

Title 3  
REVENUE AND FINANCE

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Chapter 3.01  
BUDGET

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3.01.010 Budget Adoption. Annually, the City shall prepare and adopt a budget, and shall certify taxes as follows: (Code of Iowa, Sec. 384.16)

1. A budget shall be prepared for the next fiscal year.  
The proposed budget shall show estimates of the following:

- a. Expenditures for each program.
- b. Income from sources other than property taxation
- c. Amount of anticipated property tax revenues generated through property taxation, and the property tax rate expressed in dollars per one thousand dollars (\$1,000.00) valuation.

The budget shall show comparisons between the estimated expenditures in each program in the following year and the actual expenditures in each program during the two preceding years. Wherever practicable, as provided in rules of the State City finance committee, a budget shall show comparisons between the levels of service provided by each program as estimated for the following year and actual levels of service provided by each program during the two (2) preceding years.

2. Not less than twenty (20) days before the date that the budget must be certified to the County Auditor and not less than ten days before the date set for the hearing, , the Clerk shall provide sufficient number of copies of the budget to meet reasonable demands of taxpayers, and have them available for distribution at the offices of the Mayor and Clerk and at the Denver Public Library.

3. The City Council shall set a time and place for public hearing on the budget before the final certification date and shall publish notice before the hearing as provided in Iowa law. Proof of publication shall be filed with the County Auditor.

4. At the hearing, any resident or taxpayer of the City may present to the City Council objections to any part of the budget for the following fiscal year or arguments in favor of any part of the budget.

5. After the hearing, the City Council shall adopt a budget for at least the following fiscal year, and the Clerk shall certify the necessary tax levy for the following year to the County Auditor and the County Board of Supervisors. The tax levy certified might be less than but not more than the amount estimated in the proposed budget, unless an additional tax levy is approved at a City election. Two (2) copies of the complete budget as adopted shall be transmitted to the County Auditor.

3.01.020 Budget Amendment. The City budget as finally adopted for the following fiscal year becomes effective first day of July and constitutes the City appropriation for each program and purpose specified therein until amended. The City budget for the current fiscal year may be amended for any of the following purposes: (Code of Iowa, Sec. 384.18)

1. To permit the appropriation and expenditures of unexpended unencumbered cash balances on hand at the end of the preceding fiscal year, which had not been anticipated in the budget.

2. To permit the appropriation and expenditure of amounts anticipated to be available from sources other than property taxation, and which had not been anticipated in the budget.

3. To permit transfers from the debt service fund, the capital improvements reserve fund, the emergency fund, or other funds established by State law, to any other City fund, unless specifically prohibited by State law.

4. To permit transfers between programs within the general fund.

The budget amendment shall be prepared and adopted in the same manner as the original budget, and is subject to protest as provided in Section 3.030 of this chapter, except that the City Finance Committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest.

3.01.030 Budget Protest. Within a period of ten (10) days after the final date that the budget or amended budget may be certified to the County Auditor, persons affected by the budget may file a written protest with the County Auditor, specifying their objection to the budget or any part of it. A protest must be signed by qualified voters equal in number to one-fourth (1/4) of one (1) percent of the votes cast for governor in the last preceding general election in the City, but not less than ten (10) persons. (Code of Iowa, Sec. 384.19)

3.01.040 Accounts and Programs. The City shall keep separate accounts corresponding to the programs and items in its adopted or amended budget, as recommended by the State City Finance Committee. The City shall keep accounts, which show an accurate and detailed statement of all public funds collected, received, or expended for any City purpose, by any City officer, employee, or other person, and which show the receipt, use, and disposition of all City property. Public monies may not be expended or encumbered except under an annual or continuing appropriation. (Code of Iowa, Sec. 384.20)

3.01.050 Annual Report. Not later than the first day of December of each year the City shall publish an annual report containing a summary for the preceding fiscal year of all collections and receipts, all accounts due the City, and all expenditures, the current public debt of the City, and the legal debt limit of the City for the current fiscal year. A copy of this report shall be furnished to the Auditor of State. (Code of Iowa, Sec. 384.22)

3.01.060 Council Transfers. When the City Clerk determines that one (1) or more appropriation accounts need added authorizations to meet required expenditures therein the City Clerk shall inform the City Council or if the City Council upon its own investigation so determines, and another account within the same programs has an appropriation in excess of foreseeable needs, or, in the case of a clear emergency or unforeseeable need, the contingency account has an unexpended appropriation which alone or with the other accounts can provide the needed appropriations, the City Council shall set forth by resolution the reductions and increases in the appropriations and the reason for such transfers. Upon the passage of the resolution and approval by the Mayor, as provided by law for resolutions, the City Clerk shall cause the transfers to be set out in full in the minutes and be included in the published proceedings of the City Council. Thereupon the Clerk, and where applicable, the City Treasurer, shall cause the appropriation to be revised upon the appropriation expenditure ledgers of the City, but in no case shall the total of the appropriation of a program be increased except for transfers from the contingency account nor shall the total appropriation for all purposes be increased except by a budget amendment made after notice and hearing as required by law for such amendments. (IAC, Sec. 545.2.4(384.388))

