



City Council Meeting

Monday, July 25, 2022 at 5:15 pm

LOCATION OF MEETING:

City Hall Council Chambers, 627 N. Adams Street, Carroll, Iowa 51401

NOTICE

In addition to attending the meeting in person, the public can watch the meeting live from the City's Cable Access Channel CAAT6 available on Western Iowa Network and Mediacom or on the City's YouTube channel by going to:

<https://www.youtube.com/CityofCarrollIowa> If you choose to watch live on YouTube you are encouraged to subscribe to the City's YouTube channel so you can access the meeting live when it starts. CAAT6 and YouTube meeting feeds are a view only option and you will not be able to participate in the meeting via CAAT6 or YouTube.

The City of Carroll will make the meeting available telephonically via zoom for those individuals who wish to attend remotely. Individuals wishing to attend remotely need to contact the City at 712-792-1000 by 3:00 PM the day of the meeting to make arrangements.

AGENDA

1. **Pledge of Allegiance**
2. **Roll Call**
3. **Introduction of New Employee - Fire Chief Daniel Hannasch**
4. **Consent Agenda**
 - a. **Approval of Minutes of the July 11, 2022 Meeting**
 - b. **Approval of Bills and Claims**
 - c. **Licenses and Permits:**

- *New Class "C" Liquor License with Sunday Sales - Las Tarascas Mexican Market (118 E 7th Street)*

5. **Oral Requests and Communications from the Audience**

Members of the public wishing to address the Council for items not on the agenda are asked to approach the podium and wait to be recognized. After recognition, the person shall state their name and address for the record. Statement or questions are limited to five (5) minutes.

6. Ordinances

7. Resolutions

a. Seventh Amended and Restated Urban Renewal Plan

- Resolution fixing date for a public hearing on the proposal to enter into a Development Agreement with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton

b. Not to Exceed \$700,000 General Obligation Capital Loan Notes (Carroll Recreation Center Building Improvements Project - 2021)

- Resolution fixing date for a meeting on the proposition to authorize a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder

c. General Obligation Capital Loan Notes, Series 2022 and Series 2023 (Reimbursement Resolution)

- Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with the Carroll Recreation Center Building Improvements Project - 2021

d. FY 2021/2022 Year End Transfers Resolution

e. Infill Housing Incentive Program

8. Reports

a. Ash Tree Removal Project III - Parks and Carroll Municipal Golf Course

b. Report of Bid Opening - 60" Front Mount Mower - Cemetery

9. Committee Reports (Informational Only)

10. Comments from the Mayor

11. Comments from the City Council

12. Comments from the City Manager

13. Adjourn

August Meetings:

- * Board of Adjustment - August 1, 2022 - City Hall - 627 N Adams St
- * City Council - August 8, 2022 - City Hall - 627 N Adams St
- * Airport Commission - August 8, 2022 - Airport Terminal Building - 21177 Quail Ave
- * Planning and Zoning Commission - August 10, 2022 - City Hall - 627 N Adams St
- * Library Board of Trustees - August 15, 2022 - Carroll Public Library - 118 E 5th St
- * City Council - August 22, 2022 - City Hall - 627 N Adams St

www.cityofcarroll.com

The City of Carroll will make every attempt to accommodate the needs of persons with disabilities, please notify us at least three business days in advance when possible at 712-792-1000, should special accommodations be required.

COUNCIL MEETING

JULY 11, 2022

(Please note these are draft minutes and may be amended by Council before final approval.)

The Carroll City Council met in regular session on this date at 5:15 p.m. in the Council Chambers, City Hall, 627 N Adams Street. Council Members present: Kyle Bauer, Misty Boes, Tom Bordenaro, LaVern Dirx, JJ Schreck, and Carolyn Siemann. Absent: None. Mayor Mark Beardmore presided and City Attorney Dave Bruner was in attendance via Zoom video conferencing.

* * * * *

The Pledge of Allegiance was led by the City Council. No Council action taken.

* * * * *

Building/Fire Safety Official-Fire Chief Greg Schreck was recognized for his retirement. No Council action taken.

* * * * *

It was moved by Schreck, seconded by Boes, to approve the following items on the consent agenda: a) minutes of the June 27, 2022 Council meeting, as written; b) bills and claims in the amount of \$1,230,250.32; c) Renewal of Class “C” Liquor License with Outdoor Service – *Hour Glass*; and d) Resolution No. 22-59, FY 2023 Funding Agreement with Animal Rescue of Carroll; Resolution No. 22-60, FY 2023 Funding Agreement with Council of Governments Housing, Inc.; and Resolution No. 22-61, FY 2023 Funding Agreement with Highway 30 Coalition. On roll call, all present voted aye. Absent: None. Motion carried.

* * * * *

Jamie Nieland and Rod Nieland addressed Council about 408 W 7th Street during the oral requests and communications from the audience. No Council action taken.

* * * * *

Council discussed housing incentives. Jean Ludwig and Kim Tiefenthaler, both of Carroll, Iowa, addressed Council on this issue. No Council action taken.

* * * * *

It was moved by Bordenaro, seconded by Schreck, to adjourn at 7:26 p.m. On roll call, all present voted aye. Absent: None. Motion carried.

Mark E. Beardmore, Mayor

ATTEST:

Laura A. Schaefer, City Clerk

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager *MSPW*

DATE: July 21, 2022

SUBJECT: Seventh Amended and Restated Urban Renewal Plan

- Resolution fixing date for a public hearing on the proposal to enter into a Development Agreement with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton.

On April 25, 2022, the City Council provided direction to staff on the creation of a Development Agreement with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton related to the rehabilitation of the property at 220 W 7th Street. The property is locally known as The Villa or The Hoyt Mansion. The property dates back to 1919 according to Carroll County Assessor records. The attached Development Agreement reflects the direction that Council provided and is the finalization of these negotiations with owners of the property.

This development agreement calls for the renovation of the interior and exterior of an existing facility on the Development Property, including but not limited to new concrete, landscaping, trees, a garden area with a fountain, ironwork, repairing the original slate roof, tuck pointing the bricks, new windows, and paint, all to be completed by December 31, 2024. Construction costs are expected to be approximately \$1,000,000. In exchange, the owners will receive from the City a TIF Rebate over a 15-year period for 100% of the increase in property value attributable to the renovation work they are completing on the property. The total rebate would be capped at \$250,000. The current assessed value of the property is \$209,210. To receive the full request of \$250,000, based on the current TIF consolidated tax rates and a 90% commercial property tax rollback, the building value would need to increase to approximately \$1,010,000 with a rebate period of 15 years.

As in similar development agreements the City has made in the past, this agreement includes a provision related to the Council annually appropriating the tax increment grant payments. This is common language in development agreements of this type in Iowa and without this language the City would be required to count the total amount of the grants against the City's debt obligations and constitutional debt limit. While this language allows the current and future City Council to choose to not appropriate funds for this grant in the future without any recourse from the Developer, such an action does carry consequences for the City. If the Council would choose to not appropriate funds, the City's bond rating would likely change to "junk status". In the end, the City's ability to borrow funds could be affected and if the City were able to borrow funds then the City would likely be hammered with a higher rate that could cost the City more in the end than the grant payments themselves.

RECOMMENDATION: Motion to set a public hearing for August 8, 2022 and direct the City Clerk to public notice of said public hearing as required by law.

ITEM TO INCLUDE ON AGENDA

CITY OF CARROLL, IOWA

July 25, 2022

5:15 P.M.

Seventh Amended and Restated Urban Renewal Plan

- Resolution fixing date for a public hearing on the proposal to enter into a Development Agreement with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton.

IMPORTANT INFORMATION

1. The above agenda items should be included, along with any other agenda items, in the meeting agenda. The agenda should be posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the body holding the meeting. If no such office exists, the notice must be posted at the building in which the meeting is to be held.
2. If you do not now have a bulletin board designated as above mentioned, designate one and establish a uniform policy of posting your notices of meeting and tentative agenda.
3. Notice and tentative agenda must be posted at least 24 hours prior to the commencement of the meeting.

NOTICE MUST BE GIVEN PURSUANT TO CHAPTER 21,
CODE OF IOWA, AND THE LOCAL RULES OF THE CITY.

July 25, 2022

The City Council of the City of Carroll in the State of Iowa, met in _____ session, in the Council Chambers, City Hall, 627 North Adams Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ then introduced the following proposed Resolution entitled "RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON THE PROPOSAL TO ENTER INTO A DEVELOPMENT AGREEMENT WITH BRIAN J. WENDL AND HOLLY A. WENDL, AND JASON R. ATHERTON AND KAREN M. ATHERTON, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called, and the vote was:

AYES: _____

NAYS: _____

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

RESOLUTION NO. _____

RESOLUTION FIXING DATE FOR A PUBLIC HEARING ON
THE PROPOSAL TO ENTER INTO A DEVELOPMENT
AGREEMENT WITH BRIAN J. WENDL AND HOLLY A.
WENDL, AND JASON R. ATHERTON AND KAREN M.
ATHERTON, AND PROVIDING FOR PUBLICATION OF
NOTICE THEREOF

WHEREAS, this Council previously found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Urban Renewal Plan (the "Original Urban Renewal Plan") for an urban renewal area named the Central Business District Project Area (the "Project Area") described therein; and

WHEREAS, the Original Urban Renewal Plan, as adopted in 1967, has subsequently been amended and restated several times, most recently in 2021; 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 City has received a proposal from Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton (collectively the "Developer"), in the form of a proposed Development Agreement (the "Agreement") by and between the City and the Developer, pursuant to which, among other things, the Developer would agree to construct certain Minimum Improvements (as defined in the Agreement) on certain real property located within the Project Area as defined and legally described in the Agreement (the "Development Property") and consisting of the renovation of the interior and exterior of an existing facility on the Development Property, including but not limited to new concrete, landscaping, trees, a garden area with a fountain, ironwork, repairing the original slate roof, tuck pointing the bricks, new windows, and paint, together with all related site improvements, as outlined in the proposed Agreement; and

