

## RESOLUTION 2018-18

### Resolution Approving Amended Development Agreement with Cooperative Farmers Elevator, 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 adopted an Urban Renewal Plan for the Lyon County Economic Development Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this Board of Supervisors 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 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 County has previously entered into a certain development agreement (the “Original Agreement”) with Cooperative Farmers Elevator (the “Coop”) in connection with the development of a fertilizer plant by the Coop for use in its business operations and the construction of certain County bridge improvements (the “Projects”); and

WHEREAS, the County and the Coop now propose to amend the Original Agreement in order to (1) increase the amount of tax increment financing assistance to be provided to the Coop from \$405,330 to \$466,330; and (2) make other related changes; and

WHEREAS, an amended agreement (the “Amended Agreement”) has been prepared to set forth the new understanding between the County and the Coop; and

WHEREAS, this Board of Supervisors, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Amended Agreement on June 11, 2018, and has otherwise complied with statutory requirements for the approval of said Amended 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;

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 reaffirms that:

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

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

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

Section 3. The Amended Agreement is hereby approved and the Chairperson and County Auditor are hereby authorized and directed to execute and deliver the Amended Agreement on behalf of the County, in substantially the form and content in which the Amended Agreement has been presented to this Board of Supervisors, and 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 Amended Agreement.

Section 4. As provided and required by Chapter 403 of the Code of Iowa, the County's obligations under the Amended Agreement shall be payable solely from a subfund (the "Coop Subfund") which has previously been 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 properties described as follows:

*Certain real property situated in the City of Alvord, Lyon County, State of Iowa bearing Lyon County Property Tax Parcel Identification Number 450 00 00 158 50000*

Section 5. The County hereby pledges to the payment of its obligations under the Amended Agreement the Coop 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 Coop 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 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 on June 11, 2018.

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Chairman, Board of Supervisors

Attest:

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County Auditor

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On motion and vote the meeting adjourned.

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Chairman, Board of Supervisors

Attest:

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County Auditor