3.01.070 Administrative Transfers. The City Clerk shall have power to make transfers within a single activity between objects of expenditures within activities without prior City Council approval. The City Clerk shall have the power to make transfers between activities or between sub-programs without Prior City Council approval to meet expenditures, which exceed estimates or are unforeseen but necessary to carry out City Council directives or to maintain a necessary service and provide the required appropriation balance. Such transfers shall not exceed five (5%) percent at any one time of the activity's annual appropriation which is increased or decreased. However, when a given transfer, considering all previous transfers to or from any activity to exceed by ten percent (10%) greater or ten (10%) percent less than the original appropriation, it shall be presented to the City Council as a resolution including all such administrative transfers to date in the fiscal year for consideration and passage as presented, or as amended by the City Council. (IAC, Sec. 545.2.4(384.388))

3.01.080 Budget Officer. The City Administrator shall be the City budget officer and is responsible for preparing the budget data in cooperation with the City Council or Mayor. The City Clerk shall be responsible for carrying out the authorizations and plans in the budget as set forth in the budget, subject to City Council control and the limitations set out in this Ordinance. (Code of Iowa, Sec. 372.13(4))

3.01.090 Expenditures. The spending limit for each employee is a maximum of \$400 per item. No item should be purchased in excess of \$400 without prior Council authorization. Employee spending may exceed the \$400 limit in the event of a bona fide emergency. The employee

exceeding the spending limit in emergency situations should report them to the Council at its next regularly scheduled meeting.

3.01.100 Authorizations to Expend. All purchase orders other than those excepted herein shall be authorized by the City budget officer after determining whether the purchase, if a major item, has been authorized by the budget or other City Council approval. The Clerk shall then determine whether a purchase order may be issued by checking the availability of an appropriation sufficient to pay for such a purchase. A purchase order may be issued only if there is an appropriation sufficient for the purchase and for other anticipated or budgeted purposes. If no adequate appropriation is available for the expenditure contemplated the Clerk shall not issue a purchase order until a budget amendment to transfer of appropriation is made in accordance with power delegated by City Council and within the limits set by law and the City Council. The Clerk shall draw a warrant/check only upon an invoice received, or progress billing for a public improvement, supported by a purchase order and a signed receipt or other certification indicating the material has been delivered of the quality and in the quantities indicated or the services have been performed satisfactorily to the extent invoiced. (Code of Iowa, Sec. 721.2(1))

3.01.110 Accounting. The Clerk shall set up and maintain books of original entry to provide a chronological record of cash received and disbursed through all receipts given and warrants written, which receipts and warrants shall be renumbered, in accordance with modern, accepted methods, and the requirement of the state. The Clerk shall keep a general ledger controlling all cash transactions, budgetary accounts and recording unappropriated surpluses. Warrants/checks shall be signed by the City Clerk. (Code of Iowa, Sec. 384.20)

3.01.120 Budget Accounts. The Clerk shall set up such individual accounts to record receipts by source and expenditures by program and purpose as will provide adequate information and control for budgetary purposes as planned and approved by the City Council. Each individual account shall be maintained within its proper fund as required by City Council order or State law and shall be so kept that receipts can be immediately and directly compared with specific estimates and expenditures can be related to the appropriation which authorized it. No expenditure shall be posted except to the appropriation for the function and purpose for which the expense was incurred. (Code of Iowa, Sec. 384.20)

3.01.130 Contingency Accounts. Whenever the City Council shall have budgeted for a contingency account the Clerk shall set up in the accounting records but the Clerk shall not charge any claim to a contingency account. Said contingency accounts may be drawn upon only by City Council resolution directing a transfer to a specific purpose account within its fund and then only upon compelling evidence of an unexpected and unforeseeable need or emergency. All administrative transfers shall be reported in writing at the next regular meeting of the City Council after being made and the fact set out in the minutes for the information of the Mayor and City Council.

3.01.140 TIF Financing. Provisions for Division of Taxes levied on Taxable Property in the Urban Renewal Project. After the effective date of this ordinance, the taxes levied on the taxable property in the Urban Renewal Project each year by and for the benefit of the State of Iowa, the

City, the County, and any school district or other taxing district in which the Urban Renewal Project is located, shall be divided as follows:

1. (a) Unless otherwise provided in this section, that portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the urban renewal area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the municipality certifies to the county auditor the amount of loans, advances, indebtedness, or bonds payable from the division of property county auditor the amount of loans, advances, indebtedness, or bonds payable from the division or property tax revenue, or on the assessment roll last equalized prior to the date of initial adoption of the urban renewal plan if the plan was adopted prior to July 1, 1972, shall be allocated to and when collected be paid into the fund for respective taxing district as taxes by or for the taxing district into which all other property taxes are paid. However, the municipality may choose to divide that portion of the taxes which would be produced by levying the municipality's portion of the total tax rate levied by or for the municipality upon the total sum of the assess value of the taxable property in the urban renewal area, as shown on the assessment roll as of January 1 of the calendar year preceding the effective date of the ordinance and if the municipality so chooses, an affected taxing entity may allow a municipality to divide that portion of the taxes which would be produced by levying the affected taxing district's portion of the total tax rate levied by or for the affected taxing entity upon the total sum of the assessed value of the taxable property in the urban renewal area, as shown on the assessment roll as of January 1 of the calendar year preceding the effective date of the ordinance. This choice to divide a portion of the taxes shall not be construed to change the effective date of the division of property tax revenue with respect to an urban renewal plan in existence on October, 1994.

b. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in an urban renewal area on the effective date of the ordinance or initial adoption of the plan, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll applicable to property in the annexed territory as of January 1 of the calendar year preceding the effective date of the ordinance, which amends the plan to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.

(b) For the purposes of dividing taxes under section 260E.4, the applicable assessment roll for purposes of paragraph "a" shall be the assessment roll as of January 1 of the calendar year preceding the first written agreement providing that all or a portion of program costs are to paid for by incremental property taxes. The community college shall file a copy of the agreement with the appropriate assessor. The assessor may, within fourteen days of such filing, physically inspect the applicable taxable business property. If upon such inspection the assessor determines that there has been a change in the value of the property from the value as shown on the assessment roll as of January 1 of the calendar year preceding the filing of the agreement and such change in value is due to new construction, additions or improvements to existing structures, or remodeling of existing structures for which a building permit was required, the assessor shall promptly determine the value of the property as of the inspection in the manner provided in chapter 441 and that value shall be included for purposes of the jobs training project in the assessed value of the employer's taxable business property as shown on the assessment roll as of January 1 of the calendar year preceding the filing of the agreement. The assessor, within thirty days of such filing, shall notify the community college and the employer or business

of that valuation which shall be included in the assessed valuation for purposes of this subsection and section 260E.4. The value determined by the assessor shall reflect the change in value due solely to new construction, and additions or improvements to existing structures, or remodeling of existing structures for which a building permit was required.

1. That portion of the taxes each year in excess of such amount shall be allocated to and when collected to be paid into a special fund of the municipality to pay the principal of and interest on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, including bonds issued under the authority of section 403.9, subsection 1, incurred by the municipality to finance or refinance, in whole or in part, an urban renewal project within the area, and to provide assistance for low and moderate income family housing as provided in section 403.22, except that taxes for the payment of bonds and interest of each taxing district must be collected against all taxable property within the taxing district without limitation by provisions of this subsection. Unless and until the total assessed valuation of the taxable property in an urban renewal area exceeds the total assessed value of the taxable property in such area as shown by the last equalized assessment roll referred to in subsection 1, all of the taxes levied and collected upon the taxable property in the urban renewal area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness and bonds, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in such urban renewal area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

1. The portion of taxes mentioned in subsection 2 and the special fund into which they shall be paid, may be irrevocably pledged by a municipality for the payment of the principal and interest on loans, advances, bonds issued under the authority of section 403.9, subsection 1, or indebtedness incurred by a municipality to finance or refinance, in whole or in part, the urban renewal project within the area.

2. As used in this section the word "taxes" includes, but is not limited to, all levies on ad valorem basis upon land or real property.

3. A municipality shall certify to the county auditor on or before December 1 the amount of loans, advances, indebtedness, or bonds which qualify for payment from the special fund referred to in subsection 2, and the filing of the certificate shall make it a duty of the auditor to provide for the division of taxes in each subsequent year until the amount of the loans, advances, indebtedness, or bonds is paid to the special fund. In any year, the county auditor shall, upon receipt of a certified request from a municipality filed on or before December 1, increase the amount to be allocated under subsection 1 in order to reduce the amount to be allocated in the following fiscal year to the special fund, to the extent that the municipality does not request allocation to the special fund of the full portion of taxes which could be collected. Upon receipt of a certificate from a municipality, the auditor shall mail a copy of the certificate to each affected taxing district.

4. Tax collections within each taxing district may be allocated to the entire taxing district including the taxes on the valuations determined under subsection 1 and to the special fund created under subsection 2 in the proportion of their taxable valuations determined as provided in this section.

## Chapter 3.15

## DENVER URBAN RENEWAL DISTRICT

## Sections:

- 3.15.010 Purpose
- 3.15.020 Denver Urban Renewal District
- 3.15.030 Legal Description of Denver Urban Renewal District No. 1
- 3.15.040 Legal Description of Denver Urban Renewal District No. 2
- 3.15.050 District Area Objectives
- 3.15.060 Types of Renewal Activities
- 3.15.070 Property Acquisition/Project Review
- 3.15.080 Property Disposition
- 3.15.090 Relocation
- 3.15.100 Urban Renewal Plan Amendments
- 3.15.110 Effective Date

3.15.010 Purpose. This urban renewal plan has been developed to help local officials promote economic development in the City of Denver. The primary goal of the plan is to stimulate, through public involvement and commitment, private investment in commercial, industrial and residential development and to create a sound economic base that will serve as the foundation for future growth and development.

In response to a national initiative, an urban renewal program for cities in Iowa was created during the mid 1950's. It was intended to give cities the power to deal with conditions of blight and deterioration. The enabling legislation (Chapter 403, Code of Iowa) acknowledged that the existence of such conditions inevitable led to a declining tax base, an increase in the costs for public services, and a long list of other negative impacts on the community.

The Urban Renewal Act was adopted in order to give cities the power necessary to help combat these problems and to offer local officials the opportunity to remove negative influences and replace them with more positive and productive land uses, programs, and other approaches.

In 1985, the Iowa General Assembly expanded the scope of urban renewal legislation to allow the use of this program to alleviate and prevent conditions of unemployment within a City. The legislation authorizes City Councils to designate areas as "economic development areas" for commercial, industrial and affordable residential development.

The significance of this new addition to cities' powers under the Urban Renewal Act is the recognition of the importance of economic activity to a community's vitality and survivability.

Specifically, the legislation allows City Councils to formulate a program for using public and private resources to encourage development and to help alleviate and prevent conditions of unemployment. In the past, local officials and community leaders may have taken the position of letting only market conditions determine the growth potential of the area. However, in some cases, more can be accomplished if community leaders take an active role in the recruitment of new development through various financial and physical incentives. Some recent trends in new residential, commercial, and industrial development have been to locate in communities that indicate a willingness to work with and for new and expanding private business opportunities.

In order to help achieve its objectives in the Denver Urban Renewal Area, the City had prepared this plan in a manner that fulfills the requirements of Chapter 403, Code of Iowa. The plan can be utilized to help determine whether a specific development proposal should receive support from the City in the form of extension of municipal services, land acquisition, special financing or other types of assistance.

As with the City's Comprehensive Plan, the Urban Renewal Plan should be reviewed and modified from time to time to accommodate changing goals and objectives, and changing economic conditions and trends.

As with virtually all community development tools, urban renewal will not be effective in all situations. Before implementation, local officials should thoroughly review goals and objectives, public support, cost benefits, and political climate to determine if urban renewal may be effective.

3.15.020 Denver Urban Renewal District. One of the most significant and widely used powers give to City Councils under the Urban Renewal Law is the authority to utilize "tax increment financing (TIF)." TIF enables a City to use the property tax dollars produced from new private development to pay for certain public improvements and to provide assistance for private development to pay for certain public improvements and to provide assistance for private development within an urban renewal area.

In order to utilize TIF, a special taxing district will be established in the Urban Renewal Area as shown in Exhibit A. If the district is legally established prior to December 31, 1994, taxable valuations within the district will be frozen at the January 1, 1993 level. This is called the frozen base. When the value of the property inside the special district increases due to new construction or re-evaluation, the difference between the frozen base and the new property values is called the "increment".

After a City incurs tax increment debt to finance improvements within the district, property taxes levied by all local jurisdictions (City, county, schools, area colleges) against the "increment" are allocated to the City's tax increment fund rather than to each jurisdiction. These new tax dollars are then used to retire the debt.

Revenues generated from this district can be used to finance a variety of activities. For example, revenue could be used to provide for necessary physical improvements in the Denver Urban Renewal Area where, in the opinion of the City Council, it is in the best interest of the City to do so. Revenue could be used by the City to provide direct assistance to private persons or businesses for economic development purposes on such terms as may be determined by the City Council. Revenues from the district could be used to purchase real estate on the City's own initiative or at the request of a developer for disposition for the provision of sites for private development.

It should be understood that the City, county, school and area college don't collect any less tax money than had been previously realized, single property taxes levied by these local jurisdictions against the frozen base valuations continue to be distributed just as before. In addition, once the City increment debt is paid off, property taxes produced from the increment, as well as from the frozen base, are distributed to the local jurisdictions.

This type of financing tool delays a local government's ability to immediately realize the direct tax benefits from new construction until public debt in the district is retired. On the other hand, tax increment financing may be used to promote development, which would not have otherwise occurred. If new development does not take place, property values could stagnate or decrease,

and the City, county, and school district may receive less than they would have if the plan were not implemented.