WHEREAS, the Agreement further proposes that the City will make up to fifteen (15) consecutive annual payments of Blight Remediation Grants to Developer consisting of 100% of the Tax Increments pursuant to Section 403.19, Code of Iowa, and generated by the construction of the Minimum Improvements, the cumulative total for all such payments not to exceed the lesser of \$250,000, 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 imposes obligations on the Developer related to employment retention and/or creation by commercial tenants in the Minimum Improvements; and

WHEREAS, Chapters 15A and 403, Code of Iowa, (the "Urban Renewal Law") authorize cities to make grants for economic development and blight remediation in furtherance of the objectives of an urban renewal project and to appropriate such funds 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 Council has determined that the Agreement is in the best interests of the City and the residents thereof and that the performance by the City 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 City's performance thereunder is in furtherance of appropriate economic development and blight remediation activities and objectives of the City 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 364.6, Code of Iowa, it is deemed sufficient if the action hereinafter described be taken and the City Clerk publish notice of the proposal and of the time and place of the meeting at which the Council proposes to take action thereon and to receive oral and/or written objections from any resident or property owner of said City to such action.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CARROLL IN THE STATE OF IOWA:

Section 1. That this Council meet in the Council Chambers, City Hall, 627 North Adams Street, Carroll, Iowa, at 5:15 P.M. on August 8, 2022, for the purpose of taking action on the matter of the proposal to enter into a Development Agreement with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton.

Section 2. That the City Clerk 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 City, 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. The notice of the proposed action shall be in substantially the following form:

(One publication required)

**NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF
THE CITY OF CARROLL IN THE STATE OF IOWA, ON THE
MATTER OF THE PROPOSAL TO ENTER INTO A
DEVELOPMENT AGREEMENT WITH BRIAN J. WENDL AND
HOLLY A. WENDL, AND JASON R. ATHERTON AND KAREN
M. ATHERTON, AND THE HEARING THEREON**

PUBLIC NOTICE is hereby given that the Council of the City of Carroll in the State of Iowa, will hold a public hearing on August 8, 2022, at 5:15 P.M. in the Council Chambers, City Hall, 627 North Adams Street, Carroll, Iowa, at which meeting the Council proposes to take action on the proposal to enter into a Development Agreement (the "Agreement") with Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton (collectively the "Developer").

The Agreement would obligate the Developer to construct certain Minimum Improvements (as defined in the Agreement) on certain real property located within the Central Business District Project Area as defined and legally described in the Development Agreement (the "Development Property"), consisting of the renovation of the interior and exterior of an existing facility on the Development Property, including but not limited to new concrete, landscaping, trees, a garden area with a fountain, ironwork, repairing the original slate roof, tuck pointing the bricks, new windows, and paint, together with all related site improvements, under the terms and following satisfaction of the conditions set forth in the Agreement. The Agreement imposes obligations on the Developer related to employment retention and/or creation by commercial tenants in the Minimum Improvements.

The Agreement would further obligate the City to make up to fifteen (15) consecutive annual payments of Blight Remediation Grants to Developer consisting of 100% of the Tax Increments pursuant to Section 403.19, Code of Iowa, and generated by the construction of the Minimum Improvements, the cumulative total for all such payments not to exceed the lesser of \$250,000, 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.

A copy of the Agreement is on file for public inspection during regular business hours in the office of the City Clerk, City Hall, City of Carroll, Iowa.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of said City, to the proposal to enter into the Agreement with the Developer. After all objections have been received and considered, the Council will at this meeting or at any adjournment thereof, take additional action on the proposal or will abandon the proposal to authorize said Agreement.

This notice is given by order of the City Council of the City of Carroll in the State of Iowa, as provided by Section 364.6, Code of Iowa.

Dated this _____ day of _____, 2022.

City Clerk, City of Carroll in the State of Iowa

(End of Notice)

PASSED AND APPROVED this _____ day of _____, 2022.

Mayor

ATTEST:

City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

I, the undersigned City Clerk of the City of Carroll, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2022.

City Clerk, City of Carroll, State of Iowa

(SEAL)

02076418-1\10275-081

AGREEMENT FOR PRIVATE DEVELOPMENT

By and between

CITY OF CARROLL, IOWA

AND

BRIAN J. WENDL AND HOLLY A. WENDL, AND
JASON R. ATHERTON AND KAREN M. ATHERTON

_____, 2022

AGREEMENT
FOR
PRIVATE DEVELOPMENT

THIS AGREEMENT FOR PRIVATE DEVELOPMENT (the “Agreement”), is made on or as of the ____ day of _____, 2022, by and between the CITY OF CARROLL, IOWA, a municipality (the “City”), established pursuant to the Code of Iowa of the State of Iowa and acting under the authorization of Chapters 15A and 403 of the Code of Iowa, 2021, as amended (the “Urban Renewal Act”), and BRIAN J. WENDL AND HOLLY A. WENDL, and JASON R. ATHERTON AND KAREN M. ATHERTON, individuals doing business at 220 West 7th Street, Carroll, Iowa (collectively the “Developer”).

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the City has undertaken a program for the development of a blighted area in the City and, in this connection, is engaged in carrying out urban renewal project activities in an area known as the Central Business District Project Area (the “Area”), which is described in the Seventh Amended and Restated Central Business District Urban Renewal Plan approved for such Area on December 13, 2021 (the “Urban Renewal Plan”); and

WHEREAS, a copy of the foregoing Urban Renewal Plan has been recorded among the land records in the offices of the Recorder of Carroll County, Iowa; and

WHEREAS, the Developer owns certain real property located in the foregoing Urban Renewal Area as more particularly described in Exhibit A attached hereto (the “Development Property”); and

WHEREAS, City is willing to provide certain incentives in exchange for Developer’s rehabilitation of the existing building on the Development Property, as more particularly described herein; and

WHEREAS, the City believes that the redevelopment of the Development Property pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and in accord with the public purposes and applicable provisions of State and local laws and the Urban Renewal Plan under which the foregoing project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. DEFINITIONS

Section 1.1 Definitions. In addition to other definitions set forth in this Agreement, all capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Agreement and all exhibits hereto, as the same may be from time to time modified, amended or supplemented.

Base Value means the assessed value of the Development Property and any improvements/buildings thereon as of January 1, 2022, which value is \$209,210.

Blight Remediation Grants mean the Tax Increment payments to be made by the City to the Developer under Article VIII of this Agreement.

Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton TIF Account means a separate account within the Central Business District Project Area Tax Increment Revenue Fund of the City in which Tax Increments received by the City with respect to the Minimum Improvements and Development Property shall be deposited.

Central Business District Project Area Tax Increment Revenue Fund means the special fund of the City created under the authority of Section 403.19(2) of the Code, as amended, and the Ordinance, which fund was created in order to pay the principal of and interest on loans, monies advanced to or indebtedness, whether funded, refunded, assumed or otherwise, or other obligations issued under the authority of Section 403.9 or 403.12 of the Code, incurred by the City to finance or refinance in whole or in part projects undertaken pursuant to the Seventh Amended and Restated Central Business District Urban Renewal Plan.

Certificate of Completion means the certificate attached hereto as Exhibit C provided to the Developer pursuant to Section 3.3 of this Agreement.

City means the City of Carroll, Iowa.

Code means the Code of Iowa, 2021, as amended.

County means the County of Carroll, Iowa.

Developer means Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton and their permitted successors and assigns.

Development Property means that portion of the Urban Renewal Area of the City described in Exhibit A attached hereto.

Event of Default means any of the events described in Section 10.1 of this Agreement.

First Mortgage means any Mortgage granted to secure any loan made pursuant to either a mortgage commitment obtained by the Developer from a commercial lender to fund any portion of the construction costs and initial operating capital requirements of the Minimum Improvements or all such Mortgages as appropriate.

Indemnified Parties means the City and the governing body members, officers, agents, servants and employees thereof.

Minimum Improvements means the renovation of an existing facility on the Development Property, as more particularly described in Exhibit B to this Agreement.

Mortgage means any mortgage or security agreement in which the Developer has granted a mortgage or other security interest in the Development Property, or any portion or parcel thereof, or any improvements constructed thereon.

Ordinance means the Ordinance under which the taxes levied on that portion of the Urban Renewal Area containing the Minimum Improvements and Development Property shall be divided and a portion paid into the Central Business District Project Area Tax Increment Revenue Fund under the provisions of Section 403.19 of the Code.

Project means the completion and operation of the Minimum Improvements on the Development Property, as described in this Agreement.

Seventh Amended and Restated Central Business District Urban Renewal Plan or Urban Renewal Plan means the Seventh Amended and Restated Central Business District Urban Renewal Plan, approved in respect of the Central Business District Project Area of the City, described in the preambles hereof.

State means the State of Iowa.

Tax Increments means the property tax revenues on that portion of the assessed value of the Minimum Improvements and Development Property above the Base Value that are divided and made available to the City for deposit in the Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton TIF Account of the Central Business District Project Area Tax Increment Revenue Fund under the provisions of Section 403.19 of the Code and the Ordinance.

Termination Date means the date of termination of this Agreement, as established in Section 11.8 of this Agreement.

Unavoidable Delays means delays resulting from acts or occurrences outside the reasonable control of the party claiming the delay including but not limited to storms, floods, fires, explosions or other casualty losses, unusual weather conditions, strikes, boycotts, lockouts or other labor disputes, delays in transportation or delivery of material or equipment, litigation commenced by third parties, or the acts of any federal, State or local governmental unit (other than the City).

