



City of Windsor Heights Tax Incentive Fact Sheet

In addition to the many reasons to locate your business in Windsor Heights - great schools, proximity to major transportation routes and the Des Moines International Airport, quality-of-life amenities and its central location to arts, culture, shopping, and entertainment. - the City of Windsor Heights offers tax incentive programs to make your investment in our community financially beneficial.

Commercial Tax Abatement

The City of Windsor Heights has approved a sliding scale commercial tax abatement program that applies to new commercial property construction or remodeling projects. The basics of the program are as follows:

1. To be eligible for commercial tax abatement, the value of the improvements must be at least 10% of the pre-construction property value.
2. Construction must be on a parcel zoned for commercial development.
3. A building permit must be obtained prior to the start of any work for which tax abatement is expected.
4. A project Site Plan may be required. If required, the Site Plan must be approved by the Planning & Zoning Commission and the City Council.
5. The amount of new property valuation abated prior to application of the tax rate is as follows;
 1. Year 1, 75% of new valuation is abated.
 2. Year 2, 60% of new valuation is abated.
 3. Year 3, 45% of new valuation is abated.
 4. Year 4, 30% of new valuation is abated.
 5. Year 5, 15% of new valuation is abated.
6. Multi-family residential projects are not considered commercial projects for the purposes of commercial tax abatement.

Multi-Family Residential Abatement (NEW)

The construction of new residential facilities and the rehabilitation of and the construction of additions to existing residential facilities if such residential facilities contain three or more separate dwelling units.

All qualified real estate assessed as residential property under Section 441.21, subsection 14, paragraph "a", subparagraph (6) of the Code of Iowa, is eligible to receive an exemption from taxation for a period of seven years as follows:

- For the first through fifth years, an exemption from taxation on 100% of the actual value added.

- For the sixth and seventh years, an exemption from taxation on 75% of the actual value added.

Actual value added by improvements, as used in this plan, means the actual value added as of the first year for which the exemption was received. In order to be eligible for tax abatement for residential improvements, the increase in actual value of the property must be at least 10%.

TIF Rebate

Tax Increment Financing is determined according to the level of investment, the number of jobs created and the wage levels of those jobs. In general, the City Administrator will negotiate development agreements with developers and business prospects detailing financial investment, jobs to be created, infrastructure improvements and other community benefits in exchange for the City granting the rebate – which typically has a term of 5-10 years as approved by the City Council.

A tax rebate is determined by the value of new investment and cannot exceed the amount of new tax revenue resulting from the new development.

Economic Development Grants (Coming Soon)

The Economic Development Local Business Support Program is designed to provide public support to the development and improvement of local businesses in the Urban Renewal Area. The City will provide fiscal support to the Program through the provision of economic development forgivable loans and/or grants to local businesses.

The Financial Incentives will be targeted to assist local business owners with façade improvement projects; building or land acquisition costs; capital improvements; job creation or training; grease interceptor improvements; accessibility improvements; utility upgrades; site development; and other projects approved by the City staff. The City Staff will develop appropriate materials, including agreements and applications, for the administration of the Economic Development Local Business Support Program.

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