With proper management no one pays any new direct taxes and no one gets a tax break under the law unless a tax abatement program is utilized in conjunction with TIF, developers will be paying the going rate for taxes.

The idea behind tax increment financing is that public investment generates private investment, which increases the taxable value of an area, and over time strengthens the tax base. This increased tax base in the long-term payback for the public's investment.

The use of tax increment financing incentives is intended to make the Denver Urban Renewal Area more competitive with other cities in the recruitment of new commercial and industrial development and to help increase the supply of affordable, available housing.

3.15.030 Legal Description of Denver Urban Renewal District Number 1. The boundaries of the Denver Urban Renewal Area are illustrated on Exhibit a, and includes an area described as follows:

The Eastern boundary shall start at the center line of Fayette street and proceed South along the East corporate limit to the Southern corporate limit then West along the Southern corporate limit to the Western corporate limit then North along the western corporate limit to the Northern corporate limit then East along the Northern corporate limit to the Eastern corporate limit then South along the Eastern corporate limit to the center line of Iowa Street then West along the center line of Iowa Street to the center line of Mill Street then South along the center line of Mill Street to center line of Lincoln Street then West along the center line of Lincoln Street to the center line of South State Street then South along the center line of South State street to the center line of Prestien Drive then East along the center line of Prestien Drive to the center line of Longview Street then North along the center line of Longview street to the center line of Lincoln Street then East/Northeast along the center line of Lincoln Street to the center line of Sunny Lane then north along the center line of Sunny Lane to the center line of Fayette then East along the center line of Fayette to the Eastern corporate limit.

The Denver Urban Renewal Area includes the full right-of-way of all streets forming the boundary.

And to further include the following area if amended by Denver City Council action in July of 1999:

3.15.040 Legal Description of Denver Urban Renewal District No. 2. The South 274 feet of the North one-half ( $\frac{1}{2}$ ) of the East one-half ( $\frac{1}{2}$ ) of the Southeast Quarter ( $\frac{1}{4}$ ) of the Northeast Quarter ( $\frac{1}{4}$ ) of Section 23, Township 91, Range 13 West of the 5<sup>th</sup> PM excluding therefrom that real estate more specifically described in one certain Warranty deed dated February 5, 1992, and filed for recording as Document No. 19920434 in the records of the Recorder of Bremer County, Iowa, on February 5, 1992, subject to public highways and subject to all restrictive covenants of records and existing easements, if any.

The Denver Urban Renewal Area includes the full right-of-way of all streets forming the boundary.

3.15.050 District Area Objectives. Renewal activities are designed to provide opportunities, incentives, and sites for community economic development purposes including new and expanded industrial, commercial, and residential development. The City realizes that the

availability of affordable housing is important in attracting new business and industry areas well as in retaining existing business. There are currently a very limited number of available single family houses or rental units in the City.

More specific objectives of the development, redevelopment and rehabilitation within the Denver Urban Renewal Areas are as follows:

1. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.
2. To plan and provide sufficient land for commercial, residential, and industrial 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 revitalization of the area and to the sound development of the entire City.
4. To eliminate blighted influences.
5. To establish a housing rehabilitation program and provide reasonably priced housing opportunities for low and moderate-income residents.
6. To stimulate through public action and commitment, private investment in moderately priced residential development. The City realizes that the availability of affordable, decent, safe and sanitary housing is important to the overall economic viability of the community.
7. To encourage rehabilitation and promote diversity in the central business district.
8. To encourage commercial and industrial growth and expansion through governmental policies which make it economically feasible to do business.
9. To provide a more marketable and attractive investment climate through the use of various federal, state and local incentives.
10. To develop a sound economic base that will serve as the foundation for future growth and development.

Urban Renewal Objective #1—Industrial Development

Project Area Objective for Industrial Development

1. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.
2. To plan and provide sufficient land for industrial development.
3. To provide for the installation of public works and facilities to the developed industrial areas.
4. To encourage industrial growth and expansion through governmental policies which make it economically feasible to do business.
5. To provide a more marketable and attractive investment climate through the use of various federal, state and local incentives.
6. To develop a sound economic base that will serve as the foundation for future growth and development.

Urban Renewal objective #2—Commercial Development

Project Area Objectives for Commercial Development

1. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.
2. To plan and provide sufficient land for commercial development in a manner that is efficient from the standpoint for providing municipal services.
3. To provide for the installation of public works and facilities which contribute to the revitalization of the area and to the sound development of the entire City.
4. To encourage commercial growth and expansion through governmental policies which make it economically feasible to do business.

5. To encourage rehabilitation and promote diversity in the central business district.
6. To provide a more marketable and attractive investment climate through the use of various federal, state, and local incentives.
7. To develop a sound economic base that will serve as the foundation for future growth and development.