Urban Renewal Area means the Central Business District Project Area.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

a. The City is a municipal corporation and municipality organized under the provisions of the Constitution and the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

b. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement, or instrument of whatever nature to which the City is now a party or by which it is bound, nor do they constitute a default under any of the foregoing.

c. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City, and not of any governing body member, officer, agent, servant, or employee of the City in the individual capacity thereof.

Section 2.2. Representations and Warranties of Developer. The Developer makes the following representations and warranties:

a. Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton are individuals doing business together in the State of Iowa, and have all requisite power and authority to own and operate their properties, to carry on their business as now conducted and as presently proposed to be conducted, and to enter into and perform their obligations under this Agreement.

b. This Agreement has been duly and validly authorized, executed, and delivered by Developer and, assuming due authorization, execution, and delivery by the City, is in full force and effect and is a valid and legally binding instrument of Developer enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, or other laws relating to or affecting creditors' rights generally.

c. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions, or provisions of the governing documents of Developer or of any contractual restriction, evidence of indebtedness, agreement, or instrument of whatever nature to which Developer is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

d. There are no actions, suits, or proceedings pending or threatened against or affecting Developer in any court or before any arbitrator or before or by any governmental body

in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position, or results of operations of Developer or which in any manner raises any questions affecting the validity of the Agreement or Developer's ability to perform its obligations under this Agreement.

e. Developer will cause the Minimum Improvements to be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, and all local, State, and federal laws and regulations.

f. Developer will use its best efforts to obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

g. The construction of the Minimum Improvements will require a total investment of approximately \$1,000,000.

h. Developer has not received any notice from any local, State, or federal official that the activities of Developer with respect to the Development Property may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has previously been notified in writing). Developer is not currently aware of any State or federal claim filed or planned to be filed by any party relating to any violation of any local, State, or federal environmental law, regulation, or review procedure applicable to the Development Property, and Developer is not currently aware of any violation of any local, State, or federal environmental law, regulation, or review procedure which would give any person a valid claim under any State or federal environmental statute with respect thereto.

i. Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal, or public safety problems which may arise in connection with the construction and operation of the Minimum Improvements.

j. Developer expects that, barring Unavoidable Delays, the Minimum Improvements will be completed by December 31, 2024.

k. Developer would not undertake its obligations under this Agreement without the payment by the City of the Blight Remediation Grants being made to Developer pursuant to this Agreement.

ARTICLE III. CONSTRUCTION

Section 3.1. Construction of Minimum Improvements. The Developer agrees that it will cause the Minimum Improvements to be constructed on the Development Property in conformance with all applicable federal, State, and local laws, ordinances, and regulations, including any City permit and/or building requirements. All work with respect to the Minimum Improvements shall be in conformity with any plans approved and/or permits issued by the building official(s) of the City, which approvals and permits shall be made according to standard City processes for such plans and permits ("Construction Plans"). The Developer agrees that the

scope and scale of the Minimum Improvements as constructed shall not be significantly less than the scope and scale as detailed and outlined in this Agreement.

Section 3.2. Commencement and Completion of Construction. Subject to Unavoidable Delays, Developer shall cause construction of the Minimum Improvements to be undertaken and completed: (i) by no later than December 31, 2024; or (ii) by such other date as the parties shall mutually agree upon in writing. Time lost as a result of Unavoidable Delays shall be added to extend this date by a number of days equal to the number of days lost as a result of Unavoidable Delays. All work with respect to the Minimum Improvements shall be in conformity with the Construction Plans approved by the building official or any amendments thereto as may be approved by the building official.

Developer agrees that it shall permit designated representatives of the City, upon reasonable notice (which does not have to be written), to enter upon the Development Property during the construction of the Minimum Improvements to inspect such construction and the progress thereof, subject to Developer's rules and regulations for the construction site.

Section 3.3. Certificate of Completion. Within fifteen (15) business days after written request by Developer, the City shall furnish Developer with a Certificate of Completion in recordable form, in substantially the form set forth in Exhibit C attached hereto. Such Certificate of Completion shall be a conclusive determination of satisfactory termination of the covenants and conditions of this Agreement with respect to the obligations of Developer to cause construction of the Minimum Improvements.

The Certificate of Completion may be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Development Property at Developer's sole expense. If the City shall refuse or fail to provide a Certificate of Completion in accordance with the provisions of this Section 3.3, the City shall, within such fifteen (15) business day period, instead provide a written statement indicating in what respects Developer has failed to complete the Minimum Improvements in accordance with the provisions of this Agreement, or is otherwise in default under the terms of this Agreement, and what measures or acts it will be necessary, in the opinion of the City, for Developer to take or perform in order to obtain such Certificate of Completion.

ARTICLE IV. PROPERTY TAXES

Section 4.1. Real Property Taxes. Developer, or its successors shall pay or cause to be paid, when due, all real property taxes and assessments payable with respect to all and any parts of the Development Property and Minimum Improvements. Until Developer's obligations have been assumed by any other person or legal title to the property is vested in another person, all pursuant to the provisions of this Agreement, Developer and shall be solely responsible for all assessments and taxes.

Developer and its permitted successors and assigns agree that prior to the Termination Date:

a. They will not seek administrative review or judicial review of the applicability or constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Development Property or Minimum Improvements, or raise the inapplicability or constitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings; and

b. They will not seek any tax exemption, deferral, or abatement either presently or prospectively authorized under any State, federal, or local law with respect to taxation of real property contained on the Development Property between the date of execution of this Agreement and the Termination Date.

ARTICLE V. INSURANCE

Section 5.1. Insurance Requirements. Developer shall maintain insurance with respect to the Minimum Improvements and the business operations therein as is statutorily required and any additional insurance customarily carried for like buildings of comparable size and liability exposure.

ARTICLE VI. COVENANTS OF THE DEVELOPER

Section 6.1. Maintenance of Properties. The Developer will maintain, preserve, and keep the Development Property and Minimum Improvements in good repair and working order, ordinary wear and tear accepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

Section 6.2. Maintenance of Records. Developer will keep at all times proper books of record and account with respect to any obligations of the Developer under this Agreement and Developer will provide reasonable protection against loss or damage to such books of record and account. Upon request by the City, Developer shall provide certified copies of portions of its books and accounts limited in scope as above described.

Section 6.3. Compliance with Laws. The Developer will comply with all applicable laws, rules, and regulations relating to the Development Property, the Minimum Improvements, and the Project.

Section 6.4. Non-Discrimination. In constructing the Minimum Improvements, Developer shall not discriminate against any applicant, employee, or tenant because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status. Developer shall ensure that applicants, employees, and tenants are considered and are treated without regard to their age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status.

Section 6.5. Available Information. Upon request, Developer shall promptly provide the City with copies of information requested by City that is related to this Agreement so that City can determine compliance with the Agreement.

Section 6.6. Occupancy/Employment. Until at least the Termination Date as established in Section 11.8 of this Agreement, Developer will lease the Minimum Improvements to commercial Tenants to occupy the Minimum Improvements and create or retain jobs therein.

Section 6.7. Annual Certification. To assist the City in monitoring the Agreement and performance of Developer hereunder, Developer shall provide an Annual Certification to the City, the form of which is provided in Exhibit E. Upon request, Developer shall promptly provide the City with copies of additional information reasonably requested by City that are related to this Agreement so that City can determine compliance with the Agreement. Such statement, proof and certificate described above, shall be provided to the City not later than October 1 of each year, commencing October 1, 2025 and continuing until October 1, 2040.

Section 6.8. Developer Completion Guarantee. By signing this Agreement, Developer hereby guarantees to the City performance by Developer of all the terms and provisions of this Agreement pertaining to Developer's obligations with respect to the construction of the Minimum Improvements. Without limiting the generality of the foregoing, Developer guarantees that: (a) construction of the Minimum Improvements shall be completed generally within the time limits set forth herein; (b) the Minimum Improvements shall be constructed and completed in substantial accordance with the Construction Plans; (c) the Minimum Improvements shall be constructed and completed free and clear of any mechanic's liens, materialman's liens and equitable liens; and (d) all costs of constructing the Minimum Improvements shall be paid when due.

ARTICLE VII. ASSIGNMENT AND TRANSFER

Section 7.1. Status of the Developer; No Transfer or Assignment. As security for the obligations of the Developer under this Agreement, the Developer represents and agrees that, prior to the Termination Date, the Developer will not assign, transfer, or convey to any third party any interest in the Development Property, Minimum Improvements, or this Agreement to any other party unless (i) the transferee, partnership, corporation, limited liability company or individual assumes in writing all of the obligations of the Developer under this Agreement, and (ii) the City consents thereto in writing in advance thereof.

Section 7.2. Prohibition Against Use as Non-Taxable or Centrally Assessed Property. During the term of this Agreement, the Developer, or its successors, or assigns agree that the Development Property cannot be transferred or sold to a non-profit entity or used for a purpose that would exempt the Development Property from property tax liability. Nor can the Development Property be used as centrally assessed property (including but not limited to, Iowa Code § 428.24 to 428.29 (Public Utility Plants and Related Personal Property); Chapter 433 (Telegraph and Telephone Company Property); Chapter 434 (Railway Property); Chapter 437 (Electric Transmission Lines); Chapter 437A (Property Used in the Production, Generation, Transmission or Delivery of Electricity or Natural Gas); and Chapter 438 (Pipeline Property)).

ARTICLE VIII. BLIGHT REMEDIATION GRANTS

Section 8.1. Blight Remediation Grants. For and in consideration of the obligations being assumed by Developer hereunder, and in furtherance of the goals and objectives of the Urban Renewal Plan for the Urban Renewal Area and the Urban Renewal Act, the City agrees, subject to the Developer being and remaining in compliance with this Agreement, to make up to fifteen (15) consecutive annual payments of Blight Remediation Grants to the Developer, under the following terms and conditions.

Assuming completion of the Minimum Improvements by December 31, 2024, full assessment of the Minimum Improvements on January 1, 2025, and debt certification to the Auditor by the City prior to December 1, 2025, the Blight Remediation Grants shall commence on June 1, 2027, and end on June 1, 2041, pursuant to Section 403.19 of the Urban Renewal Act under the following formula:

| <u>Date</u> | <u>Amount of Blight Remediation Grants</u> |
|--------------|----------------------------------------------|
| June 1, 2027 | 100% of Tax Increments for Fiscal Year 26-27 |
| June 1, 2028 | 100% of Tax Increments for Fiscal Year 27-28 |
| June 1, 2029 | 100% of Tax Increments for Fiscal Year 28-29 |
| June 1, 2030 | 100% of Tax Increments for Fiscal Year 29-30 |
| June 1, 2031 | 100% of Tax Increments for Fiscal Year 30-31 |
| June 1, 2032 | 100% of Tax Increments for Fiscal Year 31-32 |
| June 1, 2033 | 100% of Tax Increments for Fiscal Year 32-33 |
| June 1, 2034 | 100% of Tax Increments for Fiscal Year 33-34 |
| June 1, 2035 | 100% of Tax Increments for Fiscal Year 34-35 |
| June 1, 2036 | 100% of Tax Increments for Fiscal Year 35-36 |
| June 1, 2037 | 100% of Tax Increments for Fiscal Year 36-37 |
| June 1, 2038 | 100% of Tax Increments for Fiscal Year 37-38 |
| June 1, 2039 | 100% of Tax Increments for Fiscal Year 38-39 |
| June 1, 2040 | 100% of Tax Increments for Fiscal Year 39-40 |
| June 1, 2041 | 100% of Tax Increments for Fiscal Year 40-41 |

Section 8.2. Payment Schedule. After the Minimum Improvements are first fully assessed and if in compliance with this Agreement, if Developer’s Annual Certification is timely filed and contains the information required under Section 6.7 and the Council approves of the same, the City shall certify to the County prior to December 1 of that year its request for the available Tax Increments resulting from the assessments imposed by the County as of January 1 of that year, to be collected by the County and paid to the City as taxes are paid during the following fiscal year and which shall thereafter be disbursed to Developer on the following June 1. The schedule of the payments for Blight Remediation Grants set forth in Section 8.1 is based on the first full assessment of the Minimum Improvements being January 1, 2025.

Section 8.3. Maximum Amount of Grants. The aggregate amount of the Blight Remediation Grants that may be paid to Developer under this Agreement shall be equal to the total amount of the applicable percentages of Tax Increments collected in respect of the assessments imposed on the Minimum Improvements and Development Property above the Base

Value over the specified fifteen (15) year period, but in no event shall exceed Two Hundred Fifty Thousand Dollars (\$250,000) over the fifteen (15) year period. In no event shall Developer be entitled to receive more than calculated under the formula set forth in this Agreement, even if the combined aggregate maximum of \$250,000 is not met.

Section 8.4. Conditions Precedent. Notwithstanding the provisions of Section 8.1 above, the obligation of the City to make a Blight Remediation Grant in any year shall be subject to and conditioned upon the following:

- a. Developer's compliance with the terms of this Agreement, including, but not limited to, the operations obligations in Section 6.6 of this Agreement, and payment of property taxes;
- b. Developer's timely filing of the Annual Certifications required under Section 6.7 hereof and the Council's approval thereof; and
- c. No Event of Default shall have occurred and be continuing.

In the event that an Event of Default occurs or any certification filed by Developer under Section 6.7 (or other information) discloses the existence or prior occurrence of an Event of Default that was not cured or cannot reasonably be cured, the City shall have no obligation thereafter to make any payments to Developer in respect of the Blight Remediation Grants and the provisions of this Article shall terminate and be of no further force or effect.

Each Annual Certification filed by Developer under Section 6.7 hereof shall be considered separately in determining whether the City shall make any of the Blight Remediation Grant payments available to Developer under this Section. Under no circumstances shall the failure by Developer to qualify for a Blight Remediation Grant in any year serve to extend the term of this Agreement beyond the Termination Date or the years during which Blight Remediation Grants may be awarded to Developer or the total amount thereof, it being the intent of parties hereto to provide Developer with an opportunity to receive Blight Remediation Grants only if Developer fully complies with the provisions hereof and becomes entitled thereto, up to the maximum aggregate amount set forth in Section 8.3.

Section 8.5. Source of Grant Funds Limited.

a. The Blight Remediation Grants shall be payable from and secured solely and only by Tax Increments deposited and held in the Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton TIF Account of the Central Business District Project Area Tax Increment Revenue Fund of the City. The City hereby covenants and agrees to maintain the Ordinance in force during the term hereof and to apply the appropriate amount of Tax Increments to pay the Blight Remediation Grants, as and to the extent set forth in this Article. The Blight Remediation Grants shall not be payable in any manner by other tax increment revenues or by general taxation or from any other City funds. Any commercial and industrial property tax replacement monies that may be received under chapter 441.21A shall not be included in the calculation to determine the amount of Blight Remediation Grants for which Developer is eligible, and any monies

received back under chapter 426C relating to the Business Property Tax Credit shall not be included in the calculation to determine the amount of Blight Remediation Grants for which Developer is eligible.

b. Each Blight Remediation Grant is subject to annual appropriation by the City Council each fiscal year. The City has no obligation to make any payments to Developer as contemplated under this Agreement until the City Council annually appropriates the funds necessary to make such payments. The right of non-appropriation reserved to the City in this Section is intended by the parties, and shall be construed at all times, so as to ensure that the City's obligation to make future Blight Remediation Grants shall not constitute a legal indebtedness of the City within the meaning of any applicable constitutional or statutory debt limitation prior to the adoption of a budget which appropriates funds for the payment of that installment or amount. In the event that any of the provisions of this Agreement are determined by a court of competent jurisdiction or by the City's bond counsel to create, or result in the creation of, such a legal indebtedness of the City, the enforcement of the said provision shall be suspended, and the Agreement shall at all times be construed and applied in such a manner as will preserve the foregoing intent of the parties, and no Event of Default by the City shall be deemed to have occurred as a result thereof. If any provision of this Agreement or the application thereof to any circumstance is so suspended, the suspension shall not affect other provisions of this Agreement which can be given effect without the suspended provision. To this end the provisions of this Agreement are severable.

c. Notwithstanding the provisions of Section 8.1 hereof, the City shall have no obligation to make a Blight Remediation Grant to Developer if at any time during the term hereof the City fails to appropriate funds for payment; the County receives an opinion from its legal counsel to the effect that the use of Tax Increments resulting from the Development Property and Minimum Improvements to fund a Blight Remediation Grant to Developer, as contemplated under said Section 8.1, is not, based on a change in applicable law or its interpretation since the date of this Agreement, authorized or otherwise an appropriate urban renewal activity permitted to be undertaken by the City under the Urban Renewal Act or other applicable provisions of the Code, as then constituted or under controlling decision of any Iowa court having jurisdiction over the subject matter hereof; or the City's ability to collect Tax Increment from the Minimum Improvements and Development Property is precluded or terminated by legislative changes to Iowa Code Chapter 403. Upon occurrence of any of the foregoing circumstances, the City shall promptly forward notice of the same to Developer. If the circumstances continue for a period during which two (2) annual Blight Remediation Grants would otherwise have been paid to Developer under the terms of Section 8.1, the City may terminate this Agreement, without penalty or other liability to the City, by written notice to Developer.

Section 8.6. Use of Other Tax Increments. The City shall be free to use any and all Tax Increments above and beyond the amounts to be given to Developer in this Agreement, or any available Tax Increments resulting from the suspension or termination of the Blight Remediation Grants, for any purpose for which the Tax Increments may lawfully be used pursuant to the provisions of the Urban Renewal Act, and the City shall have no obligations to Developer with respect to the use thereof.

ARTICLE IX. INDEMNIFICATION

Section 9.1. Release and Indemnification Covenants.

a. Developer releases the Indemnified Parties from, covenants, and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify, defend, and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements or Development Property.

b. Except for any willful misrepresentation or any willful or wanton misconduct or any unlawful act of the Indemnified Parties, Developer agrees to protect and defend the Indemnified Parties, now or forever, and further agrees to hold the Indemnified Parties harmless, from any claim, demand, suit, action, or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from: (i) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand, or other proceeding brought by Developer against the City to enforce its rights under this Agreement); (ii) the acquisition and condition of the Development Property and the construction, installation, ownership, and operation of the Minimum Improvements; or (iii) any hazardous substance or environmental contamination located in or on the Development Property.

c. The Indemnified Parties shall not be liable for any damage or injury to the persons or property of Developer or its officers, agents, servants, or employees or any other person who may be about the Minimum Improvements or Development Property due to any act of negligence of any person, other than any act of negligence on the part of any such Indemnified Party or its officers, agents, servants, or employees.

d. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City, and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

e. The provisions of this Article IX shall survive the termination of this Agreement.

ARTICLE X. DEFAULT AND REMEDIES

Section 10.1. Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events during the term of this Agreement:

a. Failure by Developer to cause the construction of the Minimum Improvements to be completed to be commenced and continued pursuant to the terms and conditions of this Agreement;

b. Failure by Developer to timely pay ad valorem taxes on the Development Property;

c. Failure by Developer to substantially observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement;

d. The holder of any Mortgage on the Development Property, or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable Mortgage documents;

e. Developer:

i. files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or

ii. makes an assignment for the benefit of its creditors; or

iii. admits in writing its inability to pay its debts generally as they become due; or

iv. is adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of Developer as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of Developer or the Minimum Improvements, or part thereof, shall be appointed in any proceedings brought against Developer, and shall not be discharged within ninety (90) days after such appointment, or if Developer shall consent to or acquiesce in such appointment; or

f. Any representation or warranty made by Developer in this Agreement or in any written statement or certificate furnished by Developer pursuant to this Agreement, shall prove to have been incorrect, incomplete, or misleading in any material respect on or as of the date of the issuance or making thereof.

