

ORDINANCE NO. 14,702

AN ORDINANCE providing for the special valuation of Wind Energy Conversion Property.

WHEREAS, the City of Des Moines through its City Council is authorized, pursuant to Iowa Code Section 427B.26, to provide by ordinance for the special valuation of Wind Energy Conversion Property as provided in sections 2 and 3 of this ordinance; and

WHEREAS, by Roll Call No. 07-1401 of July 23, 2007, the City Council scheduled a public hearing on this ordinance for August 6, 2007 at 5:00 p.m. in the Council Chamber of the City Hall and due notice of said hearing was published in the Des Moines Register on July 27, 2007 as provided by law; and

WHEREAS, at the aforementioned time and place, the City Council did meet and hear facts and statements of interested persons with respect to this ordinance and by Roll Call No. 07-1548 of August 6, 2007 the City Council closed the public hearing on this ordinance; and

WHEREAS, more than thirty days has now passed since the public hearing on this ordinance was closed.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Des Moines, Iowa, as follows:

Section 1: Definitions

For purposes of this ordinance, certain terms and words used herein shall be interpreted or defined as follows:

- a. "Net Acquisition Cost" – means the acquired cost of the property including all foundations and installation cost less any excess cost adjustment.
- b. "Wind Energy Conversion Property" – means the entire wind plant including, but not limited to, a wind charger, windmill, wind turbine, tower and electrical equipment, pad mount transformers, power lines, and substation.

Section 2: Establishment

Pursuant to Iowa Code Section 427B.26, a special valuation of Wind Energy Conversion Property within the City of Des Moines is allowed in lieu of the valuation and assessment provisions in Iowa Code Section 441.21(8)(b) and (c) and Iowa Code Sections 428.24 to 428.29. The special valuation shall only apply to Wind Energy Conversion Property first assessed on or after January 1, 1994, and on or after the effective date of this ordinance.

Section 3: Amount of Valuation

Wind Energy Conversion Property first assessed on or after the effective date of this ordinance shall be valued by the Polk County Assessor as follows:

- a. For the first assessment year, at zero percent (0%) of the Net Acquisition Cost.
- b. For the second through sixth assessment years, at a percent of the Net Acquisition Cost which rate increases by five percent (5%) each assessment year.
- c. For the seventh and succeeding assessment years, at thirty percent (30%) of the Net Acquisition Cost.

Section 4: Declaration of Special Valuation

The taxpayer shall file with the Polk County Assessor by February 1 of the assessment year in which the Wind Energy Conversion Property is first assessed for property tax purposes, a declaration of intent to have the property assessed at the value determined under this ordinance in lieu of the valuation assessment provisions in Iowa Code Section 441.21(8)(b) and (c) and Iowa Code Sections 428.24 to 428.29.

Section 5: Reporting Requirements

The following reports shall be filed annually with the Polk County Assessor by the taxpayer, in the first year, with the declaration of intent prescribed in Section 4; and by February 1 of each year thereafter:

- a. Copy of the taxpayer's Asset Ledger sheet to IRS.
- b. Engineering breakdown of component parts for the Wind Energy Conversion Property.
- c. Tower numbering system of the taxpayer.
- d. Name of contact person for taxpayer, phone number, FAX number, e-mail address, and mailing address.
- e. Report of all Wind Energy Conversion Property leased equipment, the name(s) of the company(s) it is leased from, and the agreement between the lessor and the lessee regarding who is responsible for the property tax on the leased equipment.

Section 6: Repeal of Special Valuation

If in the opinion of the City Council continuation of the special valuation provided under this ordinance ceases to be of benefit to the City of Des Moines, the City Council may repeal this ordinance. Property specially valued under this ordinance prior to the repeal of this ordinance shall continue to be valued under this ordinance until the end of the nineteenth assessment year following the assessment year in which the property was first assessed.

Section 7: Severability Clause

The invalidity of any section, clause, sentence, or provision of this ordinance shall not affect the validity of any other part of this ordinance, which shall be given effect without such invalid part or parts.

Section 8: When Effective

This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

FORM APPROVED

Lawrence R. McDowell, Deputy City Attorney

T.M. Franklin Cownie, Mayor

Attest:

I, Diane Rauh, City Clerk of the City of Des Moines, Iowa, hereby certify that the above and foregoing is a true copy of an ordinance (Roll Call No. 07-1863), passed by the City Council of said City at a meeting held September 24, 2007 signed by the Mayor on September 24, 2007 and published as provided by law in the Business Record on October 8, 2007, Authorized by Publication Order No. 5862.

Diane Rauh, City Clerk