

City of Charles City Agenda Special Meeting

1. Meeting Date And Time

A. November 25, 2019 6:00 P.m., Council Chambers, 105 Milwaukee Mall

2. Call To Order

3. Consider Approval Of The Agenda

4. Mayor's Comments

5. Consider Motion Approving Annual Urban Renewal Report

Documents:

[ANNUAL URBAN RENEWAL REPORT.PDF](#)

6. Consider Motion Approving TIF Certification Report

7. Consider Resolution 156-19 To Fix A Date Of Meeting At Which It Is Proposed To Take Action For The Issuance Of Urban Renewal Tax Increment Revenue Bonds In A Principal Amount Not To Exceed \$2,500,000

Documents:

[AIS 7-SPECIAL MEETING - CETIFIED SITE - SET PH FOR ISSUANCE OF URBAN RENWAL TIF REVENUE BONDS 2.5M.PDF](#)

8. Consider Resolution 168-19 Approving Option To Purchase Property

9. Adjournment

Annual Urban Renewal Report, Fiscal Year 2018 - 2019

Levy Authority Summary

Local Government Name: CHARLES CITY
 Local Government Number: 34G323

Active Urban Renewal Areas	U.R. #	# of Tif Taxing Districts
CHARLES CITY RIVERSIDE URBAN RENEWAL	34001	1
CHARLES CITY SW BYPASS URBAN RENEWAL	34002	4
CHARLES CITY EAST PARK URBAN RENEWAL	34003	2
CHARLES CITY SO GRAND URBAN RENEWAL	34004	3
CHARLES CITY PARK AVE ECONOMIC DEVELOPMENT URBAN RENEWAL	34009	1

TIF Debt Outstanding: 646,482

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018:	1,357,504	0	Amount of 07-01-2018 Cash Balance Restricted for LMI
TIF Revenue:	361,254		
TIF Sp. Revenue Fund Interest:	40,993		
Property Tax Replacement Claims	0		
Asset Sales & Loan Repayments:	0		
Total Revenue:	402,247		
Rebate Expenditures:	303,050		
Non-Rebate Expenditures:	423,654		
Returned to County Treasurer:	0		
Total Expenditures:	726,704		
TIF Sp. Rev. Fund Cash Balance as of 06-30-2019:	1,033,047	0	Amount of 06-30-2019 Cash Balance Restricted for LMI

♣ Annual Urban Renewal Report, Fiscal Year 2018 - 2019

Urban Renewal Area Data Collection

Local Government Name: CHARLES CITY (34G323)
 Urban Renewal Area: CHARLES CITY RIVERSIDE URBAN RENEWAL
 UR Area Number: 34001

UR Area Creation Date: 12/1968

UR Area Purpose: to correct physical change caused
 by a tornado in May 1968

Tax Districts within this Urban Renewal Area

	Base No.	Increment No.	Increment Value Used
CHARLES CITY/CHARLES CITY SCH/CC RIVERSIDE UR TIF INCREM	34038	34039	0

Urban Renewal Area Value by Class - 1/1/2017 for FY 2019

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	9,714,950	26,158,123	2,480,130	0	-35,188	44,723,512	0	44,723,512
Taxable	0	5,403,549	23,542,311	2,232,117	0	-35,188	36,187,117	0	36,187,117
Homestead Credits									75

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018: **595,495** **0** **Amount of 07-01-2018 Cash Balance Restricted for LMI**

TIF Revenue: 15,691
 TIF Sp. Revenue Fund Interest: 15,249
 Property Tax Replacement Claims: 0
 Asset Sales & Loan Repayments: 0
Total Revenue: 30,940

Rebate Expenditures: 161,203
 Non-Rebate Expenditures: 163,915
 Returned to County Treasurer: 0
Total Expenditures: 325,118

TIF Sp. Rev. Fund Cash Balance as of 06-30-2019: **301,317** **0** **Amount of 06-30-2019 Cash Balance Restricted for LMI**