Section 10.2. Remedies on Default. Whenever any Event of Default referred to in Section 10.1 of this Agreement occurs and is continuing, the City may take any one or more of the following actions after giving thirty (30) days' written notice (except in the case of an Event of Default under Sections 10.1(d), (e), or (f) for which no notice and cure period applies) to Developer and the holder of the First Mortgage (but only to the extent the City has been informed in writing of the existence of a First Mortgage and been provided with the address of the holder thereof) of the Event of Default, but only if the Event of Default has not been cured to the satisfaction of the City within said thirty (30) days, or if the Event of Default cannot reasonably be cured within thirty (30) days and Developer does not provide assurances reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible:

a. The City may suspend its performance under this Agreement until it receives assurances from Developer, deemed adequate by the City, that Developer will cure the default and continue its performance under this Agreement;

b. The City may terminate this Agreement;

c. The City may take any action, including legal, equitable or administrative action, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of Developer under this Agreement; or

d. The City shall have no obligation to make payment of Blight Remediation Grants to Developer subsequent to an Event of Default.

Section 10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE XI. MISCELLANEOUS

Section 11.1. Conflict of Interest. The Developer represents and warrants that, to its best knowledge and belief after due inquiry, no officer, agent, attorney or employee of the City, or its designees or agents, nor any consultant or member of the governing body of the City, and no other public official of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work or services to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

Section 11.2. Notices and Demands. A notice, demand or other communication under this Agreement by any party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

a. In the case of the Developer, is addressed or delivered personally to Brian J. Wendl, Holly A. Wendl, Jason R. Atherton, and Karen M. Atherton at 220 West 7th Street, Carroll, Iowa 51401;

- b. In the case of the City, is addressed to or delivered personally to the City of Carroll at the City Hall, 627 North Adams Street, Carroll, Iowa 51401; Attn: City Clerk;

or to such other designated individual or officer or to such other address as any party shall have furnished to the other in writing in accordance herewith.

Section 11.3. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 11.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 11.5. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Iowa.

Section 11.6. Entire Agreement. This Agreement and the exhibits hereto reflect the entire agreement between the parties regarding the subject matter hereof, and supersedes and replaces all prior agreements, negotiations or discussions, whether oral or written. This Agreement may not be amended except by a subsequent writing signed by all parties hereto.

Section 11.7. Successors and Assigns. This Agreement is intended to and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Section 11.8. Termination Date. This Agreement shall terminate and be of no further force or effect on and after December 31, 2041, unless terminated earlier under the provisions of this Agreement.

Section 11.9. Memorandum of Agreement. The parties agree to execute and record a Memorandum of Agreement for Private Development, in substantially the form attached as Exhibit D, to serve as notice to the public of the existence and provisions of this Agreement, and the rights and interests held by the City by virtue hereof. The City shall pay for all costs of recording.

Section 11.10. No Third-Party Beneficiaries. No rights or privileges of either party hereto shall inure to the benefit of any landowner, contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, landowner, subcontractor, material supplier, or any other person or entity shall be deemed to be a third-party beneficiary of any of the provisions contained in this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and Developer has caused this Agreement to be duly executed in its name and behalf by its authorized representative, all on or as of the day first above written.

[Remainder of page intentionally left blank; signature pages follow]

(SEAL)

CITY OF CARROLL, IOWA

By: _____
Mark E. Beardmore, Mayor

ATTEST:

By: _____
Laura Schaefer, City Clerk

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

On this _____ day of _____, 2022, before me a Notary Public in and for said State, personally appeared Mark E. Beardmore and Laura Schaefer, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Carroll, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Agreement for Private Development – City of Carroll]

BRIAN J. WENDL

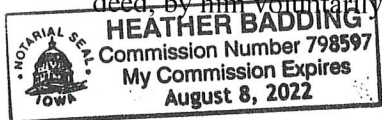
By: Brian J. Wendl
Brian J. Wendl

HOLLY A. WENDL

By: Holly A. Wendl
Holly A. Wendl

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

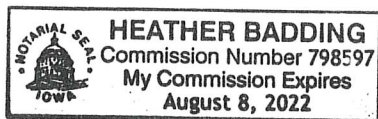
On this 14th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Brian J. Wendl to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be his voluntary act and deed, by him voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

On this 14th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Holly A. Wendl to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be her voluntary act and deed, by her voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

[Signature page to Agreement for Private Development – Brian J. Wendl and Holly A. Wendl]

JASON R. ATHERTON

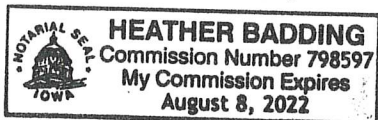
By: Jason R. Atherton
Jason R. Atherton

KAREN M. ATHERTON

By: Karen M. Atherton
Karen M. Atherton

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

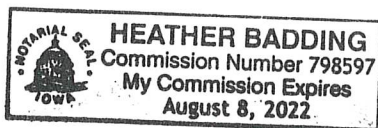
On this 15th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Jason R. Atherton to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be his voluntary act and deed, by him voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

On this 15th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Karen M. Atherton to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be her voluntary act and deed, by her voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

[Signature page to Agreement for Private Development – Jason R. Atherton and Karen M. Atherton]

EXHIBIT A
DEVELOPMENT PROPERTY

Lots 6, 7 and 8, Block 5, First Addition to Carroll, Carroll County, Iowa

EXHIBIT B
MINIMUM IMPROVEMENTS

Minimum Improvements means the renovation of the interior and exterior of an existing facility on the Development Property, including but not limited to new concrete, landscaping, trees, a garden area with a fountain, ironwork, repairing the original slate roof, tuck pointing the bricks, new windows, and paint. The Minimum Improvements will be occupied by commercial enterprises, which will allow for the retention and hiring of employees. The construction of the Minimum Improvements will be completed by December 31, 2024. Construction costs are expected to be approximately \$1,000,000.

EXHIBIT C
CERTIFICATE OF COMPLETION FOR MINIMUM IMPROVEMENTS

WHEREAS, the City of Carroll, Iowa (the “City”), Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton, (collectively, the “Developer”) did on or about the _____ day of _____, 2022, make, execute and deliver, each to the other, a Development Agreement (the “Agreement”), wherein and whereby the Developer agreed, in accordance with the terms of the Agreement and the City’s Seventh Amended and Restated Central Business District Urban Renewal Plan (the “Plan”), to develop certain real property owned by the Developer and located within the City of Carroll, Carroll County, Iowa (“City”) and particularly described as follows:

Lots 6, 7 and 8, Block 5, First Addition to Carroll, Carroll County, Iowa

(“Development Property”); and

WHEREAS, the Agreement incorporated and contained certain covenants and restrictions with respect to the development of the Development Property, and obligated the Developer to construct certain Minimum Improvements (as defined therein) in accordance with the Agreement and the Plan; and

WHEREAS, the Developer has to the present date performed said covenants and conditions insofar as they relate to the construction of such Minimum Improvements in a manner deemed sufficient by the City to permit the execution and recording of this certification

NOW, THEREFORE, PURSUANT TO Section 3.3 of the Agreement, this is to certify that all covenants and conditions of the Agreement with respect to the obligations of the Developer, and its successors and assigns, to construct the Minimum Improvements on the Development Property have been completed and performed by the Developer and are hereby released absolutely and forever terminated insofar as they apply to the land described herein. The County Recorder of Carroll County is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of said Agreement with respect to the construction of the Minimum Improvements on the Development Property.

All other provisions of the Agreement shall otherwise remain in full force and effect until termination as provided therein.

[Signatures Start on Next Page]

Prepared by: Nathan J. Overberg, Ahlers Cooney P.C., 100 Court Ave #600, Des Moines, IA 50309
Return to: City of Carroll, 627 North Adams Street, Carroll, Iowa 51401; Attn: City Clerk

EXHIBIT D
MEMORANDUM OF AGREEMENT FOR PRIVATE DEVELOPMENT

WHEREAS, the City of Carroll, Iowa (the “City”), Brian J. Wendl and Holly A. Wendl, and Jason R. Atherton and Karen M. Atherton, (collectively, the “Developer”) did on or about the ____ day of _____, 2022, make, execute and deliver, each to the other, an Agreement for Private Development (the “Agreement”), wherein and whereby Developer agreed, in accordance with the terms of the Agreement and the Seventh Amended and Restated Central Business District Urban Renewal Plan (the “Plan”), to develop and operate certain real property located within the City and within the Central Business District Project Area and legally described as follows:

Lots 6, 7 and 8, Block 5, First Addition to Carroll, Carroll County, Iowa

(the “Development Property”); and

WHEREAS, the term of the Agreement commenced on _____, 2022 and terminates on December 31, 2041, unless otherwise terminated as set forth in the Agreement; and

WHEREAS, the City and Developer desire to record a Memorandum of the Agreement referring to the Development Property and their respective interests therein.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. That the recording of this Memorandum of Agreement for Private Development shall serve as notice to the public that the Agreement contains provisions restricting development and use of the Development Property and the improvements located and operated on such Development Property.
2. That all of the provisions of the Agreement and any subsequent amendments thereto, if any, even though not set forth herein, are by the filing of this Memorandum of Agreement for Private Development made a part hereof by reference, and that anyone making any claim against any of said Development Property in any manner whatsoever

shall be fully advised as to all of the terms and conditions of the Agreement, and any amendments thereto, as if the same were fully set forth herein.

3. That a copy of the Agreement and any subsequent amendments thereto, if any, shall be maintained on file for public inspection during ordinary business hours in the office of the City Clerk, Carroll, Iowa.

