligible under the remaining terms contained in this policy. The following terms will apply:

Urban Revitalization Project Eligibility Criteria

Property must have been classified as commercial as of 1/1/2010

Total project cost must be greater than \$200,000

Property must increase taxable value by at least 50% or \$100,000

Property must conform to adopted plans and design standards

Projects completed after 1/1/2018 are ineligible

If the property meets the above criteria, the assistance provided will be as follows. The project will not be subject to the financial analysis process used to evaluate TIF projects, as the city council is hereby doing a finding of public purpose that the project is eligible.

Revitalization Project Assistance: 5 year step down, 75%, 60%, 45%, 30%, 15%

Base level assistance, non-revitalization projects:

\$1-250,000

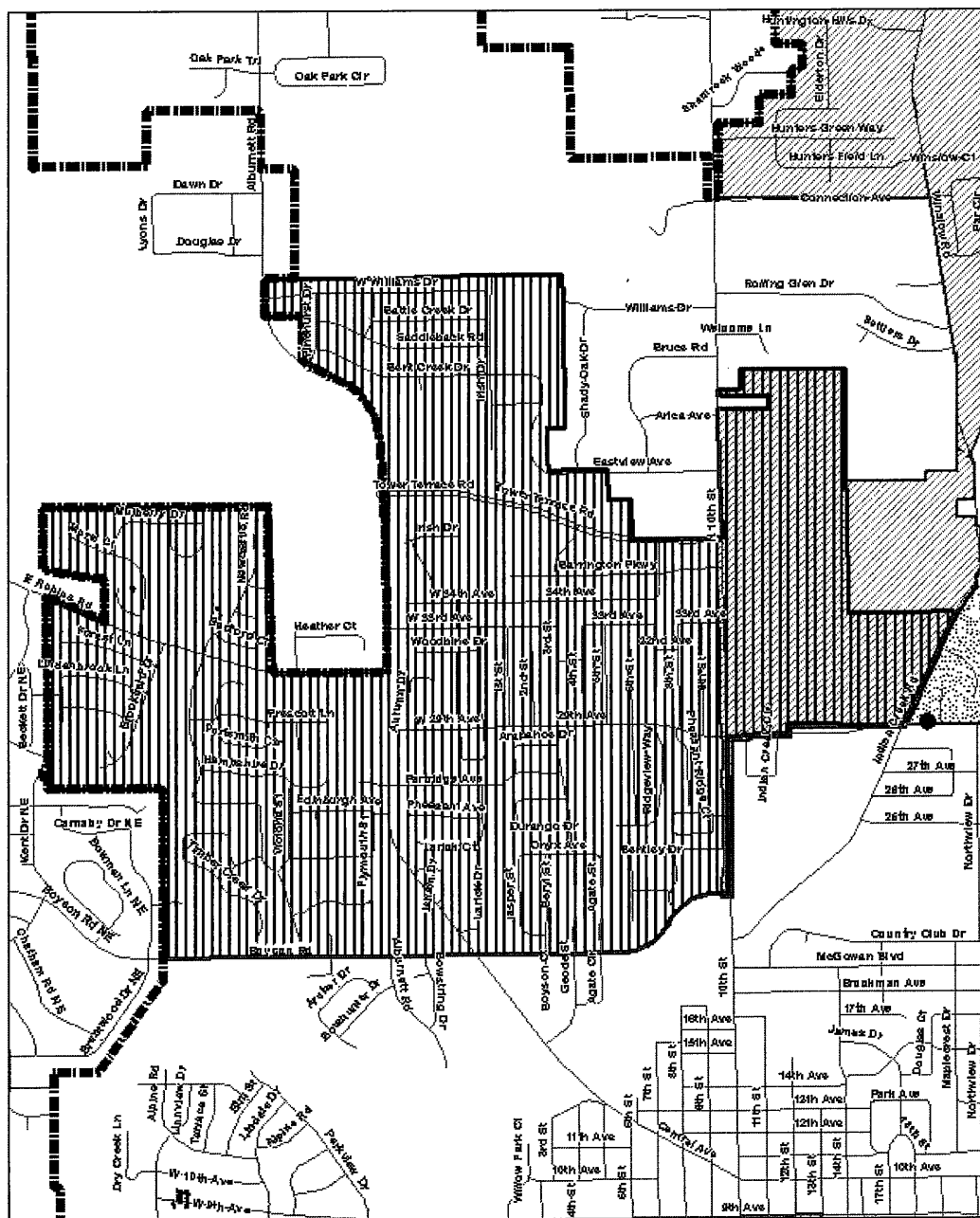
No base incentive, verified brownfield remediation projects eligible, historic preservation/restoration eligible, ADA upgrades eligible, modernization projects eligible (ex. adding elevator or sprinkler system)



