

**Consolidated Urban Revitalization Area (CURA)**  
**Waterloo, IA**  
**Department of Planning and Zoning**  
**(319) 291-4366**

**What is “Tax Abatement”?**

It is a temporary reduction in property taxes that are otherwise payable on the actual value added to a residential or commercial 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”?**

“Qualified improvements” are new construction, rehabilitation and additions that meet the other requirements as described below.

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

Other general requirements to qualify for tax abatement, include:

- Increase the assessed value of residentially assessed property by 10%;
- Increase the assessed value of commercially assessed property by 15%;
- Conform with the City’s Zoning Ordinance;
- Conform with all other applicable codes, rules and regulations;
- A building permit is needed for most improvements that increase your value. Contact the Building Inspections Department at 319-291-4319 to find out if you need a permit.

**What does “residentially assessed” mean?**

Single-family dwellings, duplexes and residential condominium units.

**What does “commercially assessed” mean?**

An apartment building with 3 or more separate living units, professional offices, and other commercial businesses.

**What kinds of “improvements” increase the assessed value?**

New construction, additions, major rehabilitation and remodeling improvements generally increase the assessed value.

Repairs generally do not increase the assessed value unless several major repairs are completed at the same time. For specific information, contact the Black Hawk County Assessor’s Office at 319-833-3006.

**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 CURA tax abatement?**

Some areas of Waterloo qualify. Check with the Department of Planning and Zoning to obtain a copy of a map or to see if your project is in an urban revitalization area.

**Who will determine if my property will receive the CURA 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.

**Which tax abatement schedule should I choose?**

It depends on the situation and the individual needs as determined by the individual.

**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 agreement 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 assessed value is not increased by at least 10% on residential property or 15% on commercial property.
- 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.

### **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 at 319-833-3006

### **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 construction and housing rehabilitation 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.

## **CURA Abatement Schedules**

### **Notes:**

1. Residential tax abatement is available for commercial-assessed property if 75% or more of the space is used for residential.
2. Once the schedule is approved, it cannot be changed
3. Improvements must qualify with zoning, building and fire codes and be on the public sewer.

Abatement Schedule	How much of improvement's value is abated?
1	100% for 3 years
2	1 <sup>st</sup> year: 80% 2 <sup>nd</sup> year: 70% 3 <sup>rd</sup> year: 60% 4 <sup>th</sup> year: 50% 5 <sup>th</sup> & 6 <sup>th</sup> years: 40% 7 <sup>th</sup> & 8 <sup>th</sup> years: 30% 9 <sup>th</sup> & 10 <sup>th</sup> : 20%

### **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