

FEB 18 2005
LOCAL GOVERNMENT

HOUSE FILE 343
BY ELGIN

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act modifying voluntary annexation procedures and related tax
2 exemptions.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 343

1 Section 1. Section 368.6, Code 2005, is amended to read as
2 follows:

3 368.6 INTENT.

4 It is the intent of the general assembly to provide an
5 annexation approval procedure which gives due consideration to
6 the wishes of the residents of territory to be annexed, and to
7 the interests of the residents of all territories affected by
8 an annexation. The general assembly presumes that a voluntary
9 annexation of territory, including a voluntary annexation of
10 territory of which not more than twenty percent consists of
11 land whose owners have not consented to the annexation, more
12 closely reflects the wishes of the residents of territory to
13 be annexed, and, therefore, intends that the annexation
14 approval procedure include a presumption of validity for
15 voluntary annexation approval.

16 Sec. 2. Section 368.7, subsection 1, paragraph b, Code
17 2005, is amended to read as follows:

18 b. Prior-to Concurrent with notification in paragraph "c",
19 the annexing city shall provide written notice to the board of
20 supervisors and township trustees of each county and township
21 that contains all or a portion of the territory to be annexed.
22 The written notice shall include the same information required
23 in paragraph "c" ~~and shall set a time for a consultation on~~
24 ~~the proposed annexation between the annexing city and each~~
25 ~~county and township that contains all or a portion of the~~
26 ~~territory to be annexed. The consultation shall be held at~~
27 ~~least fourteen business days before the applications in~~
28 ~~paragraph "c" are mailed. The governing body of each such~~
29 ~~county and township may designate one of its members to attend~~
30 ~~the consultation. Each such county and township may make~~
31 ~~written recommendations for modification to the proposed~~
32 ~~annexation no later than seven business days following the~~
33 ~~date of the consultation.~~

34 ~~Not later than thirty days after the consultation, the~~ The
35 board of supervisors of each county that contains all or a

1 portion of the territory to be annexed ~~shall~~ may, by
2 resolution, state whether or not it supports the application
3 or whether it takes no position in support of or against the
4 application. If there is a comprehensive plan for the county,
5 the board shall take the plan into account when considering
6 its resolution. A If the board adopts a resolution, a copy of
7 the resolution shall be immediately filed with the annexing
8 city and shall be considered by the city council when taking
9 action on the application. The city council shall forward a
10 copy of the resolution to the city development board as part
11 of the city proceedings on the annexation. ~~Failure of~~ If a
12 board of supervisors ~~to~~ does not adopt a resolution,
13 proceedings on the application shall not ~~delay the proceedings~~
14 on the application nor shall such failure be delayed and the
15 failure to adopt a resolution shall not be considered a
16 deficiency either in the application or in the annexing city's
17 proceedings.

18 Sec. 3. Section 368.7, subsection 1, paragraph f, Code
19 2005, is amended to read as follows:

20 f. An annexation including territory comprising not more
21 than twenty percent of the land area without consent of the
22 property owners is not complete without approval by ~~four-~~
23 ~~fifths~~ a majority of the members of the city development board
24 after a hearing for all affected property owners and the
25 county. When considering such an annexation application, the
26 board ~~may request that the annexing city provide information~~
27 ~~on the~~ shall consider only the following:

- 28 (1) The amount of land located in the annexing city that
29 is currently vacant or undeveloped, and whether
- 30 (2) Whether municipal services are being provided to
31 current residents of the annexing city.
- 32 (3) Whether the city is reasonably able to provide the
33 desired services to property owners within the annexation
34 area.
- 35 (4) Whether the land area whose owners have not consented

1 to the annexation comprises not more than twenty percent of
2 the territory.

3 (5) Whether the inclusion of the land area whose owners
4 have not consented to the annexation is necessary to avoid the
5 creation of an island or to create more uniform boundaries,
6 specifically as applied to the efficient provision of services
7 and the lessening of confusion among the general public and
8 emergency service providers.

9 Sec. 4. Section 368.7, subsection 2, Code 2005, is amended
10 to read as follows:

11 2. a. An application for annexation of territory not
12 within an urbanized area of a city other than the city to
13 which the annexation is directed must be approved by
14 resolution of the council which receives the application.

15 b. In the discretion of a city council, the resolution may
16 include a provision for a transition for the imposition of
17 ~~city taxes as provided in section 368.11, subsection 3,~~
18 ~~paragraph "m" against property within an annexation area. The~~
19 ~~provision shall not allow a greater exemption from taxation~~
20 ~~than the following tax exemption schedule:~~

21 (1) For the first and second years, seventy-five percent.

22 (2) For the third and fourth years, sixty percent.

23 (3) For the fifth and sixth years, forty-five percent.

24 (4) For the seventh and eighth years, thirty percent.

25 (5) For the ninth and tenth years, fifteen percent.

26 The provision may also allow for the partial provision of
27 city services during the time in which the exemption from
28 taxation is in effect.

29 c. The city council shall mail a copy of the application
30 by certified mail to the board of supervisors of each county
31 which contains a portion of the territory at least fourteen
32 business days prior to any action taken by the city council on
33 the application. The council shall also publish notice of the
34 application in an official county newspaper in each county
35 which contains a portion of the territory at least fourteen

1 days prior to any action taken by the council on the
2 application.

3 d. Upon receiving approval of the council, the city clerk
4 shall file a copy of the resolution, map, and legal
5 description of the territory involved with the secretary of
6 state, the county board of supervisors of each county which
7 contains a portion of the territory, each affected public
8 utility, and the state department of transportation. The city
9 clerk shall also record a copy of the legal description, map,
10 and resolution with the county recorder of each county which
11 contains a portion of the territory. The secretary of state
12 shall not accept and acknowledge a copy of a legal
13 description, map, and resolution of annexation which would
14 create an island. The annexation is completed upon
15 acknowledgment by the secretary of state that the secretary of
16 state has received the legal description, map, and resolution.

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EXPLANATION

18 This bill modifies procedures for voluntary annexations,
19 particularly regarding the annexation of territory comprised
20 of a land area with some nonconsenting property owners.

21 The bill amends the intent provision at Code section 368.6
22 to specifically include, in the general assembly's presumption
23 of validity, those voluntary annexations involving some
24 nonconsenting owners.

25 Code section 368.7 is amended to eliminate a consulting
26 time period allowed for city and county and township members
27 to make recommendations on a proposed voluntary annexation.
28 The bill also amends the mandatory requirement that the board
29 of supervisors of the affected county file a resolution
30 stating its support or lack thereof. The board may file a
31 resolution; however, if the board does not file a resolution,
32 the application for annexation can go forward and it is not
33 considered a deficiency in the application or proceedings.

34 The bill provides that a majority of the members of the
35 city development board may approve an annexation. In

1 considering the annexation application, the board shall only
2 consider certain factors listed in the bill.

3 In voluntary annexations, the city council has the
4 discretion to grant a tax exemption to property within the
5 annexation area. This tax exemption is extended from five
6 years to 10 years.

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