Urban Renewal Area Data Collection

Local Government Name: CHARLES CITY (34G323)
 Urban Renewal Area: CHARLES CITY SW BYPASS URBAN RENEWAL
 UR Area Number: 34002

UR Area Creation Date: 11/1993

UR Area Purpose: To improve the streets and roadways along with major extensions of water and sanitary sewer systems into areas that will service existing industries and create a favorable environment for new business and industry

Tax Districts within this Urban Renewal Area	Base No.	Increment No.	Increment Value Used
CHARLES CITY/CHARLES CITY SCH/CC SW BYPASS UR TIF INCREM	34040	34041	4,310,585
CHARLES CITY AG/CHARLES CITY SCH/CC SW BYPASS UR TIF INCREM	34042	34043	12,230
ST CHARLES TWP/CHARLES CITY SCH/CC SW BYPASS UR TIF INCREM	34044	34045	0
ST CHAS TWP/CHARLES CITY SCH/SW BYPASS AMENDED '03 UR TIF INC	34079	34080	0

Urban Renewal Area Value by Class - 1/1/2017 for FY 2019

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	2,161,780	4,130,710	989,610	43,162,350	0	-12,964	50,431,486	0	50,431,486
Taxable	1,177,049	2,297,541	890,649	38,846,115	0	-12,964	43,198,390	0	43,198,390
Homestead Credits									25

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018: 379,135 0 **Amount of 07-01-2018 Cash Balance Restricted for LMI**

TIF Revenue: 140,000
 TIF Sp. Revenue Fund Interest: 12,148
 Property Tax Replacement Claims: 0
 Asset Sales & Loan Repayments: 0
Total Revenue: 152,148

Rebate Expenditures: 141,847
 Non-Rebate Expenditures: 122,750
 Returned to County Treasurer: 0
Total Expenditures: 264,597

TIF Sp. Rev. Fund Cash Balance as of 06-30-2019: 266,686 0 **Amount of 06-30-2019 Cash Balance Restricted for LMI**

Urban Renewal Area Data Collection

Local Government Name: CHARLES CITY (34G323)
 Urban Renewal Area: CHARLES CITY EAST PARK URBAN RENEWAL
 UR Area Number: 34003

UR Area Creation Date: 04/1996

UR Area Purpose: to promote the commercial and industrial development of East Park Subdivision

Tax Districts within this Urban Renewal Area

	Base No.	Increment No.	Increment Value Used
CHARLES CITY/CHARLES CITY SCH/CC EAST PARK UR TIF INCREM	34062	34065	0
CHARLES CITY AG/CHARLES CITY SCH/CC EAST PARK UR TIF INCREM	34064	34066	0

Urban Renewal Area Value by Class - 1/1/2017 for FY 2019

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	115,170	0	961,820	1,214,630	0	0	2,291,620	0	2,291,620
Taxable	62,708	0	865,638	1,093,167	0	0	2,021,513	0	2,021,513
Homestead Credits									0

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018:

9,225 0

Amount of 07-01-2018 Cash Balance Restricted for LMI

TIF Revenue: 0
 TIF Sp. Revenue Fund Interest: 268
 Property Tax Replacement Claims: 0
 Asset Sales & Loan Repayments: 0
Total Revenue: 268

Rebate Expenditures: 0
 Non-Rebate Expenditures: 0
 Returned to County Treasurer: 0
Total Expenditures: 0

TIF Sp. Rev. Fund Cash Balance as of 06-30-2019:

9,493 0

Amount of 06-30-2019 Cash Balance Restricted for LMI

♣ Annual Urban Renewal Report, Fiscal Year 2018 - 2019

Urban Renewal Area Data Collection

Local Government Name: CHARLES CITY (34G323)
 Urban Renewal Area: CHARLES CITY SO GRAND URBAN RENEWAL
 UR Area Number: 34004

