

Agenda Report

June 2, 2014 City Council Meeting

June 2, 2014
Item No.8

ISSUE: Approving Resolution authorizing an internal loan in the amount \$149,891.80 to be repaid by Tax Increment Financing

BACKGROUND:

There are several projects and ongoing expenses that the council approved as TIF expenses in the current fiscal year 2014 budget. However, aside from debt service payments all eligible TIF expenses are considered reimbursable and must be certified before the county will release TIF dollars for the related expenses. Since we did not borrow funds or bond for these TIF eligible project expenses, the council needs to formalize these costs into an internal loan from the general fund before they can be certified to the County as part of the City's FY 2014 TIF Certification.

Examples of the eligible TIF costs included in the \$149,891.80 total include payments to the City of Clive for the 73rd Street bridge maintenance (we have a contract with Clive to provide this service), the hanging baskets on University & attorney's fees for TIF related projects.

RECOMMENDATION:

Staff recommends the City Council approve the internal loan in the amount of \$149,891.80

STAFF CONTACTS:

Jeffrey A. Fiegenschuh, City Administrator

THE CITY OF WINDSOR HEIGHTS, IOWA

RESOLUTION 14-0628

**A RESOLUTION AUTHORIZING A LOAN TO THE URBAN RENEWAL/TAX INCREMENT
FINANCING FUND**

IN THE NAME AND BY THE AUTHORITY OF THE CITY OF WINDSOR HEIGHTS, IOWA

WHEREAS, the City of Windsor Heights, Iowa has established the Windsor Heights Urban Renewal Area (The "Urban Renewal Area"); and

WHEREAS, the City has performed certain improvements in the Urban Renewal Area consisting of the construction and reconstruction of certain streets, and economic development to revitalize blighted areas; and

WHEREAS, in order to make the above improvements eligible to be paid from incremental property tax revenues, it is necessary to create and formalize an internal debt; and

WHEREAS, the City has previously established an Urban Renewal/Tax Increment Financing Fund; and

WHEREAS, the City's General Fund has subsidized the Urban Renewal/Tax Increment Financing Fund in the amount of \$149,891.80; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF WINDSOR HEIGHTS, IOWA ASS FOLLOWS:

The City Clerk and Chief Financial Officer are hereby directed to formally document in the City's financial records the existence of an inter-fund loan from the General Fund to the Urban Renewal/Tax Increment Financing Fund, with principal amount of \$149,891.80.

PASSED, APPROVED, AND ADOPTED by the City Council of Windsor Heights, Iowa, this 2nd day of June, 2014.

Diana Willits, Mayor

Attest:

Jeffrey A. Fiegenschuh
City Administrator/Clerk