Urban Renewal Objective #3—Residential Development

Project Area Objectives for Residential Development

1. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base.
2. To plan and provide sufficient land for residential 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 revitalization of the area and to the sound development of the entire City.
4. To eliminate blighting influences.
5. To establish a housing rehabilitation program and provide reasonably priced housing opportunities for low and moderate-income residents.
6. To stimulate through public action and commitment, private investment in moderately priced residential development. The City realizes that the availability of affordable, decent, safe, and sanitary housing is important to the overall economic viability of the community.

3.15.060 Types of Renewal Activities. Renewal activities are designed to provide opportunities, incentives, and sites for community economic purposes including but not limited to the following:

- New, rehabilitate, converted, or expanded industrial uses within the industrial land use area.
- New, rehabilitated, converted, or expanded commercial uses within the commercial land use area.
- New, rehabilitated, converted, or expanded residential uses within the residential land use area.

General development activities in the Denver Urban Renewal area may include:

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 acquire property through a variety of means (purchase, lease, option, Etc.) and to hold, clear, or prepare the property for redevelopment.
5. To dispose of property so acquired.
6. To plan relocation of persons and businesses displaced by a project and to make necessary relocation payments.
7. To undertake the demolition and clearance of deteriorated buildings.
8. 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.
9. To borrow money and to provide security therefor.

10. To make or have made surveys and plans necessary for the implementation of the urban renewal program or specific urban renewal projects.

11. To use tax increment financing to achieve a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure.

12. The use of any or all other powers granted by Chapter 403, Cod eof Iowa to develop and provide for improved economic conditions for the City of Denver and State of Iowa.

Potential projects which have been identified by the City for initial consideration and possible funding through tax increment financing in the Denver Urban Renewal Area include water main, sanitary sewer main and street construction in support of new commercial, industrial, and affordable residential development. The extension of water and sewer service under the new Highway 63 bypass has specifically been identified as a priority project to allow for new residential development in that area.

Another potential project involves establishing a commercial loan/grant program to encourage development, redevelopment and rehabilitation of buildings and businesses in the existing downtown area.

In addition, and in order to help deal with problems related to the availability of decent and safe housing, the City intends to establish a City-wide housing rehabilitation program for low and moderate income homeowners.

Approximately 27% of the households in Denver are occupied by persons who are of low and moderate income as defined by both the U.S. Department of Housing and Urban Development and the Iowa State Department of Economic Development. These incomes, while in some cases are enough to possibly allow for routine maintenance, often prohibit the completion of any significant updating or rehabilitation.

The result is a continuing deterioration of a significant portion of the community's housing stock, a tendency which has a ripple effect of the willingness of other property owners to invest in the community.

In an effort to help deal with this problem, the City may establish a housing rehabilitation program for low and moderate-income homeowners. The housing rehabilitation program will be financed through a \$500 fee paid to the City by the builder or developer for each new residential lot developed which is in an area that was determined by the City Council to have received either direct or indirect assistance through a City sponsored tax increment financed project. In order to encourage the construction of duplex and multi family housing, this type of unit will be exempt from the fee. FmHA or HUD housing units constructed for low and moderate-income occupancy will also be exempt from this fee.

The objective of the housing rehabilitation program is to preserve and extend the life of the housing stock in the community. Forgivable loans will be used to assist low and moderate income families who, because of their financial situation, are not able to afford needed home repairs on their own. The program will upgrade the condition of homes, correct problems with electrical and mechanical systems, eliminate safety and health related problems, and provides for energy conservation measures.

Rehabilitating and repairing an existing home is typically more cost-effective than building a new one. Rehabilitating these homes now will extend their useful life for many years. In addition, it is also more cost effective from the City's standpoint of providing services and utilities to redevelop an existing area rather than open up a new open.

The City as a whole will benefit by the overall improved appearance of its existing housing stock. Improvements made to the various home in the community may promote interest

throughout the City in similar activities. In addition, dollars will be injected into the economy through local contractors and supplies.

3.15.070 Property Acquisition/Project Review. The City of Denver will give consideration to the following conditions when determining whether or not to participate in a project or acquire property.

1. A developer requests the participation of the City in the development process through the use of tax increment financing.
2. Agreements can be established which provide acceptable assurance to both the City and the developer that the project will be completed and those contingencies for default are adequately provided for.
3. The developer has a specific proposal, which is found to be compatible with the urban renewal goals and is found to be in the best interest of the City of Denver.
4. The developer can prove his commitment and ability to complete the project.

Land and buildings may be acquired to the extent necessary to assemble land into parcels of adequate size and shape to meet contemporary development needs and standards and to allow new construction to meet the objectives of the Denver Urban Renewal Plan.

With City Council approval, improvements may be provided at the request of developers with an agreement for the subsequent transfer of a site to the developer. This option could be financed through a tax increment financing methodology, or other state and federal incentive programs. In addition, the City may utilize other methods, which are legally available to provide incentives for development.

The City will select developers on the basis of their proposals, a determination of their ability to carry out proposals, and their conformance to the Denver Urban Renewal Plan.

3.15.080 Property Disposition. Property acquired by the City of Denver may be made available to developers after City Council approval. Selection of proposals shall be based on the following criteria.

1. Greatest benefit of the City as a whole and within the Denver urban renewal area in particular.
2. Compatibility with neighboring land uses architecture and design.
3. Conformance to the Urban Renewal Plan and restricted Residential Ordinance.
4. Willingness of a developer to enter into an agreement with respect to payment of property taxes necessary to retire tax increment debt incurred by the City.
5. Any other conditions and criteria developed and adopted with respect to specific property dispositions.

3.15.090 Relocation. In the situation where federal funds are used to support economic development projects which cause persons or businesses to be relocated from existing structures within the Denver Urban Renewal Area, those relocation activities are subject to the rules of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

3.15.100 Urban Renewal Plan Amendments. This Denver Urban Renewal Area Plan may be amended from time to time to include changes in the project area, to add or change land use controls and regulations, to modify goals or types or renewal activities, or to amend property acquisition and disposition guidelines.

The City Council may amend this plan by resolution after holding a public hearing on the proposed changes in accordance with applicable state law.

3.15.110 Effective Date. The Urban Renewal Plan shall remain in force and effect from the date of the resolution until June 30, 2018, both dates inclusive, and shall remain in effect thereafter for so long as is necessary for incremental taxes pursuant to section 403.192), Code of Iowa, 1993 or successor provisions, to fully pay all loans, moneys advanced or indebtedness incurred by the City of Denver, Iowa, to finance or refinance the Urban Renewal Project.

Chapter 3.160  
INVESTMENT POLICY

Sections:

- 3.16.010 Scope of Investment Policy.
- 3.16.020 Delegation of Authority
- 3.16.030 Objectives of Investment Policy
- 3.16.040 Prudence
- 3.16.050 Instruments Eligible for Investment
- 3.16.060 Investment Maturity Limitations
- 3.16.070 Diversification Requirements
- 3.16.080 Safekeeping and Custody
- 3.16.090 Ethics and Conflict of Interest
- 3.16.100 Reporting

3.16.010 Scope of the Investment Policy. The Investment Policy of the City of Denver shall apply to all operating funds, bond proceeds and other funds, and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the City of Denver. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy. The investment of bond funds or sinking funds shall comply not only to this Investment Policy, but also be consistent with any applicable bond resolution. This Investment Policy is intended to comply with Iowa Code Chapter 452. Upon passage and upon future amendment, if any, copies of this Investment Policy shall be delivered to all of the following:

1. The governing body or officer of the City of Denver to which the Investment Policy applies.
2. All depository institutions or fiduciaries for public funds of the City of Denver.
3. The Auditor engaged to audit any fund of the City of Denver.
4. Every fiduciary or third party assisting with or facilitating investment of the funds of the City of Denver.

3.16.020 Delegation of Authority. In accordance with Section 452.10(1), the responsibility for conducting investment transactions resides with the City Clerk of the City of Denver. Only the City Clerk and those authorized by ordinance or resolution may invest public funds. A copy of any empowering ordinance or resolution shall be attached to this Investment Policy.

All contracts or agreements with outside persons investing public funds, advising on the investment of public funds, directing the deposit or investment of public funds, or acting in a fiduciary capacity for the City of Denver, shall require the outside person to notify the City Clerk

in writing within thirty (30) days of receipt of all communication for the Auditor of the outside person or any regulatory authority of the existence of a material weakness in internal control structure of the outside persons or regulatory orders or sanctions regarding the type of services being provided to the City of Denver by the outside person.

The records of investment transactions made by or on behalf of the City of Denver are public records and are the property of the City, whether in the custody of the City Clerk or in the custody of a fiduciary or other third party.

The City Clerk shall establish a written system of internal controls and investment practices. The controls shall be designed to prevent losses of public funds, to document those officers and employees of the City of Denver responsible for elements of the investment process, and to address the capability of investment management. L The controls shall provide for receipt and review of the audited financial statement related report on internal control structure of all outside persons performing any of the following for this public body:

1. Investing public funds.
2. Advising on the investment of public funds
3. Directing the deposit or investment of public funds
4. Acting in a fiduciary capacity for this public body

A bank or saving and loan providing only depository services shall not be required to provide an audited financial statement and related report on internal control structure.

The City Clerk and all employees authorized to place investments shall be bonded in the amount of \$100,000.

