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## AGENDA ITEM SUMMARY

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**Subject: Set Public Hearing for Development Agreement with Charles City Area Development Corporation (CCADC). Resolution No. 77-21**

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### **Background Summary:**

The three-year funding agreement between the City of Charles City and Charles City Area Development Corporation (CCADC) is due to end after FY22.

The updated development agreement with Charles City Area Development Corporation (CCADC) includes funding towards their annual operation.

CCADC is requesting funding of \$46,000 per year for three years. Their current agreement is for \$42,000 per year for three years

The new agreement would be for FY23, 24 & 25 and includes the following

- Annual funding to CCADC - \$46,000 – 3-year Total \$138,000
- Funded via three different TIF districts annually
  - SW Bypass - \$17,500 (likely)
  - Riverside - \$14,250 (likely)
  - South Grand - \$14,250 (likely)
- Aggregate total of the agreement - **\$138,000**

Tim Fox will be present at the Workshop to discuss.

CITY OF CHARLES CITY

RESOLUTION NO. 77-21

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Charles City Area Development Corporation, Including Annual Appropriation Tax Increment Payments

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 Urban Renewal Plans for the Southwest Bypass Urban Renewal Area, the Riverside Urban Renewal Area and the South Grand Urban Renewal Area (collectively, the "Urban Renewal Areas"); and

WHEREAS, this City Council has adopted ordinances 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 referred to in Subsection 2 of Section 403.19 of the Code of Iowa for each of the Urban Renewal Areas, which funds 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, the City proposes to enter into a certain development agreement (the "Development Agreement") with Charles City Area Development Corporation (the "ADC") in connection with certain economic development initiatives, programs and services being undertaken by the ADC in the Urban Renewal Areas; and

WHEREAS, the Development Agreement would provide financial incentives to the ADC in the form of annual appropriation incremental property tax payments in an amount not to exceed \$138,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to 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 July 6, 2021, at \_\_\_\_\_ o'clock \_\_\_\_m., electronically and/or at the \_\_\_\_\_, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement and to authorize the annual appropriation incremental property tax payments.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four days and not more than twenty days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the applicable following form:

**[NOTICE OF ELECTRONIC HEARING]**

**NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT WITH  
CHARLES CITY AREA DEVELOPMENT CORPORATION AND AUTHORIZATION OF  
ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS**

The City Council of the City of Charles City, Iowa, will meet on July 6, 2021, at \_\_\_\_\_ o'clock \_\_\_\_m., at which time proceedings will be instituted and action taken to approve a Development Agreement between the City and Charles City Area Development Corporation (the "ADC"), in connection with certain economic development initiatives, services and programs being undertaken by the ADC in the City's Southwest Bypass Urban Renewal Area, the Riverside Urban Renewal Area, and the South Grand Urban Renewal Area. The Development Agreement provides for certain financial incentives in the form of incremental property tax payments to the ADC in a total amount not exceeding \$138,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make incremental property tax payments to Company under the Development Agreement will not be a general obligation of the City, but such payments will be payable solely and only from incremental property tax revenues generated within the Southwest Bypass Urban Renewal Area, the Riverside Urban Renewal Area, and the South Grand Urban Renewal Area. Some or all of the payments under the Development Agreement may be made subject to annual appropriation by the City Council.

Due to federal and state government recommendations in response to COVID-19 pandemic conditions, the meeting will be held electronically via Zoom, which will be accessible at the following:

**[Insert electronic access information]**

In addition to electronic access, written comments may be filed or made prior to the meeting and will be recorded in the minutes.

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

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.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved June 21, 2021.

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Mayor

Attest:

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City Clerk