

RESOLUTION 2023-22

Resolution Approving Development Agreement with Diversified Technologies, Inc., Authorizing Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement

WHEREAS, Lyon County, Iowa (the “County”), pursuant to and in strict compliance with all laws applicable to the County, and in particular the provisions of Chapter 403 of the Code of Iowa, has previously adopted an Urban Renewal Plan for the Lyon County DTI Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, the Board has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area 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 (the “Urban Renewal Tax Revenue Fund”), which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the County 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, a certain Development Agreement (the “Agreement”) between the County and Diversified Technologies, Inc. (the “Company”) has been prepared in connection with the construction and operation of a new facility including a 150,000 square feet manufacturing structure and a 9,600 square feet two-story office space for use in its business operations in the Urban Renewal Area (the “Project”); and

WHEREAS, under the Agreement, the County would provide tax increment payments to the Company in a total amount not exceeding \$800,000; and

WHEREAS, the Board of Supervisors, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Agreement on May 23, 2023, and has otherwise complied with statutory requirements for the approval of the Agreement; and

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which a County may provide grants, loans, tax incentives, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans, tax incentives or other financial assistance, a Board of Supervisors must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that in determining whether funds should be spent, a Board of Supervisors must consider any or all of a series of factors; and

WHEREAS, pursuant to the Plan and Chapter 403 of the Code of Iowa, the County may undertake projects and initiatives for the promotion of economic development and the elimination and prevention of blight;

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

Section 1. Pursuant to the factors listed in Chapter 15A, the Board hereby finds that:

(a) The Project will add diversity and generate new opportunities for the Lyon County and Iowa economies;

(b) The Project will generate public gains and benefits, particularly in the creation and retention of jobs and income, which are warranted in comparison to the amount of the proposed property tax incentives.

Section 2. The Board further finds that a public purpose will reasonably be accomplished by entering into the Agreement and providing the incremental property tax payments to the Company.

Section 3. The Agreement is hereby approved, and the Chairperson and County Auditor are hereby authorized and directed to execute and deliver the Agreement on behalf of the County in substantially the form and content in which the Agreement has been presented to this Board of Supervisors. Such officers are also authorized to make such changes, modifications, additions or deletions as they, with the advice of bond counsel, may believe to be necessary, and to take such actions as may be necessary to carry out the provisions of the Agreement.

Section 4. As provided and required by Chapter 403 of the Code of Iowa, the County's obligations under the Agreement shall be payable solely from a subfund (the "Diversified Technologies, Inc. Subfund") which is hereby established, into which shall be paid that portion of the income and proceeds of the Urban Renewal Tax Revenue Fund attributable to property taxes derived from the property described as follows:

Lot 1 in Parcel A in the Fractional Northwest Quarter (Frac. NW ¼) of Section Thirty-one (Sec. 31), Township 99 North, Range 43 West of the 5<sup>th</sup> P.M., Lyon County, Iowa being recorded in Plat Book 2022, Page 2986.

Section 5. The County hereby pledges to the payment of the Agreement the Diversified Technologies, Inc. Subfund and the taxes referred to in Subsection 2 of Section 403.19 of the Code of Iowa to be paid into such Subfund.


Section 6. After its adoption, a copy of this resolution shall be filed in the office of the County Auditor of Lyon County to evidence the continuing pledging of the Diversified Technologies, Inc. Subfund and the portion of taxes to be paid into such Subfund and, pursuant to the direction of Section 403.19 of the Code of Iowa, the County Auditor shall allocate the taxes in accordance therewith and in accordance with the tax allocation ordinance referred to in the preamble hereof.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved May 23, 2023.

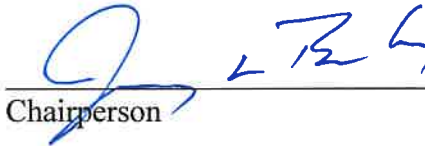
  
\_\_\_\_\_  
Chairperson

Attest:


  
\_\_\_\_\_  
County Auditor

.....

On motion and vote the meeting adjourned.

  
\_\_\_\_\_  
Chairperson

Attest:

  
\_\_\_\_\_  
County Auditor