UR Area Creation Date: 12/1994

UR Area Purpose: The purpose of this plan is to improve the streets and roadways along with major etensions of watermains, sanitary sewer and storm sewer systems for new commercial, industrial and residential development

Tax Districts within this Urban Renewal Area	Base No.	Increment No.	Increment Value Used
CHARLES CITY/CHARLES CITY SCH/S GRAND UR TIF INCREM	34056	34057	0
CHARLES CITY AG/CHARLES CITY SCH/S GRAND UR TIF INCREM	34058	34059	0
ST CHARLES TWP/CHARLES CITY SCH/CC S. GRAND UR TIF INCREM	34060	34061	0

Urban Renewal Area Value by Class - 1/1/2017 for FY 2019

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	1,116,270	2,210,470	18,130,330	0	0	-7,408	25,402,392	0	25,402,392
Taxable	607,787	1,229,484	16,317,297	0	0	-7,408	21,259,934	0	21,259,934
Homestead Credits									15

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018: 32,719 0 **Amount of 07-01-2018 Cash Balance Restricted for LMI**

TIF Revenue: 0
 TIF Sp. Revenue Fund Interest: 951
 Property Tax Replacement Claims: 0
 Asset Sales & Loan Repayments: 0
Total Revenue: 951

Rebate Expenditures: 0
 Non-Rebate Expenditures: 0
 Returned to County Treasurer: 0
Total Expenditures: 0

TIF Sp. Rev. Fund Cash Balance as of 06-30-2019: 33,670 0 **Amount of 06-30-2019 Cash Balance Restricted for LMI**

◆ Annual Urban Renewal Report, Fiscal Year 2018 - 2019

Urban Renewal Area Data Collection

Local Government Name: CHARLES CITY (34G323)
 Urban Renewal Area: CHARLES CITY PARK AVE ECONOMIC DEVELOPMENT URBAN RENEWAL
 UR Area Number: 34009

UR Area Creation Date: 04/2003

UR Area Purpose: To stimulate economic development activities within the district

Tax Districts within this Urban Renewal Area

	Base No.	Increment No.	Increment Value Used
CHARLES CITY CITY/CHARLES CITY SCH/PARK AVE ECON DEV UR TIF INC	34081	34082	6,287,820

Urban Renewal Area Value by Class - 1/1/2017 for FY 2019

	Agricultural	Residential	Commercial	Industrial	Other	Military	Total	Gas/Electric Utility	Total
Assessed	0	11,354,730	0	0	0	-27,780	11,326,950	0	11,326,950
Taxable	0	6,315,600	0	0	0	-27,780	6,287,820	0	6,287,820
Homestead Credits									52

TIF Sp. Rev. Fund Cash Balance as of 07-01-2018:

340,930 0

Amount of 07-01-2018 Cash Balance Restricted for LMI

TIF Revenue: 205,563
 TIF Sp. Revenue Fund Interest: 12,377
 Property Tax Replacement Claims: 0
 Asset Sales & Loan Repayments: 0
Total Revenue: 217,940

Rebate Expenditures: 0
 Non-Rebate Expenditures: 136,989
 Returned to County Treasurer: 0
Total Expenditures: 136,989

TIF Sp. Rev. Fund Cash Balance as of 06-30-2019:

421,881 0

Amount of 06-30-2019 Cash Balance Restricted for LMI

MEETING DATE: 11/25/19

ITEM:7

AGENDA ITEM SUMMARY

Subject: Consider approval of Resolution No. 156-19 setting date for public hearing for issuance of urban renewal tax increment revenue bonds not to exceed \$2.5 Million. For certified site land acquisition.



Top Goals - 2019

The City has previously approved the agreement between the City of Charles City and Charles City Area Development Group (CCADC) to acquire property that will be designated as an Iowa Certified Site. The City also approved the amendment to the South Grand Urban Renewal Area to include this project in the urban renewal plan.