3.16.030 Objectives of the Investment Policy. The primary objectives, in order of priority, of all investment activities involving the financial assets of the City of Denver shall be the following:

1. Safety. Safety and preservation of principal in the overall portfolio is the foremost investment objective.
2. Liquidity. Maintaining the necessary liquidity to match expected liabilities is the second invest objective.
3. Return. Obtaining a reasonable return is the third investment objective.

3.16.040 Prudence. The City Clerk, when investing or depositing public funds, shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the previous section Investment Objectives. This standard required that when making investment decisions, the City Clerk shall consider the role that the investment or deposit plays within the portfolio of the assets of the City of Denver and the investment objectives stated in previous section.

When investing assets of \$200,000 for a period longer than two (2) years, the City Clerk shall request competitive investment proposals for comparable credit and term investments from a minimum of three (3) investment providers.

3.16.050 Instruments Eligible for Investment. Assets of the City of Denver may be invested in the following:

1. Interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any bank or savings and loan association. Each bank must be on the most recent Approved Bank List as distributed by the Treasurer of the State of Iowa, or as amended as necessary by notice inserted in the monthly mailing by the Rate Setting Committee.

Each financial institution shall be properly declared as a depository by the governing body of the City of Denver. Deposits in any financial institution shall not exceed the depository resolution approved by the governing body of the City of Denver.

2. Obligations of the United States government, its agencies and instrumentalities.
3. Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to Chapter 453.
4. Iowa Public Agency Investment Trust (IPAIT) or Iowa School Joint Investment Trust (ISJIT), as appropriate.
5. Prime bankers' acceptances that mature within 270 days of purchase and that are eligible for purchase by a federal reserve bank.
6. Commercial paper or other short-term corporate debt that matures within 270 days of purchase and is rated within the highest classifications as established by at least one of the standard rating services approved by the superintendent of banking.

All instruments eligible for investment are further qualified by all other provisions of this Investment Policy, including sections Investment Maturity Limitations and Diversification Requirements.

3.16.060 Investment Maturity Limitations. Operating funds must be identified and distinguished from all other funds available for investment. Operating funds are defined as those funds which are reasonable expected to be expended during a current budget year or within fifteen (15) months of receipt.

All investments authorized in the previous section are further subject to the following investment maturity limitations:

1. Operating Fund may only be invested in instruments authorized in the previous section of this Investment Policy that mature within two hundred eighty (280) days.
2. The City Clerk may invest funds of the City of Denver that are not identified as Operating Funds in investments with maturities longer than two hundred eighty (280) days. However, all investments of the City of Denver shall have maturities that are consistent with the needs and use of the City of Denver.

3.16.070 Diversification Requirements. Commercial paper or other short-term corporate debt:

1. At the time of purchase, nor more than ten percent (10%) of the investment portfolio of the City of Denver shall be in commercial paper or other short-term corporate debt.
2. At the time of purchase, nor more than five percent (5%) of the investment portfolio of the City of Denver shall be invested in the securities of a single issuer.
3. At the time of purchase no more than five percent (5%) of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the highest classification.

Where possible, it is the policy of the City of Denver to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In establishing specific diversification strategies, the following general policies and constraints shall apply:

1. Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector. Maturities shall be selected which provide stability of income and reasonable liquidity.

2. Liquidity practices to ensure that the next disbursement date and payroll date are covered through maturing investments, marketable U.S. Treasury Bills, or cash on hand, shall be used at all times.

3. Risks of market price volatility shall be controlled through maturity diversification so that aggregate price losses on instruments with maturities approaching one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

3.16.080 Safekeeping and Custody. All invested assets of the City of Denver involving the use of a public funds custodial agreement, as defined in Section 452.10, shall comply with all rules adopted pursuant to Section 452.10C. All custodial agreements shall be in writing and shall contain a provision that all custodial services be provided in accordance with the laws of the State of Iowa.

All invested assets of the City of Denver eligible for physical delivery shall be secured by having them held at a third party custodian. All purchased investments shall be held pursuant to a written third party custodial agreement requiring delivery versus payment and compliance with all rules set out elsewhere in this section of the Investment Policy.

3.16.090 Ethics and Conflict of Interest. The City Clerk, and all officers and employees of the City of Denver involved in the investment process, shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial execution of the investment program, or which could impair their ability to make impartial investment decisions.

3.16.100 Reporting. The City Clerk shall submit semi-annually an investment report that summarizes recent market conditions and investment strategies employed since the last investment report. The investment report shall set out the current portfolio in terms of maturity, rates of return and other features, and summarize all investment transactions that have occurred during the reporting period, and compare the investment results with the budgetary expectations. Investment Policy Review and Amendment. This Investment Policy shall be reviewed every two (2) years, or more frequently as appropriate. Notice of amendments to the Investment Policy shall be promptly give to all parties noted in the first Section.