Tax Increment Financing Policy

\$250,001 to \$500,000	No base incentive, verified brownfield remediation projects eligible, historic preservation/restoration eligible, ADA upgrades eligible, modernization projects eligible (ex. adding elevator or sprinkler system)
\$500,001 to \$750,000	No base incentive, verified brownfield remediation projects eligible, historic preservation/restoration eligible, ADA upgrades eligible, modernization projects eligible (ex. adding elevator or sprinkler system)
\$750,001 to \$1,000,000	No base incentive, verified brownfield remediation projects eligible, historic preservation/restoration eligible, ADA upgrades eligible, modernization projects eligible (ex. adding elevator or sprinkler system)
\$1,000,000 and up	No base incentive, verified brownfield remediation projects eligible, historic preservation/restoration eligible, ADA upgrades eligible, modernization projects eligible (ex. adding elevator or sprinkler system)
Acceleration, Highest Use	3 years 100% or 5 years 50%
Height Bonus	In targeted areas of district per adopted plans

Tower Terrace West Urban Renewal Area



1 inch = 1,500 feet

City of Marion

Legend



Tower Terrace West Urban Renewal Area

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. Contribute to a diversified, well-balanced economy provided for revitalization and development of commercial, office, open space, and mixed-use facilities within the project area and the resulting creation and retention of job opportunities and strengthening the tax base.
2. Address incompatible land use issues through zoning ordinance amendments, creation of an overlay zoning district and using site design to alleviate adverse impacts.
3. Plan and provide for commercial, office, open space, and mixed-use development consistent with City land use and development policies and regulations.
4. Facilitate commercial, office, open space, and mixed-use development through the use of appropriate and available incentives including various federal, state and local sources.
5. Help develop a sound economic base that will serve as the foundation for future growth and development within the overall project area.
6. Improve pedestrian access, incorporate aesthetic improvements, and develop public areas and public improvements that enhance the quality of the business and living environment of the area.

Specific actions allowable under the URP:

1. Undertake and carry out urban renewal projects through the execution of contracts and other instruments. Such urban renewal activities may include property acquisition and clearance, relocation of businesses and tenants, construction of public improvements, and provide assistance for private and public facilities.
2. Arrange for, or cause to be provided, the construction or repair of public infrastructure including streets, sidewalks, and public utilities in connection with development of the overall project area.



Tax Increment Financing Policy

3. Provide for the construction of specific site improvements including site grading and required utility relocations, to assist private development as deemed appropriate by the City Council, or to make grants or loans to developers for the costs thereof.
4. Make loans or grants to private persons or businesses for economic development purposes on such terms as may be determined by the City Council payable from appropriate revenue sources.
5. Borrow funds and provide security therefore.
6. Make, or have made, surveys and plans necessary for the implementation of the Urban Renewal program or specific Urban Renewal projects.
7. Use any or all other powers granted by Chapter 403 and Chapter 15A, Code of Iowa, to develop and provide for improved economic conditions for the City of Marion and State of Iowa; including forgivable loans and issuance of bonds.

