

RESOLUTION NO. 29-21

Resolution to Approve Urban Renewal Plan Amendment for the Southwest Bypass
Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa counties by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a county must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the county and that the rehabilitation, conservation, redevelopment, development or a combination thereof, of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the county; and

WHEREAS, the Board of Supervisors (the "Board") of Floyd County, Iowa (the "County"), together with the City of Charles City, Iowa (the "City"), by prior resolution established the Southwest Bypass Urban Renewal Area (the "Urban Renewal Area") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives to be undertaken therein; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which (1) updates the description of the Cambrex Corporation Development Project previously approved in the County's October 24, 2017 Amendment to the Plan; and (2) authorizes the undertaking of new urban renewal projects (the "Projects") in the Urban Renewal Area consisting of (a) the use of tax increment financing by the City and the County to fund economic development support payments to Charles City Area Development Corporation ("CCADC") in connection with certain economic development initiatives being undertaken by CCADC in the Urban Renewal Area; and (b) the use of tax increment financing by the City to pay the costs of the City's Urban Renewal Administration and Professional Support Program; and

WHEREAS, notice of a public hearing by the Board, on the proposed Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Board has conducted said hearing on June 22, 2021; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to the Charles City Community School District and Charles City, Iowa; the consultation meeting was held on the 4th day of June, 2021; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors Floyd County, Iowa, as follows:

Section 1. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 2. It is hereby determined by this Board as follows:

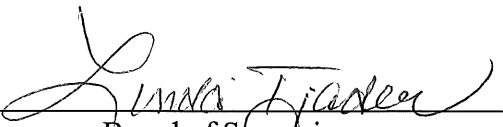
A. The Projects proposed under the Amendment conform to the general plan for the development of the County;

B. The Projects proposed under the Amendment are necessary and appropriate to facilitate the proper growth and development of the County in accordance with sound planning standards and local community objectives.

C. It is not anticipated that families will be displaced as a result of the County's undertakings under the Amendment. Should such issues arise with future projects, then the County will ensure that a feasible method exists to carry out any relocations without undue hardship to the displaced and into safe, decent, affordable and sanitary housing.


Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved June 22, 2021.



Chairperson, Board of Supervisors

Attest:

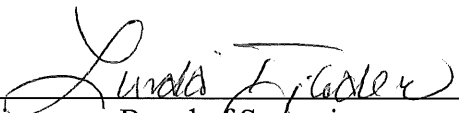


County Auditor

(Attach copy of the urban renewal plan amendment to this resolution.)


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Upon motion and vote, the meeting adjourned.



Chairperson, Board of Supervisors

Attest:



County Auditor

FLOYD COUNTY, IOWA

URBAN RENEWAL PLAN AMENDMENT
SOUTHWEST BYPASS URBAN RENEWAL AREA

June, 2021

The City of Charles City, Iowa (the “City”) and Floyd County, Iowa (the “County”) have jointly established the Southwest Bypass Urban Renewal Area (the “Urban Renewal Area”). The Urban Renewal Plan (the “Plan”) for the Urban Renewal Area is being amended for the purposes of (1) updating the description of the Cambrex Corporation Development Project; and (2) identifying new urban renewal projects to be undertaken in the Urban Renewal Area.

1) Update Description of the Cambrex Corporation Development Project. The County approved the Cambrex Corporation Development Project in the October 24, 2017 Amendment to the Plan. It is now necessary to update the description of the Cambrex Corporation Development Project, as follows:

Name of Project: Cambrex Corporation Development Project

Name of Urban Renewal Area: Southwest Bypass Urban Renewal Area

Date of Council Approval of Project: October 24, 2017 and updated on June 22, 2021

Description of the Project: Cambrex Charles City, Inc. (the “Company”) has proposed to undertake the expansion of its workforce and manufacturing facilities (the “Cambrex Development Project”) for use in its business operations situated at 1205 11th Street in the Urban Renewal Area (the “Cambrex Development Property”).

It has been requested that the City provide tax increment financing assistance to the Company in support of the efforts to complete, operate and maintain the Cambrex Development Project.

The costs incurred by the City in providing tax increment financing assistance to the Company will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$13,000 (increased from \$8,000 as approved in the October 24, 2017 Plan Amendment).