IN WITNESS WHEREOF, the City and Developer have executed this Memorandum of Agreement for Private Development on _____, 2022.

(SEAL)

CITY OF CARROLL, IOWA

By: _____
Mark E. Beardmore, Mayor

ATTEST:

By: _____
Laura Schaefer, City Clerk

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

On this _____ day of _____, 2022, before me a Notary Public in and for said State, personally appeared Mark E. Beardmore and Laura Schaefer, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Carroll, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Memorandum of Agreement for Private Development – City of Carroll]

JASON R. ATHERTON

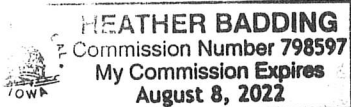
By: Jason R. Atherton
Jason R. Atherton

KAREN M. ATHERTON

By: Karen M. Atherton
Karen M. Atherton

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

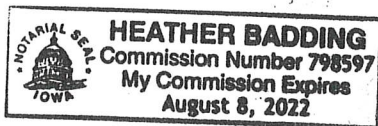
On this 15th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Jason R. Atherton to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be his voluntary act and deed, by him voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

On this 15th day of July, 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Karen M. Atherton to me personally known, who, being by me duly sworn, did say that the execution of said instrument to be her voluntary act and deed, by her voluntarily executed.



Heather Badding
Notary Public in and for the State of Iowa

[Signature page to Memorandum of Agreement for Private Development – Jason R. Atherton and Karen M. Atherton]

EXHIBIT E
DEVELOPER ANNUAL CERTIFICATION
(due by October 1 as required under terms of Development Agreement)

The Developer certifies the following:

During the time period covered by this Certification, the Developer is and was in compliance with Section 6.7 of the Agreement as follows:

(i) All ad valorem taxes on the Development Property and Minimum Improvements have been timely paid for the prior fiscal year (and for the current year, if due) and attached to this Annual Certification are proof of payment of said taxes;

(ii) The Minimum Improvements are occupied by the following commercial enterprise(s) employing individuals therein:

| 1 | 2 |
|------------------|-------------------------------------------------------------|
| Name of Occupant | Square Footage of Minimum Improvements Utilized by Occupant |
| | |
| | |

Please attach proof of occupancy (e.g. – a rent roll or a signed statement on tenant’s letterhead).

(iii) The undersigned representative of Developer has re-examined the terms and provisions of the Agreement and certifies that at the date of such certificate, and during the preceding twelve (12) months, the Developer is not, or was not, in default in the fulfillment of any of the terms and conditions of the Agreement and that no Event of Default (or event which, with the lapse of time or the giving of notice, or both, would become an Event of Default) is occurring or has occurred as of the date of such certificate or during such period, or if the signer is aware of any such default, event or Event of Default, said officer shall disclose in such statement the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto.

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct to the best of my knowledge and belief.

Signed this _____ day of _____, 20__.

By: _____

Name: _____

Attachments: Proof of payment of taxes

02068437-1\10275-081

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager *MSPW*
FROM: Laura A. Schaefer, Finance Director/City Clerk *las*
DATE: July 20, 2022
SUBJECT: Not to Exceed \$700,000 General Obligation Capital Loan Notes (Carroll Recreation Center Building Improvements Project – 2021)

- Resolution Fixing Date for a Meeting on the Proposition to Authorize a Loan Agreement and the Issuance of Notes to Evidence the Obligations of the City Thereunder

At the June 27 Council meeting, Council awarded a construction contract to Badding Construction Company for the Carroll Recreation Center Building Improvements Project to complete the Base Bid (locker rooms reconstruction, HVAC unit upgrades, guard room and wet classroom construction, new Control Room Operator room and check in desk), alternate 1 (raised walking track, elevator and stairs) and alternate 2 (ramp from raised walking track to upper mezzanine in weight room for ADA accessibility improvements). The current funding for the project is as follows:

| | |
|--------------------------------|-------------------|
| LOST Debt | \$5,400,000 |
| LOST Collections | \$1,000,000 |
| General Obligation Debt | \$ 700,000 |
| ARPA Funds | \$ 72,600 |
| General Fund (AHU Funding) | \$ 157,000 |
| Hotel/Motel (AHU Funding) | \$ 50,000 |
| <u>LOST (AHU Funding)</u> | <u>\$ 100,000</u> |
| Total Current Funding | \$7,479,600 |

The bolded \$700,000 General Obligation Debt above requires a public hearing to be held in order to issue the debt. Attached is a resolution to set a public hearing to issue that debt. The proposed date for public hearing is the next regularly scheduled Council meeting of August 8, 2022. Staff would then recommend issuing the debt in combination with a debt issuance that is being planned for the Adams Street Reconstruction Project in 2023.

If you have any questions, please call me, Mike, or stop by City Hall.

RECOMMENDATION: Council consideration and approval of the attached resolution setting public hearing date for August 8, 2022 and directing City Clerk to publish said notice.

ITEMS TO INCLUDE ON AGENDA

CITY OF CARROLL, IOWA

Not to Exceed \$700,000 General Obligation Capital Loan Notes

- Resolution fixing date for a meeting on the proposition to authorize a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

July 25, 2022

The City Council of the City of Carroll, State of Iowa, met in regular session, in the Council Chambers, City Hall, 627 N. Adams Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$700,000 GENERAL OBLIGATION CAPITAL LOAN NOTES OF THE CITY OF CARROLL, STATE OF IOWA (FOR GENERAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

NAYS: _____

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION NO.

RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$700,000 GENERAL OBLIGATION CAPITAL LOAN NOTES OF THE CITY OF CARROLL, STATE OF IOWA (FOR GENERAL CORPORATE PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, it is deemed necessary and advisable that the City of Carroll, State of Iowa, should provide for the authorization of a Loan Agreement and issuance of General Obligation Capital Loan Notes, to the amount of not to exceed \$700,000, as authorized by Sections 384.24A and 384.26, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out general corporate purpose project(s) as hereinafter described; and

WHEREAS, the Loan Agreement and Notes shall be payable from the Debt Service Fund; and

WHEREAS, the Issuer has a population of more than 5,000 but not more than 75,000, and the Notes for these purposes do not exceed \$700,000; and

WHEREAS, before a Loan Agreement may be authorized and General Obligation Capital Loan Notes, issued to evidence the obligation of the City thereunder, it is necessary to comply with the provisions of the Code of Iowa, as amended, and to publish a notice of the proposal and of the time and place of the meeting at which the Council proposes to take action for the

authorization of the Loan Agreement and Notes and to receive oral and/or written objections from any resident or property owner of the City to such action; and

WHEREAS, before the Notes may be issued, it is necessary to comply with the provisions of Chapter 384 of the Code of Iowa, and to publish a notice of the proposal to issue such Notes and the right to petition for an election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF CARROLL, STATE OF IOWA:

Section 1. That this Council meet in the Council Chambers, City Hall, 627 N. Adams Street, Carroll, Iowa, at 5:15 P.M., on the 8th day of August, 2022, for the purpose of taking action on the matter of the authorization of a Loan Agreement and issuance of not to exceed \$700,000 General Obligation Capital Loan Notes, for general corporate purposes, the proceeds of which notes will be used to provide funds to pay the costs of the acquisition, construction, reconstruction, improvement, enlargement, extension, and equipping of a Recreation Center and shall bear interest at a rate not exceeding the maximum specified in the attached notice.

Section 2. The Clerk is authorized and directed to proceed on behalf of the City with the negotiation of terms of a Loan Agreement and the issuance of General Obligation Capital Loan Notes, evidencing the City's obligations to a principal amount of not to exceed \$700,000, to select a date for the final approval thereof, to cause to be prepared such notice and sale information as may appear appropriate, to publish and distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the completion of a loan on a basis favorable to the City and acceptable to the Council.

Section 3. That the Clerk is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than ten clear days nor more than twenty days before the date of the public meeting on the issuance of the Notes.

Section 4. The notice of the proposed action to issue notes shall be in substantially the following form:

(To be published between: July 19, 2022 and July 29, 2022)

NOTICE OF MEETING OF THE CITY COUNCIL OF THE
CITY OF CARROLL, STATE OF IOWA, ON THE MATTER OF
THE PROPOSED AUTHORIZATION OF A LOAN
AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED
\$700,000 GENERAL OBLIGATION CAPITAL LOAN NOTES
OF THE CITY (FOR GENERAL CORPORATE PURPOSES),
AND THE HEARING ON THE ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the City Council of the City of Carroll, State of Iowa, will hold a public hearing on the 8th day of August, 2022, at 5:15 P.M., in the Council Chambers, City Hall, 627 N. Adams Street, Carroll, Iowa, at which meeting the Council proposes to take additional action for the authorization of a Loan Agreement and the issuance of not to exceed \$700,000 General Obligation Capital Loan Notes, for general corporate purposes, bearing interest at a rate of not to exceed nine (9) per centum per annum, the Notes to be issued to provide funds to pay the costs of the acquisition, construction, reconstruction, improvement, enlargement, extension, and equipping of a Recreation Center. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund.

At any time before the date of the meeting, a petition, asking that the question of issuing such Notes be submitted to the legal voters of the City, may be filed with the Clerk of the City in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Sections 384.24A and 384.26 of the Code of Iowa.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the authorization of a Loan Agreement and the issuance of the Notes to evidence the obligation of the City thereunder or will abandon the proposal to issue said Notes.

This notice is given by order of the City Council of the City of Carroll, State of Iowa, as provided by Sections 384.24A and 384.26 of the Code of Iowa.

Dated this 26th day of July, 2022.

/s/Laura A. Schaefer
City Clerk, City of Carroll, State of Iowa

(End of Notice)

PASSED AND APPROVED this 25th day of July, 2022.

