

**City Limits Urban Revitalization Area (CLURA) Waterloo, IA**  
**Department of Planning and Zoning**  
**(319) 291-4366**

**What is “Tax Abatement”?**

It is a temporary (3 year) reduction in property taxes that are otherwise payable on the actual value added to a property due to a qualified improvement.

Tax abatement is legally known as “Urban Revitalization” (Chapter 404 of the Iowa Code). Waterloo has adopted urban revitalization plans to permit tax abatement for qualified real estate improvements in designated areas.

**What is a “qualified improvement” for CLURA?**

“Qualified improvements” are new construction of one or two family dwellings (single family homes or duplex/twin homes) .

**Are there other requirements for CLURA tax abatement?**

Other general requirements to qualify for residential tax abatement, include:

- Conform with the City’s Zoning Ordinance;
- Conform with all other applicable codes, rules and regulations;
- A building permit is needed for the improvement(s).

Contact the Building Inspections Department at 319-291-4319 for more information on the permit.

**Does \$1 spent on work = \$1 of increased assessed value?**

One dollar spent is not necessarily equal to one dollar of increased value. Contact the Black Hawk County Assessor’s Office at 833-3006 for more information.

**What areas of Waterloo qualify for CLURA tax abatement?**

Some areas of Waterloo qualify. Areas not within the CLURA are located in the Consolidated Urban Revitalization Area (CURA). Check with the Department of Planning and Zoning to obtain a copy of a map or to see which urban revitalization area your project is in.

**Who will determine if my property will receive the CLURA tax abatement?**

City Council approval does not guarantee tax exemptions. The application must be reviewed and approved by the Black Hawk County Assessor’s Office for criteria eligibility and final determination of tax abatement.

**Is money available to make improvements?**

Not as part of tax abatement. The City has several assistance programs for persons who qualify: contact the Community Development Department at 319-291-4429.

**If qualified improvements are made, how do I get tax abatement?**

The property owner must file an application with the City prior to the 1st working day of February following the year when the improvements are completed. The City encourages filing applications as soon as the project is completed. Filing earlier avoids missing the February deadline.

**How do you apply?**

Complete the tax abatement application. It takes about 5 minutes to complete the

application. Return the completed application to the Planning & Zoning Department at City Hall.

**Who applies?**

The property owner. Even if as a lessee, you are doing the improvements and your lease has you paying the taxes, have the property owner apply. The tax abatement will be included as part of the property’s tax record for the term of the abatement.

**How often do I need to apply?**

Each year you make qualifying improvements to the property even if the improvements may not be completed that year. If no further improvements are made, the initial application is sufficient. However, a single application may be filed upon completion of an entire project requiring more than one year to construct or complete, providing prior approval has been granted by the City Council or County Board of Supervisors.

**Why would an application be denied?**

- The improvement is not new construction of a one or two family dwelling.
- The improvement is not in conformance with City codes and regulations.
- The application was submitted after filing deadline.
- The improvement is not in a designated area.

**Can property taxes be eliminated using tax abatement?**

**NO!** There will always be some taxes on property. The abatement applies to your improvement only. **The deadline is February 1** of each year and depending on when you file your application, there may be a delay to when the CLURA tax abatement applies to your property taxes. **Please prepare yourself for a potential full tax bill the first year.** If the application is timely filed, the applicant will qualify for the three full years of tax abatement. However, a tax bill will still be sent for land and anything that does not qualify for the CLURA program.

**Will my taxes increase if I use tax abatement?**

It is possible your taxes will increase over time because of reassessments, special assessments for sidewalks, sewer, or streets, and/or the tax formula components change with a change such as millage rates or rollback values.

**If I think my assessment is too high, what can I do?**

You may appeal the assessment to the Black Hawk County Assessor.

**Why did the City Council designate a part of the City for tax abatement?**

The City Council adopted the tax abatement program to encourage new housing construction because much of the Waterloo housing stock was built before 1940.

**Do I have to make improvements?**

The program is voluntary. If you do not want to make improvements, then the tax abatement program will not affect you.

**Key Phone Numbers**

Building Inspectors	319-291-4319
Planning and Zoning	319-291-4366
Community Development	319-291-4429
Black Hawk County Assessor	319-833-3006