

## **Incentive Policy for Industrial Districts**

The City of West Des Moines has an opportunity to spur the construction of buildings within its industrial districts. In most cases these types of projects do not qualify for the City's standard economic development incentives. However, because of the positive economic nature of these projects, the City of West Des Moines needs to develop an incentive policy in order for the City to be competitive.

Staff is recommending to the City Council the following parameters for the City's Industrial District Incentive policy:

- In order to qualify for the Industrial District Incentive policy, the company must be a permitted or conditionally permitted use in the Business Park, Light Industrial, General Industrial, Valley Junction Light Industrial, and Warehouse Retail zoning districts.
- The incentive will only be given on new taxable building valuation attributable to new construction as assessed by the county assessor within an active or proposed urban renewal area.
- The construction must take place in one of the above named districts.
- The incentive will be based on a five year sliding scale with the first year of the incentive being a 75% rebate of the tax increment revenues generated by the agreed-upon improvements, the second year a 60% rebate, the third year a 45% rebate, the fourth year a 30% rebate, and the fifth year a 15% rebate with all rebates being subject to a non-appropriation in any given year. This schedule shall be followed unless an alternative schedule is adopted by the City Council.
- The City will grant a five (5) year graduated scale tax rebate to those companies that construct improvements with a minimum value of \$250,000 of new property taxable value as assessed by the county assessor.
- The property owner receiving the tax rebate must waive their right to any other property tax rebate or abatement contained in State of Iowa or City code.
- The approval of this policy does not imply that any legal entitlement is granted or that any business that meets the identified requirements will be offered the incentive.
- No legal entitlement is expressed or implied through the Financial Incentive Policy and the City Council may decide when and if to use the incentive outlined in this policy.
- For companies currently located in the City, incentives could only be offered if the business can demonstrate that their current facilities are inadequate or under capacity to fulfill their operational needs of the business within the City such that relocation is necessary to continue operations within the City.
- Request for assistance under this program must be made to the City Council at the time of site plan approval by the City Council or Board of Adjustment.
- For the life of the tax rebate, the company must maintain occupancy in the facility for which they are receiving the rebate.