Projects excluded from eligibility for TIF assistance would include:

1. Single Family Housing
2. Multi-family housing (unless necessary to qualify for other state or federal investment-ex. senior housing tax credits)

Additional projects that would be of particular interest in this district would include infrastructure improvements related to public safety and the continued extension of the Tower Terrace corridor.

Other applicable plans: Comprehensive Plan, Strategic Plan

Employer Based Commercial Projects:

Employer Based Commercial Negotiable depending on level of investment for building, quality of jobs created, and amount of jobs created with a target equivalent to a 5 year 100% rebate



Tax Increment Financing Policy

Mixed Use Projects:

Mixed Use Projects

Reviewable based on commercial value created (residential excluded)

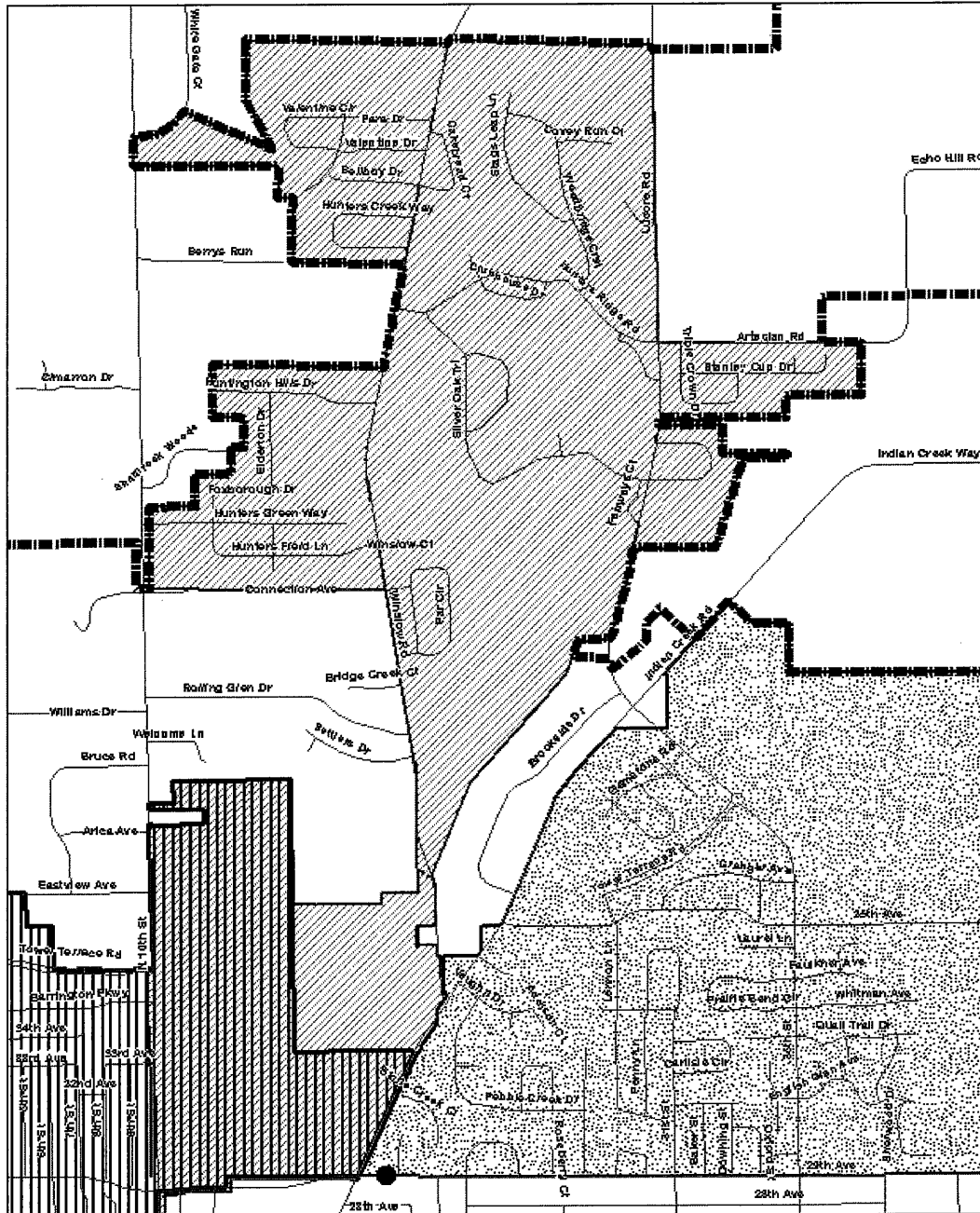
Other Criteria:

