

September 15, 2015

The Board of Supervisors of Shelby County, Iowa, met pursuant to law and rules of said board in regular session at 9:00 a.m. in the Supervisors Chambers of the Shelby County Courthouse with the following members present: Charles Parkhurst, Chairman; Roger Schmitz, Vice Chairman; Steve Kenkel; and Renee Hansen, Acting-Clerk.

The Chair asked that any Conflict of Interest be stated concerning any item on the agenda. No conflicts were stated.

It was moved by Kenkel, seconded by Schmitz, to approve the agenda. AYES: Parkhurst, Schmitz, Kenkel NAYES: None

It was moved by Schmitz, seconded by Kenkel, to approve the Minutes of September 1 and 11, 2015, as presented. AYES: Parkhurst, Schmitz, Kenkel NAYES: None

It was moved by Kenkel, seconded by Schmitz, to approve the Claims of September 15, 2015, as listed in the Claims Register. AYES: Parkhurst, Schmitz, Kenkel NAYES: None

Now being the time for the First Reading of Shelby County Ordinance No. 2015-3, TO PROVIDE PARTIAL EXEMPTION FROM PROPERTY TAXATION FOR CERTAIN PROPERTIES IN SHELBY COUNTY, Replacing Resolution Dated June 30, 1988, the Chairman did open the hearing. The Auditor reported there were no written or oral comments. It was moved by Kenkel, seconded by Schmitz, to suspend future readings of this Ordinance, to close the hearing, and to adopt the following:

SHELBY COUNTY ORDINANCE NUMBER 2015-3
TO PROVIDE PARTIAL EXEMPTION FROM PROPERTY TAXATION
FOR CERTAIN PROPERTIES IN SHELBY COUNTY
(Replaces Resolution Dated June 30, 1988)

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF SHELBY COUNTY, IOWA, PROVIDING FOR THE PARTIAL EXEMPTION FROM PROPERTY TAXATION OF THE ACTUAL VALUE ADDED TO CATTLE FACILITIES BY THE NEW CONSTRUCTION OF CATTLE FACILITIES OR BY THE RETROFITTING OF EXISTING FACILITIES, AND PROVIDING FOR THE PARTIAL EXEMPTION FROM PROPERTY TAXATION OF THE ACTUAL VALUE ADDED TO INDUSTRIAL REAL ESTATE BY THE NEW CONSTRUCTION OF INDUSTRIAL REAL ESTATE, RESEARCH-SERVICE FACILITIES, WAREHOUSES, AND DISTRIBUTION CENTERS AND BY THE ACQUISITION OF OR IMPROVEMENT TO MACHINERY AND EQUIPMENT ASSESSED AS REAL ESTATE.

WHEREAS, the Board of Supervisors of Shelby County, Iowa, is empowered by Section 427B of the Code of Iowa to provide for a partial exemption from property taxation of the actual value added to cattle facilities by the new construction of cattle facilities or by the retrofitting of existing facilities, and to provide for a partial exemption from property taxation of the actual value added to industrial real estate by the new construction of industrial real estate, research-service facilities, warehouses, and distribution centers and by the acquisition of or improvement to machinery and equipment assessed as real estate pursuant to Section 427A.1, Subsection 1, Paragraph "e" of the Code of Iowa,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF SHELBY COUNTY, IOWA, AS FOLLOWS:

Section 1. The Board of Supervisors of Shelby County, Iowa, does by this Ordinance provide for a partial exemption from property taxation of the actual value added to cattle facilities by the new construction of cattle facilities or by the retrofitting of existing facilities, and for a partial exemption from property taxation of the actual

value added to industrial real estate by the new construction of industrial real estate, research-service facilities, warehouses, and distribution centers and by the acquisition of or improvement to machinery and equipment assessed as real estate pursuant to Section 427A.1, Subsection 1, Paragraph “e” of the Code of Iowa, within the County of Shelby.

Section 2. Definitions: “Actual value added” as used in this Ordinance means the actual value added as of the first year for which the exemption is received, except that actual value added by improvements to machinery and equipment means the actual value as determined by the assessor as of January 1 of each year for which the exemption is received.

“Cattle facilities” means owner-operated cattle facilities, including small or medium sized feedlots, but not including slaughter facilities.

“New construction” means new buildings and structures and includes new buildings and structures which are constructed as additions to existing buildings and structures. “New construction” does not include reconstruction of an existing building or structure which does not constitute complete replacement of an existing building or structure or refitting of an existing building or structure, unless the reconstruction of an existing building or structure is required due to economic obsolescence and the reconstruction is necessary to implement recognized industry standards for the manufacturing and processing of specific products and the reconstruction is required for the owner of the building or structure to continue to competitively manufacture or process those products which determination shall receive prior approval from the Board of Supervisors.