Description of Use of TIF for the Project: The City intends to enter into an economic development agreement (the “Agreement”) with the Company with respect to the construction and operation of the Project and to provide annual appropriation economic development payments (the “Payments”) and an economic development forgivable loan (the “Forgivable Loan”) to the Company thereunder. The Payments made under the Agreement will be funded with incremental property tax revenues to be derived from the

Cambrex Development Property. The Forgivable Loan will be funded with an internal advance (the “Internal Advance”) of City funds on hand, and the Internal Advance will be repaid with future incremental property tax revenues to be derived from the Cambrex Development Property. It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Cambrex Development Project, including the Payments, the Internal Advance, and the Admin Costs will not exceed \$625,000 (increased from \$170,000 as previously approved in the October 24, 2017 Plan Amendment).

The increased financial incentives being provided to the Company are in recognition of additional capital improvements constructed by the Company in connection with the Cambrex Development Project resulting in a higher than expected increased taxable assessed valuation of the Cambrex Development Property.

The County will not provide additional tax increment financing support to the Company in connection with the Cambrex Development Project.

2) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following projects:

A.

Name of Program: 2023-2025 Charles City Area Development Corporation Support Program (the “ADC Program”)

Name of Urban Renewal Area: Southwest Bypass Urban Renewal Area

Date of Council Approval of Program: June 22, 2021

Declaration of Program as an Urban Renewal Project:

The County acknowledges the importance of the Charles City Area Development Corporation (the “ADC”) to the promotion of economic development in the Urban Renewal Area. The County intends to enter into an economic development support agreement which will provide for support payments in an aggregate amount not in excess of \$196,800 to the ADC for a period of three (3) fiscal years (spread over fiscal years 2023, 2024 and 2025). Under said agreement, the ADC will commit to continuing its efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

The County also hereby acknowledges that the City intends to enter into an economic development support agreement which will provide for support payments (the “City Payments”) to the ADC for a period of three (3) fiscal years (spread over fiscal years 2023, 2024 and 2025). Under said agreement, the ADC will commit to continuing its efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

Description of Use of TIF for the Program: It is anticipated that the County will pay for the ADC Program with a combination of incremental property tax revenues (the “TIF Portion” which shall not exceed \$18,500 in any given fiscal year year) and alternate sources of County funds. The monies used to fund each support payment will be derived from borrowed funds, proceeds of internal advances of County funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In all cases, the TIF Portion will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the County in connection with the ADC Program will not exceed \$55,500.

The County hereby acknowledges that the City will use incremental property tax revenues derived from the Urban Renewal Area to fund a portion of the City Payments to ADC in an amount not to exceed \$55,500.

B.

Name of Program: Fiscal Year 2023-2025 Urban Renewal Administration and Professional Support Program (the “Admin Program”)

Name of Urban Renewal Area: Southwest Bypass Urban Renewal Area

Date of Council Approval of Program: June 21, 2021

Description of Program: The City will provide administrative and professional support to its urban renewal projects and initiatives in the City’s 2023 through 2025 fiscal years. This support will include planning, staffing, grant writing and administration, document support, record management, accounting, legal services and such other services as are necessary to carry out and effectuate the urban renewal initiatives and objectives of the City.

Description of Use of TIF for the Program: The City will fund its support contributions under the Admin Program from the proceeds of internal advances (the “Advances”) of cash on hand. The City’s annual contributions will be determined from year to year. The City will repay the Advances from incremental property tax revenues to be derived from the Urban Renewal Area. The total amount of incremental property tax revenues to be applied to the City’s Admin Program for the City’s fiscal years 2023 through 2025 shall not exceed \$31,500.

The County will not provide additional tax increment financing support to the City’s Admin Program.

3) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the County:	<u>\$72,846,403</u>
Outstanding general obligation debt of the City:	<u>\$</u>
Proposed debt to be incurred by the County in connection with June, 2021 Amendment*:	<u>\$ 55,500</u>

*The repayment of some or all of the debt incurred hereunder may be subject to annual appropriation by the Board of Supervisors.


STATE OF IOWA

SS:

FLOYD COUNTY

I, the undersigned, County Auditor of Floyd County, Iowa do hereby certify that as such I have in my possession or have access to the complete records of the County and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the records relating to the action taken by the Board preliminary to and in connection with approving the urban renewal plan amendment for the Southwest Bypass Urban Renewal Area in Floyd County, Iowa.

WITNESS MY HAND this 22nd day of June, 2021.



County Auditor