

HEARING ON AND APPROVAL OF 2019
AMENDMENT TO THE EAGLE GROVE
URBAN RENEWAL AREA

436775-35

Eagle Grove, Iowa

September 23, 2019

The City Council of the City of Eagle Grove, Iowa, met on September 23, 2019, at 6:30 o'clock, p.m., at the City Hall, in the City for the purpose of conducting a public hearing on a proposed urban renewal plan amendment. The Mayor presided and the roll being called the following members of the Council were present and absent:

Present: Pamperin, Vandewater, Weland, Schild, and Middleton

Absent: Jergens

The City Council investigated and found that notice of the intention of the Council to conduct a public hearing on the urban renewal plan amendment had been published according to law and as directed by the Council and that this is the time and place at which the Council shall receive oral or written objections from any resident or property owner of the City. All written objections, statements, and evidence heretofore filed were reported to the City Council, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

(Here list all persons presenting written or oral statements or evidence and summarize each presentation.)

There being no further objections, comments, or evidence offered, the Mayor announced the hearing closed.

Council Member Vandewater moved the adoption of a resolution entitled "Resolution to Approve Urban Renewal Plan Amendment for the Eagle Grove Urban Renewal Area," seconded by Council Member Pamperin. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Pamperin, Vandewater, Weland, Schild, and Middleton

Nays: Jergens_____.

Whereupon, the Mayor declared the resolution duly adopted and signed approval thereto.

RESOLUTION NO. 2019-88

Resolution to Approve Urban Renewal Plan Amendment for the Eagle Grove Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the rehabilitation, conservation, redevelopment, development or a combination thereof, of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, this City Council of the City of Eagle Grove, Iowa (the "City"), by prior resolution established the Eagle Grove Urban Renewal Area (the "Urban Renewal Area") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which authorizes the undertaking of new urban renewal projects (the "Projects") in the Urban Renewal Area consisting of (1) using tax increment financing to pay the costs of the City's Downtown Façade Rehabilitation Program; (2) providing tax increment financing support to Gold Eagle Cooperative (the "Coop") in connection with the construction of a new maintenance shop for use in the Coop's agribusiness operations; and (3) using tax increment financing to fund an economic development grant to Eagle Grove Hotel, LLC in connection with the construction of a hotel; and

WHEREAS, notice of a public hearing by the City Council on the proposed Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on September 23, 2019; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to Wright County and the Eagle Grove Community School District; the consultation meeting was held on the 3rd day of September, 2019; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Eagle Grove, Iowa, as follows:

Section 1. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 2. It is hereby determined by this City Council as follows:

A. The Projects proposed under the Amendment conform to the general plan for the development of the City;

B. The Projects proposed under the Amendment are necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

C. It is not intended that families will be displaced as a result of the City's undertaking under the Amendment. Should such issues arise with future projects, then the City will ensure that a feasible method exists to carry out any relocations without undue hardship to the displaced and into safe, decent, affordable and sanitary housing.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved September 23, 2019.



Mayor

Attest:

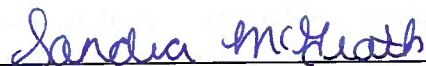


City Clerk

(Attach copy of the urban renewal plan amendment to this resolution.)

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Upon motion and vote, the meeting adjourned.



Mayor

Attest:



City Clerk

STATE OF IOWA
COUNTY OF WRIGHT
CITY OF EAGLE GROVE

SS:

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Eagle Grove, and that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the City Council preliminary to and in connection with approving the urban renewal plan amendment for the Eagle Grove Urban Renewal Area in the City of Eagle Grove, Iowa.

WITNESS MY HAND this 23rd day of September, 2019.

Byron Davis
City Clerk

CITY OF EAGLE GROVE, IOWA

URBAN RENEWAL PLAN AMENDMENT
EAGLE GROVE URBAN RENEWAL AREA

September, 2019

The Urban Renewal Plan (the “Plan”) for the Eagle Grove Urban Renewal Area (the “Urban Renewal Area”) is being amended for the purpose of identifying new urban renewal projects to be undertaken therein.

1) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following project descriptions:

A.

Name of Project: Downtown Façade Rehabilitation Program (the “Program”)

Name of Urban Renewal Area: Eagle Grove Urban Renewal Area

Date of Council Approval of Project: September 16, 2019

Description of Downtown Façade Rehabilitation Program: The City acknowledges the importance of a vibrant downtown to the promotion of economic development in the City. Under the Program, the City will use tax increment financing to fund an economic development grant program for the improvement and renovation of commercial storefronts in the City’s downtown. The City will provide fiscal support to the Program through (1) the satisfaction of the “local match” requirement (the “Local Match”) of a Community Development Block Grant, and (2) the provision of additional economic development grants (the “Grants”).

Description of Use of TIF: It is anticipated that the City will fund the Local Match and the Grants with either borrowed funds, negotiated economic development grant agreements with the individual business owners and/or with the proceeds of an internal advance of City funds on-hand. In any case, the City’s obligation will be repaid with incremental property tax revenues. It is anticipated that the City’s use of incremental property tax revenues for the Local Match and the Grants will not exceed \$250,000.

B.

Name of Project: Gold-Eagle Cooperative Development Project

Name of Urban Renewal Area: Eagle Grove Urban Renewal Area

Date of Council Approval of Project: September 16, 2019

Description of the Project and Project Site: Gold-Eagle Cooperative (the “Coop”) has undertaken the construction of a maintenance shop (the “Development Project”) on certain real property situated at [insert location] (the “Coop Property”) in the Urban Renewal Area for use in the Coop’s agribusiness operations.

It has been requested that the City provide tax increment financing assistance to the Coop in support of the efforts to complete, operate and maintain the Development Project.

The costs incurred by the City in providing tax increment financing assistance to the Coop will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$7,500.

Description of Public Infrastructure to be Constructed in Connection with the Project: It is not anticipated that the City will undertake any public infrastructure improvements in connection with the Development Project.

Description of Properties to be Acquired in Connection with the Project: It is not anticipated that the City will acquire real property in connection with the Development Project.

Description of Use of TIF for the Project: The City intends to enter into a Development Agreement with the Coop with respect to the construction and use of the completed Development Project and to provide annual appropriation economic development payments (the “Payments”) to the Coop thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Coop Property. It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Development Project will not exceed \$100,000, plus the Admin Fees.

C.

Name of Project: Eagle Grove Hotel, LLC Development Project

Name of Urban Renewal Area: Eagle Grove Urban Renewal Area

Date of Council Approval of Project: September 16, 2019

Description of the Project: Eagle Grove Hotel, LLC (the “Company”) has proposed to undertake the construction of a new hotel (the “Project”) situated on certain real property (the “Development Property”) in the Urban Renewal Area for use in the Company’s business operations.

It has been requested that the City provide tax increment financing assistance to the Company in support of the efforts to complete, operate and maintain the Project.

The costs incurred by the City in providing tax increment financing assistance to the Company will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$8,500.

Description of Public Infrastructure to be Constructed in Connection with the Project: It is not anticipated that the City will undertake any public infrastructure improvements in connection with the Project.

Description of Properties to be Acquired in Connection with the Project: It is not anticipated that the City will acquire real property in connection with the Project.

Description of Use of TIF for the Project: The City intends to enter into an Economic Development Grant Agreement with the Company with respect to the construction of the completed Project and to provide an economic development grant (the "Grant") to the Company thereunder. The Grant will be funded with borrowed funds and/or an internal advance of funds. In any case, the City's obligation will be repaid with future incremental property tax revenues to be derived from the Urban Renewal Area. It is anticipated that the City's total commitment of incremental property tax revenues with respect to the Project will not exceed \$500,000, plus the Admin Fees.

2) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$4,408,341</u>
Outstanding general obligation debt of the City:	<u>\$</u>
Proposed debt to be incurred in under this September, 2019 Amendment*:	<u>\$ 866,000</u>

*It is anticipated that some or all of the debt incurred hereunder may be made subject to annual appropriation by the City Council.