The exemption shall also apply to new machinery and equipment assessed as real estate pursuant to Section 427A.1, Subsection 1, Paragraph “e” of the Code of Iowa, unless the machinery or equipment is part of the normal replacement or operating process to maintain or expand the existing operational status.

“Research-service facilities” means a building or group of buildings devoted primarily to research and development activities, including but not limited to the design and production or manufacture of prototype products for experimental use, and corporate-research services which do not have a primary purpose of providing on-site services to the public.

“Warehouse” means a building or structure used as a public warehouse for the storage of goods pursuant to Chapter 554, Article 7 of the Iowa Code, except that it does not mean a building or structure used primarily to store raw agricultural products or from which goods are sold at retail.

“Distribution center” means a building or structure used primarily for the storage of goods which are intended for subsequent shipment to retail outlets. “Distribution center” does not mean a building or structure used primarily to store raw agricultural products, used primarily by a manufacturer to store goods to be used in the manufacturing process, used primarily for the storage of petroleum products, or used for the retail sale of goods.

Section 3. Under this Ordinance the actual value added to industrial real estate for the reasons specified herein shall be eligible to receive a partial exemption from taxation for a period of five (5) years. However, if property ceases to be classified as industrial real estate or ceases to be used as a warehouse or distribution center, the partial exemption for the value added shall not be allowed for subsequent assessment years.

Section 4. Under this Ordinance the actual value added to cattle facilities for the reasons specified herein shall be eligible to receive a partial exemption from taxation for a period of five (5) years. However, if property ceases to be used as a cattle facility, the partial exemption for the value added shall not be allowed for subsequent assessment years.

Section 5. The amount of actual value added which is eligible to be exempt from taxation shall be as follows:

- a. For the first year, seventy-five percent.
- b. For the second year, sixty percent.
- c. For the third year, forty-five percent.
- d. For the fourth year, thirty percent.
- e. For the fifth year, fifteen percent.

However, the granting of the exemption under this Ordinance for new construction constituting complete replacement of an existing building or structure shall not result in the assessed value of the industrial real estate being reduced below the assessed value of the industrial real estate before the start of the new construction added.

Section 6. An application shall be filed for each project resulting in actual value added for which an exemption is claimed. The application for exemption shall be filed by the owner of the property with the County Assessor by February 1 of the assessment year in which the value added is first assessed for taxation. Applications for exemption shall be made on forms prescribed by the Director of Revenue of the State of Iowa and shall contain information pertaining to the nature of the improvement, its cost, and other information deemed necessary by the Director of Revenue.

A person may submit a proposal to the Board of Supervisors to receive prior approval for eligibility for a tax exemption on new construction. The Board of Supervisors may give its prior approval of a tax exemption for new construction if the new construction is in conformance with the zoning plans for the County. The prior approval shall also be subject to the hearing requirements of Section 427B.1 of the Code of Iowa. Prior approval does not entitle the owner to exemption from taxation until the new construction has been completed and found to be qualified real estate. However, if the tax exemption for new construction is not approved, the person may submit an amended proposal to the Board of Supervisors to approve or reject.

Section 7. When in the opinion of the Board of Supervisors the exemption granted by this Ordinance ceases to be of benefit to Shelby County, Iowa, the Board of Supervisors may repeal this Ordinance, but all existing exemptions shall continue until their expiration.

Section 8. A property tax exemption under this Ordinance shall not be granted if the property for which the exemption is claimed has received any other property tax exemption authorized by law.

Section 9. This Ordinance may be enacted not less than thirty (30) days after a public hearing held in accordance with Section 335.6 of the Code of Iowa.

This Ordinance was passed and approved on this 15th day of September, 2015.

AYES: Parkhurst, Schmitz, Kenkel NAYES: None

Lonnie Maguire, Community Services Coordinator, appeared before the Board to present the Case Management Report for FY2015. It was moved by Schmitz, seconded by Kenkel, to approve the Shelby County FY2015 Actual Case Management Report for submission to the Iowa Department of Human Services. AYES: Parkhurst, Schmitz, Kenkel NAYES: None

It was moved by Kenkel, seconded by Schmitz, to authorize Maguire to send out proposed contracts for Shelby County Case Management services to the Managed Care Organizations approved by the Iowa Department of Human Services. AYES: Parkhurst, Schmitz, Kenkel NAYES: None

Dan Ahart, County Engineer, was available to update the Board on activities of the county road crews and the status of current maintenance and construction projects.

There being no further business appearing, the Chairman declared the meeting adjourned at 9:24 a.m.

Charles Parkhurst, Chairman

ATTEST:

Renee Hansen
Acting-Clerk to the Board of Supervisors

NOTE: These minutes are as recorded by the Clerk to the Board of Supervisors and are subject to Board approval at the next regular meeting.