Height Bonus

Commercial properties and/or mixed use properties may be eligible for additional assistance if the density (and by extension the tax base created) can be increased on individual parcels by constructing additional floors in identified subareas of the district



Winslow Road Urban Renewal Area (Housing Based District)



1 inch = 1,351 feet

City of Marion

Legend
Housing Based District



Winslow Road Urban Renewal Area (Housing Based District)

Projects supporting the following objectives will be eligible for assistance under the TIF usage policy in this district. While not an exhaustive list, this section defines the types of projects the City Council has declared as priorities in this district.

Objectives defined in the Urban Renewal Plan:

1. To stimulate through public action and commitment, private investment in new commercial, single-family and multi-family residential development.
2. To plan and provide sufficient land for new development in a manner that is efficient from the standpoint of providing municipal service.
3. To provide for installation and improvement of public works and facilities which contribute to the sound development of the entire City.
4. To increase the number of affordable residential units in the City that are safe, attractive and comfortable.
5. To provide a more marketable and attractive investment climate.
6. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.

Specific actions allowable under the URP:

1. To undertake and carry out Urban Renewal Projects through the execution of contracts and other instruments.
2. To arrange for or cause to be provided the construction or repair of public infrastructure including streets, water and sewer systems, public utilities or other facilities in connection with Urban Renewal Projects.
3. To provide for the construction of specific site improvements such as grading and site preparation activities, access roads and parking, fencing, utility connections, and related activities.
4. To make loans or grants to private persons or businesses for economic development purposes on such terms as may be determined by the City Council.
5. To borrow money and to provide security therefor.



Tax Increment Financing Policy

6. To make or have made surveys and plans necessary for the implementation of the Urban Renewal Program or specific Urban Renewal Projects.
7. To use tax increment financing to achieve a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure.
8. To use any or all other powers granted by the Urban Renewal Act to develop and provide for improved economic conditions for the City of Marion and the State of Iowa.

Specific actions allowable under the URP for residential development:

Tax increment revenues may be used by the City to pay the cost of public improvements which are needed for residential development. If the City decides to utilize tax increment financing to support residential development in the district, then a percentage of the incremental revenues (or other revenues) generated by the project will be used to provide assistance to low-and-moderate income families. This assistance can be provided either in this district or in other areas of the City.

Unless a reduction is approved by the Iowa Department of Economic Development, the percent of incremental revenues used to provide low-and-moderate income assistance will be at least equal to the percentage of low-and-moderate income families living in Linn County. Low-and-moderate income families are those whose incomes do not exceed 80% of the median county income.

The type of assistance provided to low-and-moderate income housing, available anywhere within the City limits, may include but is not necessarily limited to:

1. Under appropriate circumstances, the construction of public improvements.
2. The construction of low-and-moderate income housing.
3. Owner/renter-occupied housing rehabilitation.
4. Grants, credits or other direct assistance to low-and-moderate income families.
5. Homeownership assistance.
6. Tenant-based rental assistance.
7. Downpayment assistance.
8. Mortgage interest buy-down assistance.

Projects excluded from eligibility for TIF assistance would include:



Tax Increment Financing Policy

1. Direct Assistance to Market Rate Single Family Housing

Additional projects that would be of particular interest in this district would include infrastructure improvements related to public safety and development of a robust north/south and east/west road network.

Other applicable plans: Comprehensive Plan, Strategic Plan



Appendix A: TIF Application Form