Mayor

ATTEST:

City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

I, the undersigned City Clerk of the City of Carroll, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2022.

City Clerk, City of Carroll, State of Iowa

(SEAL)

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Carroll, in the County of Carroll, State of Iowa, and that as such Clerk and by full authority from the Council of the City, I have caused a

NOTICE OF PUBLIC HEARING
(Not to Exceed \$700,000 General Obligation Capital Loan Notes)

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published as required by law in The Daily Times Herald, a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and has a general circulation in the City, and that the Notice was published in all of the issues thereof published and circulated on the following date:

_____, 2022.

WITNESS my official signature this _____ day of _____, 2022.

City Clerk, City of Carroll, State of Iowa

(SEAL)

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager *MSPW*
FROM: Laura A. Schaefer, Finance Director/City Clerk *las*
DATE: July 19, 2022
SUBJECT: General Obligation Capital Loan Notes, Series 2022 and 2023 (Reimbursement Resolution)

- Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with the Carroll Recreation Center Building Improvements Project - 2021

At the June 27 Council meeting, Council awarded a construction contract to Badding Construction Company for the Carroll Recreation Center Building Improvements Project to complete the Base Bid (locker rooms reconstruction, HVAC unit upgrades, guard room and wet classroom construction, new Control Room Operator room and check in desk), alternate 1 (raised walking track, elevator and stairs) and alternate 2 (ramp from raised walking track to upper mezzanine in weight room for ADA accessibility improvements). The current funding for the project is as follows:

| | |
|----------------------------|-------------------|
| LOST Debt | \$5,400,000 |
| LOST Collections | \$1,000,000 |
| General Obligation Debt | \$ 700,000 |
| ARPA Funds | \$ 72,600 |
| General Fund (AHU Funding) | \$ 157,000 |
| Hotel/Motel (AHU Funding) | \$ 50,000 |
| <u>LOST (AHU Funding)</u> | <u>\$ 100,000</u> |
| Total Current Funding | \$7,479,600 |

There are two planned debt issuances for this project: Local Option Sales Tax (LOST) General Obligation (GO) debt (\$5,400,000) and General Obligation (GO) debt (\$700,000). It is planned to issue the LOST GO debt Fall 2022 and issue the other GO debt in combination with the debt issuance for the Adams Street Reconstruction Project in 2023. State Code does not allow the LOST GO debt and the GO debt to be issued together as one issuance; however, the GO debt can be issued with the debt issuance for the Adams Street Reconstruction Project.

There likely will be some construction expenses paid for this project prior to the debt being issued that the City will want to use the debt proceeds to pay those expenses. Attached is a resolution declaring an intent to reimburse some of the previously paid project expenditures with debt proceeds when the debt is issued. In order to be in compliance with IRS regulations and use tax-exempt debt proceeds to reimburse the City for the above-mentioned expenditures, Council would need to declare an official intent. To be effective, it must be adopted within 60 days after the funding of an expenditure that is

expected to be reimbursed from the note issuance. It should be noted that architectural, engineering, and survey costs, which do not exceed 20% of the issuance amount, are not subject to the reimbursement rules meaning they can be reimbursed with bond proceeds even if they were originally paid longer than 60 days before adopting the reimbursement resolution.

If you have any questions, please call me, Mike, or stop by City Hall.

RECOMMENDATION: Council approval of the attached resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with the Carroll Recreation Center Building Improvements Project – 2021.

ITEMS TO INCLUDE ON AGENDA

CITY OF CARROLL, IOWA

General Obligation Capital Loan Notes, Series 2022 and Series 2023

- Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with specified Projects.

**NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.**

July 25, 2022

The City Council of the City of Carroll, State of Iowa, met in regular session, in the Council Chambers, City Hall, 627 N. Adams Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION DECLARING AN OFFICIAL INTENT UNDER TREASURY REGULATION 1.150-2 TO ISSUE DEBT TO REIMBURSE THE CITY FOR CERTAIN ORIGINAL EXPENDITURES PAID IN CONNECTION WITH SPECIFIED PROJECTS" and moved that it be adopted. Council Member _____ seconded the motion to adopt, and the roll being called thereon, the vote was as follows:

AYES: _____

NAYS: _____

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

RESOLUTION NO. _____

**RESOLUTION DECLARING AN OFFICIAL INTENT UNDER
TREASURY REGULATION 1.150-2 TO ISSUE DEBT TO
REIMBURSE THE CITY FOR CERTAIN ORIGINAL
EXPENDITURES PAID IN CONNECTION WITH SPECIFIED
PROJECTS**

WHEREAS, the City anticipates making cash expenditures for one or more capital improvement projects, generally described below (each of which shall hereinafter be referred to as a "Project"); and

WHEREAS, the City reasonably expects to issue debt to reimburse the costs of a Project;
and

WHEREAS, the Council believes it is consistent with the City's budgetary and financial circumstances to issue this declaration of official intent.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CARROLL, STATE OF IOWA:

Section 1. That this Resolution be and does hereby serve as a declaration of official intent under Treasury Regulation 1.150-2.

Section 2. That it is reasonably expected that capital expenditures will be made in respect of the following Project(s), from time to time and in such amounts as this Council determines to be necessary or desirable under the circumstances then and there existing.

Section 3. That the City reasonably expects to reimburse all or a portion of the following expenditures with the proceeds of bonds, notes or other indebtedness to be issued or incurred by the City in the future.

Section 4. That the total estimated costs of the Project(s), the maximum principal amount of the bonds, notes or other indebtedness to be issued for the foregoing Project(s) and the estimated dates of completion of the Project(s) are reasonably expected to be as follows:

| <u>Project</u> | <u>Fund from which original expenditures are to be Advanced</u> | <u>Total Estimated Cost</u> | <u>Amount of Borrowing Anticipated</u> | <u>Estimated Date of Completion</u> |
|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------|----------------------------------------|-------------------------------------|
| Carroll Recreation Center Building Improvements Project - 2021 | C.P. – Rec Center Building | \$7,353,070 | \$5,400,000 | October 1, 2023 |
| Carroll Recreation Center Building Improvements Project - 2021 | C.P. – Rec Center Building | \$7,353,070 | \$700,000 | October 1, 2023 |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

Section 5. That the City reasonably expects to reimburse the above-mentioned Project costs not later than the later of eighteen months after the capital expenditures are paid or eighteen months after the property is placed in service, but in no event more than three (3) years after the original expenditure is paid.

Section 6. That this Resolution be maintained by the City Clerk in an Official Intent File maintained in the office of the Clerk and available at all times for public inspection, subject to such revisions as may be necessary.

PASSED AND APPROVED this 25th day of July, 2022.

Mayor

ATTEST:

City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF CARROLL)

I, the undersigned City Clerk of the City of Carroll, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this 26th day of July, 2022.

City Clerk, City of Carroll, State of Iowa

(SEAL)

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager *MSPW*

FROM: Laura A. Schaefer, Finance Director/City Clerk *las*

DATE: July 20, 2022

SUBJECT: FY 2021/2022 Year End Transfers Resolution

Attached is a resolution listing each transfer for FY 2021/2022. All the items in the resolution, except one, were included in the FY 2021/2022 re-estimated balances when the FY 2022/2023 budget was prepared. The additional item is to cover expenses related to the Airport LED light conversion project. Some engineering expenses (\$39,537.95) were paid in FY 2022 from the C.P. Airport Project Fund. The Airport Commission is expecting to receive Airport Improvement Program (AIP) funds that will require a city match for this project. The Airport Commission did not expend all of their FY 22 General Fund operational budget so staff is recommending to transfer those funds from the General Fund to the C.P. Airport Project Fund to cover those expenses and be considered part of the city match.

Also attached is a list of all the funds and the effect the transfers have on each fund's ending balance. This list also includes a comparison of what the June 30, 2022 ending fund balance was re-estimated to be when the FY 2022/2023 budget was prepared. In many cases, state code requires special revenue money to be deposited into its own separate fund and then transferred to another fund to cover eligible expenses.

There are a number of reasons why there is a difference between the actual ending fund balance and the projected ending fund balance. Those reasons include expenses less than anticipated including budgeted equipment purchases to be spent and capital projects to be completed in FY 23 and revenues greater than anticipated.

For FY 2021/2022, revenues were \$22,593,428, compared to amended budgeted revenues of (excluding transfers) \$20,677,635. Expenses were \$21,407,885, compared to amended budgeted expenses of (excluding transfers) \$26,379,121. The FY 2021/2022 amended budget included an amended budgeted deficit of \$5,701,486; however, the city ended FY 2021/2022 with a surplus of \$1,217,318 mainly due to the timing of completion of capital projects.

If you have any questions about the proposed transfers, feel free to call me, Mike, or stop by City Hall.

RECOMMENDATION: Council consideration and approval of the attached resolution authorizing the FY 2021/2022 transfers.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY CLERK TO MAKE THE APPROPRIATE INTERFUND TRANSFERS OF SUMS AND RECORD THE SAME IN THE APPROPRIATE MANNER FOR FY 2022 FOR THE CITY OF CARROLL, IOWA

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carroll, Iowa as follows:

SECTION 1: Authorize the City Clerk to Transfer Funds. That the City Clerk be and is hereby authorized by the City Council to make the appropriate interfund transfer of sums and record the same in the appropriate manner for FY 2022.

