

HOLD HEARING ON AND APPROVE
DEVELOPMENT AGREEMENT AND
TAX INCREMENT PAYMENTS

(Gold-Eagle Cooperative)

436775-35

Eagle Grove, Iowa

November 18, 2019

A meeting of the City Council of the City of Eagle Grove, Iowa, was held at 6:30 p.m., on November 18, 2019, at the Eagle Grove City Hall Council Chambers, Eagle Grove, Iowa, pursuant to the rules of the Council.

The Mayor presided and the roll was called, showing members present and absent as follows:

Present: Weland, Middleton, Jergens, Vandewater

Absent: Pamperin Schild

The City Council investigated and found that notice of the intention of the City Council to conduct a public hearing on a Development Agreement between the City and Gold-Eagle Cooperative had been published according to law and as directed by the City Council and that this is the time and place at which the City 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 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 or comments, the Mayor announced that the hearing was closed.

Council Member Weland introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member Jergens; and after due consideration thereof by the City Council, the Mayor put the question upon the adoption of said resolution, and the roll being called, the following named Council Members voted:

Ayes: Weland, Middleton, Jergens, Vandewater

Nays: _____.

Whereupon, the Mayor declared said resolution duly adopted, as follows:

RESOLUTION 2019-108

Resolution Approving Development Agreement with Gold-Eagle Cooperative, Authorizing Annual Appropriation Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement

WHEREAS, the City of Eagle Grove, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Eagle Grove Downtown Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

WHEREAS, a certain development agreement (the “Agreement”) between the City and Gold-Eagle Cooperative (the “Coop”) has been prepared in connection with the construction of a new truck maintenance shop for use in the Coop’s business operations in the Urban Renewal Area (the “Project”); and

WHEREAS, under the Agreement, the City would provide annual appropriation tax increment payments to the Coop in a total amount not exceeding \$100,000; and

WHEREAS, this City Council, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Agreement on November 18, 2019, and has otherwise complied with statutory requirements for the approval of the Agreement; and

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which a City may provide grants, loans, tax incentives, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans, tax incentives or other financial assistance, a City Council must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that in determining whether funds should be spent, a City Council must consider any or all of a series of factors;

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

Section 1. Pursuant to the factors listed in Chapter 15A, the City Council hereby finds that:

(a) The Project will add diversity and generate new opportunities for the Eagle Grove and Iowa economies;

(b) The Project will generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed financial incentives.

Section 2. The City Council further finds that a public purpose will reasonably be accomplished by entering into the Agreement and providing the incremental property tax payments to the Coop.

Section 3. The Agreement is hereby approved and the Mayor and City Clerk are hereby authorized and directed to execute and deliver the Agreement on behalf of the City, in substantially the form and content in which the Agreement has been presented to this City Council, and such officers are also authorized to make such changes, modifications, additions or deletions as they, with the advice of bond counsel, may believe to be necessary, and to take such actions as may be necessary to carry out the provisions of the Agreement.

Section 4. All payments by the City under the Agreement shall be subject to annual appropriation by the City Council, in the manner set out in the Agreement. As provided and required by Chapter 403 of the Code of Iowa, the City's obligations under the Agreement shall be payable solely from a subfund (the "Gold-Eagle Subfund") which is hereby established, into which shall be paid that portion of the income and proceeds of the Urban Renewal Tax Revenue Fund attributable to property taxes derived from the property as described as follows:

Certain real property situated in the City of Eagle Grove, Wright County, State of Iowa, more particularly described as follows:

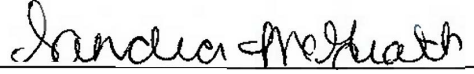
A tract described as beginning at the Southwest corner of the SE 1/4 of the SW 1/4 of Section 22 in Township 91 North, Range 26 West of the 5th P.M., Wright County, Iowa, running thence North 21 1/3 rods, East 22 1/2 rods, South 21 1/3 rods and West 22 1/2 rods to beginning.

Section 5. The City hereby pledges to the payment of the Agreement the Gold-Eagle Subfund and the taxes referred to in Subsection 2 of Section 403.19 of the Code of Iowa to be paid into such Subfund, provided, however, that no payment will be made under the Agreement unless and until monies from the Gold-Eagle Subfund are appropriated for such purpose by the City Council.

Section 6. After its adoption, a copy of this resolution shall be filed in the office of the County Auditor of Wright County to evidence the continuing pledging of the Gold-Eagle Subfund and the portion of taxes to be paid into such Subfund and, pursuant to the direction of Section 403.19 of the Code of Iowa, the County Auditor shall allocate the taxes in accordance therewith and in accordance with the tax allocation ordinance referred to in the preamble hereof.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved November 18, 2019.



Mayor

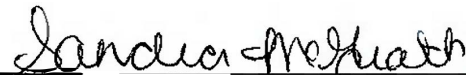
Attest:



City Clerk

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On motion and vote the meeting adjourned.



Mayor

Attest:



City Clerk

STATE OF IOWA
COUNTY OF WRIGHT SS:
CITY OF EAGLE GROVE

I, the undersigned, Clerk of the City of Eagle Grove, hereby certify that the foregoing is a true and correct copy of the minutes of the Council of the City relating to holding a public hearing and adopting a resolution to approve a Development Agreement.

WITNESS MY HAND this 18th day of November, 2019.



City Clerk