

RESOLUTION NO. 23-09

RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON
THE PROPOSAL TO ENTER INTO A DEVELOPMENT
AGREEMENT WITH THE CITY OF NEWTON, IOWA AND
CHRISTENSEN DEVELOPMENT 1, LLC, AND PROVIDING
FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, by Resolution No. 23-08, adopted February 7, 2023, this Board found and determined that certain areas located within the County are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Urban Renewal Plan (the "Urban Renewal Plan" or "Plan") for the Legacy Plaza Urban Renewal Area (the "Urban Renewal Area" or "Area") described therein, which Plan is, or will be, on file in the office of the Recorder of Jasper County; 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 County has received a proposal from the City of Newton, Iowa (the "City") and Christensen Development 1, LLC (the "Developer"), in the form of a proposed Development Agreement (the "Agreement") by and among the County, the City, and the Developer, pursuant to which, among other things, the Developer would agree to construct certain Minimum Improvements, including the Apartment Improvements and the Hotel Improvements (as those terms are defined in the Agreement), and related site improvements, on certain real property located within the Urban Renewal Area as defined and legally described in the Agreement (the "Development Property"); and

WHEREAS, the completion of the Minimum Improvements is expected to repurpose two former Maytag buildings into a 72-unit apartment building and a 58-room boutique hotel; and

WHEREAS, pursuant to the Agreement, the City, the Developer, and the County will enter into a Minimum Assessment Agreement setting the minimum actual value of the Minimum Improvements and Development Property for tax purposes at not less than \$7,000,000; and

WHEREAS, construction of the Minimum Improvements and redevelopment of the Development Property is expected to remediate blighting conditions within the Urban Renewal Area, and further, one of the obligations of the Developer relates to employment retention and/or creation; and

WHEREAS, in consideration of Developer's obligations, the Agreement proposes that the City would provide the Developer with Local Hotel Tax Rebates, a City Residential Grant, and a Downtown Housing Grant (as those terms are defined in the Agreement), pursuant to the terms and conditions set forth in the Agreement for those incentives; and

WHEREAS, in consideration of Developer's obligations, the Agreement proposes that the County will make up to ten (10) consecutive payments of Redevelopment Grants to Developer, equal in amount to 100% of the Tax Increments annually generated by the construction of the Minimum Improvements and collected pursuant to Iowa Code Section 403.19 (as more particularly

described in the Agreement); provided, however, that the cumulative total for all such payments not to exceed the lesser of \$2,600,000, or the amount accrued under the formula outlined in the proposed Agreement, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement also proposes that the County would issue bonds, in an aggregate principal amount not to exceed \$9,000,000 (the "Bonds"), which Bonds would be used to provide Construction Grants to the Developer, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the County expects to use Reinvestment Funds received from the State and generated from a Reinvestment District that includes the Development Property to pay the debt service on the Bonds; however, if the Reinvestment Funds were insufficient to fully repay the Bonds' debt service, then the Agreement would permit the County to use Tax Increments (following termination of the Redevelopment Grant payments) to pay debt service on the Bonds, subject to a requirement that the County first use Tax Increments to provide a \$65,000 "City Reimbursement" payment to the City; and

WHEREAS, Chapters 15A and 403, Code of Iowa, (the "Urban Renewal Law") authorize counties to make grants for economic development and blight remediation in furtherance of the objectives of an urban renewal project and to appropriate such funds, incur indebtedness, 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 Board has determined that the Agreement is in the best interests of the County and the residents thereof and that the performance by the County 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 County's performance thereunder is in furtherance of appropriate economic development and blight remediation activities and objectives of the County within the meaning of Chapters 15A and 403, Code of Iowa, 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 331.301(5), Code of Iowa, it is deemed sufficient if the action hereinafter described be taken and the County Auditor publish notice of the proposal and of the time and place of the meeting at which the Board proposes to take action thereon and to receive oral and/or written objections from any resident or property owner of said County to such action.

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF SUPERVISORS OF JASPER COUNTY IN THE STATE OF IOWA:


Section 1. That this Board meet in the Supervisors Room, Jasper County Courthouse, 101 1st Street N, Newton, Iowa, at 9:30 A.M. on February 21, 2023, for the purpose of taking action on the matter of the proposal to enter into a Development Agreement with the City of Newton, Iowa and Christensen Development 1, LLC.

Section 2. That the County Auditor 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 County, said publication to be not less than four (4) clear days nor more than twenty (20) days before the date of said public meeting.

Section 3. That the published notice shall contain the date, time, and location of the public hearing to be held on the proposal and shall contain an accurate and intelligible summary of the essential terms of the Agreement that would reasonably inform the public of the proposed terms of the Agreement and the proposed obligations of the County thereunder.


Section 4. That, prior to the date set for the public hearing, a copy of the Agreement shall be made available for public inspection during regular business hours in the office of the County Auditor, Jasper County Courthouse, Newton, Iowa.

PASSED AND APPROVED this 7th day of February, 2023.



Chairperson, Board of Supervisors

ATTEST:



County Auditor

February 7, 2023

The Board of Supervisors of Jasper County in the State of Iowa, met in regular session, in the Supervisors Room, Jasper County Courthouse, 101 1st Street N, Newton, Iowa, at 9:30 A.M., on the above date. There were present Chairperson Talsma, in the chair, and the following named Board Members:

Denny Stevenson

Absent: Doug Cupples

Vacant: N/A

Board Member Stevenson then introduced the following proposed Resolution entitled "RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH THE CITY OF NEWTON, IOWA AND CHRISTENSEN DEVELOPMENT 1, LLC, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Board Member Talsma seconded the motion to adopt. The roll was called, and the vote was:

AYES: 11

NAYS: N/A

Whereupon, the Chairperson declared the Resolution duly adopted as follows: