

RESOLUTION NO. 2016-24

Resolution to declare necessity and establish an urban renewal area, pursuant to Section 403.4 of the Code of Iowa and approve urban renewal plan amendment for the Lyon County Economic Development 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 development 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 of Lyon County (the “County”) has previously established the Lyon County Economic Development Urban Renewal Area (the “Urban Renewal Area”) and adopted an urban renewal plan (the “Plan”) for the governance of projects and initiatives therein; and

WHEREAS, a proposal has been made which shows the desirability of expanding the Urban Renewal Area to add and include all the property (the “Property”) lying within the legal description set out in Exhibit A hereto; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Property to be an economic development area; and

WHEREAS, an amendment (the “Amendment”) to the Plan has been prepared which covers the addition of the Property to the Urban Renewal Area and authorizes the undertaking of a new urban renewal project in the Urban Renewal Area consisting of using tax increment financing to support (i) the construction of necessary improvements to county roads, highways and bridges for the promotion of agribusiness and economic development, and (ii) the provision of economic development payments to Cooperative Farmers Elevator in connection with the construction of a fertilizer plant; and

WHEREAS, notice of a public hearing by the Board of Supervisors of the County on the question of establishing the Property as part of the Urban Renewal Area and on the proposal to adopt the Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on August 8, 2016; and

WHEREAS, the Planning and Zoning Commission of the County has reviewed and commented on the proposed Amendment; and

WHEREAS, copies of the Amendment, notice of the public hearing and notice of a consultation meeting with respect to the Amendment were mailed to the City of Alford and the West Lyon Community School District; the consultation meeting was held on July 13, 2016; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

WHEREAS, a portion of the Property lies within two miles of the incorporated limits of the City of Alvord, Iowa (the “City”), and a joint agreement (the “Joint Agreement”) has been executed and delivered by the City in satisfaction of the consent requirement of Section 403.17 of the Code of Iowa; and

WHEREAS, pursuant to Section 403.17 of the Code of Iowa, the County has received the consent of all owners of “agricultural land” proposed for inclusion in the Urban Renewal Area;

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

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa is found to exist on the Property.

Section 2. The Property is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the 2016 Addition to the Lyon County Economic Development Urban Renewal Area.

Section 3. The development of the Property is necessary in the interest of the public health, safety or welfare of the residents of Lyon County, Iowa.

Section 4. It is hereby determined by this Board of Supervisors as follows:

A. The Amendment and the projects and initiatives therein conform to the general plan of the County as a whole;

B. Proposed agribusiness, commercial and industrial development projects described in 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.

Section 5. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 6. The Joint Agreement is hereby approved and the Chairperson and County Auditor are hereby authorized and directed to execute the Joint Agreement on behalf of the County. All action heretofore taken in this regard is all hereby ratified and confirmed.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved August 8, 2016.

Chairperson, Board of Supervisors

Attest:

County Auditor

EXHIBIT A
Legal Description
August, 2016 Addition to the
Lyon County Economic Development Urban Renewal Area

PID# 460 00 00 175 10000

Parcel A in Outlot 18, Agricultural Land, City of Alvord, Lyon County, State of Iowa

LYON COUNTY, IOWA

URBAN RENEWAL PLAN AMENDMENT
LYON COUNTY ECONOMIC DEVELOPMENT URBAN RENEWAL AREA

August, 2016

The Urban Renewal Plan (the “Plan”) for the Lyon County Economic Development Urban Renewal Area (the “Urban Renewal Area”) is being amended for the purpose of adding certain property to the Urban Renewal Area and identifying a new urban renewal project to be undertaken therein.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the August, 2016 Addition to the Urban Renewal Area. With the adoption of this Amendment, the County will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Urban Renewal Area. It is anticipated that the County will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

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

Name of Project: Cooperative Farmers Elevator Development Project

Name of Urban Renewal Area: Lyon County Economic Development Urban Renewal Area

Date of Board Approval of Project: August 8, 2016

Description of the Project: Cooperative Farmers Elevator (the “Coop”) will undertake the development of a fertilizer plan for use in its business operations (the “Coop Development Project”) on the Property. It has been requested that the County provide tax increment financing assistance to the Coop in the maximum amount of \$405,000, in support of the efforts to complete, operate and maintain the Coop Development Project and in consideration of its contribution to the Bridge Project (as hereinafter defined). The costs of the Coop Development Project will include legal and administrative fees (the “Admin Fees”) associated with the initiation, authorization and carrying out of the County’s participation therein in an amount not to exceed \$10,000.

Description of Public Infrastructure to be Constructed in Connection with the Project: The County will undertake the A-34 Bridge Improvement Project (the “Bridge Project”) in support of the Coop Development Project:

The Bridge Project will consist of the construction of improvements to the following weight-restricted bridges on County Road A34:

- Garfield 63W, structure no. 34680 over Willow Creek; Township 98; Range 45; Section 06
- Doon 38W, structure no. 34670 over Kelly Creek; Township 98; Range 46; Section 04

It is expected that the completed Bridge Project will support the development of the Project and cause increased and improved ability of the County to provide adequate transportation infrastructure for the growth and retention of commercial, industrial and agribusiness enterprises in the Urban Renewal Area. The Coop will contribute \$386,024 to the County for the payment of a portion of the costs of the Bridge Project.

Description of Properties to be Acquired in Connection with the Project: It is not anticipated that the County will acquire real property in connection with the Coop Development Project. The County will acquire such easent rights and right-of-way as may be necessary to carry out the Bridge Project.

Description of Use of TIF: The County intends to enter into a Development Agreement with the Coop with respect to the Coop Development Project and to provide annual appropriation economic development payments (the “Payments”) to the Coop thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Coop Development Property with the completed Coop Development Project thereon. It is anticipated that the County’s total commitment of incremental property tax revenues with respect to the Coop Development Project will not exceed \$405,330 for the Payments, plus the Admin Fees.

2) 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>\$ 86,253,815</u>
Outstanding general obligation debt of the County:	<u>\$ 667,000</u>
Proposed debt to be incurred under the August, 2016 Amendment:	<u>\$ 415,330</u>

EXHIBIT A

**DESCRIPTION OF AUGUST, 2016 ADDITION
LYON COUNTY ECONOMIC DEVELOPMENT URBAN RENEWAL AREA**

PID# 460 00 00 175 10000

Parcel A in Outlot 18, Agricultural Land, City of Alvord, Lyon County, State of Iowa