

MINUTES PROVIDING FOR PASSAGE
OF AN ORDINANCE ESTABLISHING A
TAX INCREMENT FINANCING
DISTRICT FOR THE PRAIRIE VISTA
PHASE 3 HOUSING URBAN RENEWAL
AREA

448449-19

Palo, Iowa

February 17, 2026

The City Council of Palo, Iowa, met on February 17, 2026, at 6:30 p.m., at the City Hall Council Chambers, in the city.

The Mayor presided and the roll was called showing the members present and absent, as follows:

Present: Welton, Burgin, Hanover, Van Kerckhove, Stoltenberg

Absent: _____.

Council Member Van Kerckhove introduced an ordinance entitled "Ordinance No. 90-2026. An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Prairie Vista Phase 3 Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa."

It was moved by Council Member Van Kerckhove and seconded by Council Member Welton that the ordinance be adopted. The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Welton, Burgin, Hanover, Van Kerckhove, Stoltenberg

Nays: _____.

Whereupon, the Mayor declared the motion duly carried and declared that said ordinance had been given its initial consideration.

It was moved by Council Member Van Kerckhove and seconded by Council Member Stoltenberg that the statutory rule requiring an ordinance to be considered and voted on for passage at two City Council meetings prior to the meeting at which it is to be finally passed be suspended. The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Welton, Burgin, Hanover, Van Kerckhove, Stoltenberg

Nays: _____.

Whereupon, the Mayor declared the motion duly carried.

It was moved by Council Member Van Kerckhove and seconded by Council Member Welton that the ordinance entitled "Ordinance No. 90-2026. An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Prairie Vista Phase 3 Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa," now be put upon its final consideration and adoption. The Mayor put the question on the motion, and the roll being called, the following named Council Members voted:

Ayes: Welton, Burgin, Hanover, Van Kerckhove, Stoltenberg

Nays: _____.

Whereupon, the Mayor declared the motion duly carried and the ordinance duly adopted, as follows:

ORDINANCE NO. 90-2026

An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Prairie Vista Phase 3 Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa

BE IT ENACTED by the members of the City Council of the City of Palo, Iowa:

Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the Prairie Vista Phase 3 Housing Urban Renewal Area, each year by and for the benefit of the state, city, county, school districts or other taxing districts after the effective date of this ordinance in order to create a special fund to pay the principal of and interest on loans, moneys advanced to or indebtedness, including bonds proposed to be issued by the City to finance projects in such area.

Definitions. For use within this ordinance the following terms shall have the following meanings:

“City” shall mean the City of Palo, Iowa.

“County” shall mean Linn County, Iowa.

“Urban Renewal Area” shall mean the taxable real property situated in Prairie Vista Phase 3 Housing Urban Renewal Area, the boundaries of which are set out below, such property having been identified in the Urban Renewal Plan approved by the City Council by resolution adopted on February 17, 2026:

Part of the Southwest Quarter of the Northeast Quarter and part of Parcel A, Plat of Survey No. 1714, being a part of the Southwest Quarter of the Northeast Quarter, all located in Section 20, Township 84 North, Range 8 West of the Fifth Principal Meridian, City of Palo, Linn County, Iowa, described as follows:

Beginning at the Southwest Corner of Lot 4, Prairie Vista Second Addition in the City of Palo, Linn County, Iowa; thence S88°57'13"W along the north line of Cedar River Estates First Addition, 360.00 feet; thence N1°05'31"W, 215.88 feet; thence N88°54'29"E, 20.00 feet; thence N1°05'31"W, 660.00 feet; thence S88°54'29"W, 135.00 feet; thence N1°05'31"W, 240.00 feet; thence N88°54'29"E, 30.00 feet; thence N1°05'31"W, 209.60 feet to the north line of the Southwest Quarter of the Northeast Quarter of Section 20, Township 84 North, Range 8 West of the Fifth Principal Meridian; thence N88°54'41"E along said north line, 405.00 feet to the Northwest Corner of said Prairie Vista Second Addition; thence S1°05'31"E along the west boundary of said Prairie Vista Second Addition, 209.58 feet; thence N88°54'29"E along said west boundary, 30.00 feet; thence S1°05'31"E along said west boundary, 960.00 feet; thence N88°54'29"E along said west boundary, 10.00 feet; thence S1°05'31"E along said west boundary, 156.16 feet to the point of beginning.

Said parcel contains 11.28 acres, subject to easements and restrictions of record.

Provisions for Division of Taxes Levied on Taxable Property in the Urban Renewal Area. After the effective date of this ordinance, the taxes levied on the taxable property in the Urban Renewal Area 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 Area is located, shall be divided as follows:

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 City certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the special fund referred to in paragraph (b) below, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for said taxing district into which all other property taxes are paid. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in the Urban Renewal Area on the effective date of this ordinance, 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 for the Urban Renewal Area to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.

that portion of the taxes each year in excess of such amounts shall be allocated to and when collected be paid into a special fund of the City 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(1), of the Code of Iowa, incurred by the City to finance or refinance, in whole or in part, projects in the Urban Renewal Area, and to provide assistance for low and moderate-income family housing as provided in Section 403.22, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2 of the Code of Iowa, taxes for the instructional support levy program of a school district imposed pursuant to Section 257.19 of the Code of Iowa, and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the taxing district without limitation by the provisions of this ordinance. Unless and until the total assessed valuation of the taxable property in the Urban Renewal Area exceeds the total assessed value of the taxable property in such area as shown by the assessment roll referred to in subsection (a) of this section, 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 said 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 money thereafter received from taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

the portion of taxes mentioned in subsection (b) of this section and the special fund into which that portion shall be paid may be irrevocably pledged by the City for the payment of the principal and interest on loans, advances, bonds issued under the authority of Section 403.9(1) of the Code of Iowa, or indebtedness incurred by the City to finance or refinance in whole or in part projects in the Urban Renewal Area.

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

Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law.

Passed and approved by the City Council of the City of Palo, Iowa, on February 17, 2026.



Mayor

Attest:


City Clerk

.....

There being no further business to come before the meeting, it was upon motion adjourned.



Mayor

Attest:




City Clerk

STATE OF IOWA
LINN COUNTY
CITY OF PALO

SS:

I, the undersigned, City Clerk of the City of Palo, Iowa, do hereby certify that the attached is a true, correct and complete copy of all the records of the City Council of the City relating to the adoption of an ordinance entitled "Ordinance No. 90-2026. An Ordinance providing for the division of taxes levied on taxable property in the Prairie Vista Phase 3 Housing Urban Renewal Area, pursuant to Section 403.19 of the Code of Iowa."

WITNESS MY HAND this 17th day of February 2026.



City Clerk

POSTING CERTIFICATE

STATE OF IOWA
LINN COUNTY
CITY OF PALO

SS:

I, the undersigned, City Clerk of the City of Palo, Iowa, do hereby certify that a correct and complete copy of "Ordinance No. 90-2026. An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the Prairie Vista Phase 3 Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa," was officially posted on February 20, 2026, in three public places within the City which have been designated for such purpose, as follows:

Location 1: Community Board in City Hall

Location 2: Community Board in Memorial Park

Location 3: Palo Post Office

I further certify that at this time no newspaper is published in the City.

WITNESS MY HAND this 20th day of February 2026.

Joseph Fencel
City Clerk