

Resolution No. 16-0653

A RESOLUTION FIXING A DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH KOESTER DEVELOPMENT LLC, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the City has undertaken a program for the redevelopment of an urban renewal area in the City and, in this connection, is planning to engage in carrying out urban renewal project activities in an area known as the Consolidated Windsor Heights Urban Renewal Area (the "Urban Renewal Area") which is described in the Second Amended and Restated Urban Renewal Plan ("Plan") approved by Resolution No. 16-0105 on January 12, 2016 and which is available for inspection at the office of the City Clerk; and

WHEREAS, it is desirable that properties within the Area be redeveloped as part of the overall redevelopment area covered by said Plan; and

WHEREAS, the City has received a proposal from Koester Development LLC (the "Developer") in the form of a proposed Development Agreement (the "Agreement") by and between the City and the Developer, pursuant to which, among other things, the Developer would agree to construct certain Minimum Improvements (as defined in the Agreement) on certain real property located within the Consolidated Windsor Heights Urban Renewal Area, as defined and legally described in the Agreement, and consisting of the construction of an approximately 40,000 square foot building, together with all related site improvements, as outlined in the proposed Development Agreement; and

WHEREAS, the Agreement further proposes that the City will make up to ten (10) consecutive annual payments of Economic Development Grants to Developer consisting of 70% of the Tax Increments pursuant to Iowa Code Section 403.19 which are generated by the construction of the Minimum Improvements, the cumulative total for all such payments not to exceed the lesser of \$2,000,000, or the amount accrued under the formula outlined in the proposed Development Agreement, under the terms and following satisfaction of the conditions set forth in the Agreement. The Agreement would also obligate the City to make a Forgivable Loan in the amount of \$250,000 to Developer, all under the terms and following satisfaction of the conditions set forth in the Agreement.

WHEREAS, one of the obligations of Developer relates to employment retention and/or creation; and

WHEREAS, the Agreement also proposes that Developer and the City will enter into a Minimum Assessment Agreement with the County Assessor setting the minimum actual value of the Minimum Improvements for tax purposes at not less than \$7,500,000; and

WHEREAS, Iowa Code Chapters 15A and 403 (the "Urban Renewal Law") authorize cities to transfer property and make grants for economic development in furtherance of the objectives of an urban renewal project and to appropriate such funds and make such expenditures as may be necessary to carry out the purposes of said Chapter, and to levy taxes and assessments for such purposes; and

WHEREAS, the Council has determined that the Agreement is in the best interests of the City and the residents thereof and that the performance by the City of its obligations thereunder is a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403 of the Iowa Code, taking into account the factors set forth therein; and

WHEREAS, neither the Urban Renewal Law nor any other Code provision sets forth any procedural action required to be taken before said economic development and blight remediation activities can occur under the Agreement, and pursuant to Section 364.6 of the City Code of Iowa, it is deemed sufficient if the action hereinafter described be taken and the City Clerk publish notice of the proposal and of the time and place of the meeting at which the Council proposes to take action thereon and to receive oral and/or written objections from any resident or property owner of said City to such action.

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

That this Council meet in the Council Chambers, City Hall, 1133 66th Street, Windsor Heights, Iowa at 6:00 P.M. on July 5, 2016, for the purpose of taking action on the matter of the proposal to enter into a Development Agreement with Koester Development LLC.

That the City Clerk is hereby directed to cause at least one publication to be made of a notice of said meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in said City, said publication to be not less than four (4) clear days nor more than twenty (20) days before the date of said public meeting.

The notice of the proposed action shall be in substantially the following form:

(One publication required)

NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF WINDSOR HEIGHTS, IOWA, ON THE MATTER OF THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH KOESTER DEVELOPMENT LLC, AND THE HEARING THEREON

PUBLIC NOTICE is hereby given that the Council of the City of Windsor Heights, Iowa, will hold a public hearing on July 5, 2016, at 6:00 P.M. in the Council Chambers, City Hall, 1133 66th Street, Windsor Heights, Iowa, at which meeting the Council proposes to take action on the proposal to enter into a Development Agreement (the "Agreement") with Koester Development LLC (the "Developer").

The Agreement would, among other things, obligate the Developer to cause the construction of the Minimum Improvements (as described in the Agreement) consisting of the construction of an approximately 40,000 square foot building. In exchange the City will pay the Developer Economic Development Grants up to an estimated, aggregate maximum amount of up to \$2,000,000 generated by the construction of the Minimum Improvements as well as grant the Developer a Forgivable Loan in the amount of \$250,000, under the terms and following satisfaction of the conditions set forth in the Agreement.

The Developer will commit to the employment and retention of employees, and will enter into a Minimum Assessment Agreement with the City and the County Assessor setting the Minimum Actual Value of the Minimum Improvements for tax purposes at no less than \$7,500,000.

A copy of the Agreement is on file for public inspection during regular business hours in the office of the City Clerk, City Hall, City of Windsor Heights, Iowa.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of said City, to the proposal to enter into the Agreement with the Developer. After all objections have been received and considered, the Council will at this meeting or at any adjournment thereof, take additional action on the proposal or will abandon the proposal to authorize said Agreement.

This notice is given by order of the City Council of the City of Windsor Heights, Iowa, as provided by Section 364.6 of the Code of Iowa.

PASSED AND APPROVED this 20th day of June, 2016.

Diana Willits, Mayor

ATTEST:

Marcia Woodke, Acting City Clerk