Resolution No. 156-19 will fix the date for issuance of TIF Revenue Bonds that will ultimately fund the purchase of the property. The amount not to exceed of \$2.5MM covers the cost of CCADC's purchase of the property, \$2,156,000, but also will allow borrowing of the capitalized financing costs (approximately \$200,000) to service the loan until TIF revenues can be collected to service the loan.

The Site officially received its Certification last week, as per Economic Development Director Timothy Fox.

Enclosed is Resolution No. 156-19 for your consideration.

RESOLUTION NO. 156-19

Resolution to fix a date of meeting at which it is proposed to take action for the issuance of Urban Renewal Tax Increment Revenue Bonds in a principal amount not to exceed \$2,500,000

WHEREAS, the City of Charles City, 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 (the "Plan") for the South Grand 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 Areas pursuant to Section 403.19 of the Code of Iowa and establishing the fund (the "TIF 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 and interest on bonds issued under the authority of Section 403.9 of the Code of Iowa; and

WHEREAS, on November 4, 2019 the City Council took action to approve provisions within the Plan detailing the undertaking of the CCADC Avenue of the Saints Development Park Site Certification and Development Project (the "Project") as an urban renewal project of the City; and

WHEREAS, it is now necessary to make provision for the payment of certain costs of the Project through the issuance of Urban Renewal Tax Increment Revenue Bonds in a principal amount not to exceed \$2,500,000 (the "Bonds"), under the authority of Section 403.9(1) of the Code of Iowa and for payment of which the aforementioned fund and portion of taxes may be irrevocably pledged; and

WHEREAS, the City has previously entered into certain obligations secured by and payable from the TIF Fund, and the income and taxes to be deposited therein, such obligations being set forth on Exhibit A hereto; and

WHEREAS, it is now necessary to fix a date of meeting of the City Council at which it is proposed to take action to issue the Bonds and to give notice thereof as required by Section 403.9 of the Code of Iowa;

NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Charles City, Iowa, as follows:

Section 1. This City Council shall meet on December 2, 2019, at 6:00 o'clock p.m., at the council chambers, in the City, at which time and place proceedings will be instituted and action taken for the issuance of the Bonds.

Section 2. The City Clerk is hereby directed to give notice of the proposed action for the issuance of the Bonds, setting forth the amount and purpose thereof, the time when and place where the meeting will be held, by publication at least once not less than 4 days and not more than 20 days before the date of said meeting in a legal newspaper of general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PUBLIC HEARING ON PROPOSAL TO ISSUE URBAN RENEWAL TAX
INCREMENT REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$2,500,000

(TIF REVENUE)

The City Council of the City of Charles City, Iowa, will meet at the council chambers, on December 2, 2019, at 6:00 o'clock p.m., at which time and place proceedings will be instituted and action taken for the issuance of Urban Renewal Tax Increment Revenue Bonds in a principal amount not to exceed \$2,500,000 (the "Bonds") as authorized under Section 403.9 of the Code of Iowa for the purpose of paying costs of undertaking the CCADC Avenue of the Saints Development Park Site Certification and Development Project (the "Development Project") in the South Grand Urban Renewal Area (the "Urban Renewal Area"). As approved by the City Council on November 4, 2019, the Development Project will include the provision of tax increment financing support to Charles City Area Development Corporation for the acquisition and development of certain real property situated in the Urban Renewal Area to its highest and best use as a business park.

The Bonds will not be general obligations of the City, but will be secured solely and only with incremental property tax revenues generated within the Urban Renewal Area. The repayment of principal and interest due under the Bonds may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the City Council may, at the meeting or at an adjournment thereof, take additional action for the issuance of the Bonds or may abandon the proposal to issue the Bonds.

This notice is given by order of the City Council of Charles City, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Trudy O'Donnell
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Passed and approved November 25, 2019.

Mayor

Attest:

City Clerk