SECTION 2: Transfer of Funds. The City Clerk will transfer the following sums and to record the same in the appropriate manner:

1. Transfer from the Employee Benefit Special Revenue Fund to the General Fund - \$927,750.82 to pay for General Fund employee benefit expenses
2. Transfer from the Water Utility Fund to the General Fund - \$36,649.00 to pay for insurance liability & property expenses
3. Transfer from the Sewer Utility Fund to the General Fund - \$51,178.00 to pay for insurance liability & property expenses
4. Transfer from Westfield Urban Renewal Special Revenue Fund to the General Fund - \$3,470.22 to re-pay an interfund loan to amend the Westfield Urban Renewal area
5. Transfer from Employee Benefit Special Revenue Fund to the Road Use Tax Fund - \$140,613.72 to pay for Road Use Tax employee benefit expenses
6. Transfer from Westfield Urban Renewal Special Revenue Fund to the Road Use Tax Fund - \$144,803.00 to re-pay an interfund loan for urban renewal projects in the urban renewal area
7. Transfer from Sewer Utility Fund to Debt Service Fund - \$714,140.00 to pay for FY 2022 principal and interest payments
8. Transfer from LOST Fund to Debt Service Fund - \$500,492.00 for property tax relief
9. Transfer from Ashwood Urban Renewal Special Revenue Fund to Debt Service Fund - \$31,417.97 to repay the debt service fund for principal and interest payments
10. Transfer from the General Fund to C.P. – Airport Fund - \$43,503.07 to pay for airport capital improvement projects
11. Transfer from the General Fund to C.P. – Streets Fund - \$50,000.00 for a sidewalk transition plan
12. Transfer from LOST Fund to C.P. – Streets Fund - \$680,000.00 to pay for street rehabilitation projects.
13. Transfer from Sewer Utility Fund to C.P. – Corridor of Commerce Fund - \$1,000,000.00 to pay for construction expenses for urban renewal public improvement projects
14. Transfer from Hotel/Motel Tax Fund to C.P. – Parks & Rec Fund - \$100,000.00 for park/trail improvements

15. Transfer from LOST Fund to C.P. – Parks & Rec Fund - \$150,000.00 for park/trail improvements
16. Transfer from the General Fund to C.P. – Rec Center Building Fund - \$157,000.00 for the Carroll Recreation Center Building Improvements Project
17. Transfer from LOST Fund to C.P. – Rec Center Building Fund - \$840,000.00 for the Carroll Recreation Center Building Improvements Project
18. Transfer from Hotel/Motel Tax Fund to C.P. – Rec Center Building Fund - \$50,000.00 for the Carroll Recreation Center Building Improvements Project
19. Transfer from Downtown Urban Renewal Special Revenue Fund to Water Utility Fund - \$962,200.00 to re-pay an interfund loan for urban renewal public improvement projects
20. Transfer from Water Utility Fund to Water Utility Depreciation Fund - \$50,000.00 for future water plant improvements
21. Transfer from Water Utility Fund to Water Utility Capital Improvement Fund - \$60,000.00 for water capital projects
22. Transfer from Downtown Urban Renewal Special Revenue Fund to Sewer Utility Fund - \$101,250.00 to re-pay an interfund loan for urban renewal public improvement projects
23. Transfer from Sewer Utility Fund to Sewer Utility Depreciation Fund - \$35,000.00 for future sewer plant improvements
24. Transfer from Sewer Utility Fund to Sewer Utility Capital Improvement Fund - \$750,000.00 for sewer capital improvement projects

PASSED AND APPROVED this 25th day of July, 2022.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

Mark E. Beardmore, Mayor

Attest:

Laura A. Schaefer, City Clerk

**CITY OF CARROLL
FUND BALANCES
JUNE 30, 2022**

| | JULY 1, 2021 BEGINNING BALANCE | JUNE 30, 2022 BEFORE TRANSFERS | TRANSFERS IN | TRANSFERS OUT | JUNE 30, 2022 ENDING BALANCE AFTER TRANSFERS | JUNE 30, 2022 RE-EST PROJECTED BALANCE |
|----------------------------------|-----------------------------------|-----------------------------------|---------------------|---------------------|----------------------------------------------------|-------------------------------------------|
| GENERAL FUND | 4,465,154.77 | 3,621,237.42 | 1,019,048.04 | 250,503.07 | 4,389,782.39 | ?, ^ 3,379,376 |
| HOTEL/MOTEL TAX | 460,006.39 | 654,259.31 | | 150,000.00 | 504,259.31 | x 128,964 |
| ELECTRIC FRANCHISE | 15,366.67 | 120,337.71 | | | 120,337.71 | 135,567 |
| FEDERAL GRANTS SR FUND | - | 737,924.76 | | | 737,924.76 | 737,630 |
| ROAD USE TAX FUND | 2,358,983.60 | 2,890,433.86 | 285,416.72 | | 3,175,850.58 | ??, ^ 2,557,499 |
| EMP BENEFIT S.R. | - | 1,068,364.54 | | 1,068,364.54 | - | - |
| EMERGENCY S.R. | - | - | | | - | - |
| LOCAL OPTION SALES TAX | 928,760.09 | 2,964,471.54 | | 2,170,492.00 | 793,979.54 | 728,854 |
| UR DOWNTOWN S.R. | 166,364.23 | 1,130,084.27 | | 1,063,450.00 | 66,634.27 | 30,419 |
| UR ASHWOOD BUSINESS PARK | - | 31,417.97 | | 31,417.97 | - | - |
| WESTFIELD UR SPEC REVENUE | - | 148,273.22 | | 148,273.22 | - | - |
| REC CENTER TRUST FUND | 37,758.24 | 37,914.39 | | | 37,914.39 | 38,058 |
| LIBRARY TRUST FUND | 52,297.98 | 50,456.13 | | | 50,456.13 | 44,383 |
| POLICE FORFEITURE | 15,967.51 | 15,403.67 | | | 15,403.67 | 16,108 |
| CRIME PREV/SPEC PROJECTS | 40,864.89 | 40,630.68 | | | 40,630.68 | 40,315 |
| DEBT SERVICE FUND | 92,874.55 | (1,149,090.36) | 1,246,049.97 | | 96,959.61 | 96,142 |
| C.P. - EQUIPMENT PURCHASES | - | - | | | - | - |
| C.P. - AIRPORT | (10,000.00) | (43,503.07) | 43,503.07 | | - | - |
| C.P. - STREETS | 1,189,177.99 | 561,445.26 | 730,000.00 | | 1,291,445.26 | xx 588 |
| C.P. - CORRIDOR OF COMM. | 848,278.83 | 155,634.24 | 1,000,000.00 | | 1,155,634.24 | xx 1,030,588 |
| C.P. - PARKS & RECREATION | 465,829.35 | 331,482.32 | 250,000.00 | | 581,482.32 | xx 95,700 |
| C.P. - REC CENTER BLDG | 206,750.59 | (176,296.84) | 1,047,000.00 | | 870,703.16 | xx 162,950 |
| C.P. - STREETS MAINTENANCE BLDG | 3,626,944.53 | 904,461.06 | | | 904,461.06 | xx 150,960 |
| C.P. - LIBRARY/CITY HALL REMODEL | (10,000.00) | (5,000.00) | | | (5,000.00) | ^^ (5,000) |
| C.P. - HOUSING FUND | - | - | | | - | - |
| PERPETUAL CARE FUND | 569,171.51 | 596,593.92 | | | 596,593.92 | 593,172 |
| REC CNTR TRST-PERMANENT | 65,224.25 | 65,493.98 | | | 65,493.98 | 65,524 |
| WATER UTILITY FUND | 1,381,069.32 | 2,037,007.25 | 962,200.00 | 146,649.00 | 2,852,558.25 | ^ 2,690,622 |
| WATER UTILITY DEPR. | 964,483.64 | 968,493.36 | 50,000.00 | | 1,018,493.36 | 1,018,484 |
| WATER UTILITY CAP. IMP. | 290,629.77 | 227,360.79 | 60,000.00 | | 287,360.79 | xx 249,694 |
| WATER METER DEPOSIT | 45,235.90 | 45,585.90 | | | 45,585.90 | 45,236 |
| SEWER UTILITY FUND | 4,045,037.29 | 5,218,530.47 | 101,250.00 | 2,550,318.00 | 2,769,462.47 | xxx 2,696,601 |
| SEWER UTILITY DEPR. | 724,282.30 | 727,292.33 | 35,000.00 | | 762,292.33 | 762,282 |
| SEWER UTILITY CAP. IMP. | 266,909.65 | 246,296.89 | 750,000.00 | | 996,296.89 | xx 267,910 |
| STORM WATER UTILITY | 1,004,919.54 | 1,270,370.81 | | | 1,270,370.81 | 1,266,119 |
| STORM WATER CAP. IMP. | 125,194.24 | 125,711.97 | | | 125,711.97 | 125,794 |
| MEDICAL INSURANCE FUND | 951,352.38 | 983,128.31 | | | 983,128.31 | 983,614 |
| TOTAL | 25,384,890.00 | 26,602,208.06 | 7,579,467.80 | 7,579,467.80 | 26,602,208.06 | 20,134,153 |

? - Apprx. \$468,000 of projects budgeted in FY 22 to be considered/completed in FY 23

?? - Actual RUT collections were \$130,548 greater than projected/snow removal expenses \$87,800 less than anticipated/carryover projects of \$283,726

x - \$250,000 of theater improvements not completed as June 30, 2022

^ - Combination of revenue collections greater than anticipated and operating expenses less than anticipated

^^ - County contribution for the Library Project to be received in FY 23

xx - Capital projects not complete as of June 30, 2022

xxx - \$70,000 of equipment budgeted but not spent

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager *MSPW*

DATE: July 21, 2022

SUBJECT: Infill Housing Incentive Program

At the July 11, 2022 Council meeting, the City Council gave direction to City staff to proceed with a number of actions to incentivize housing in the City of Carroll. One of those actions was the development of the *Infill Housing Incentive Program*.

The purpose of the Carroll Infill Housing Incentive Program is to provide incentives to home builders, real estate developers, property owners, and homebuyers to expand the quality and, perhaps more importantly, the quantity of our available housing inventory.

While the full terms of the program are included in the packet, the basic framework is as follows:

- Under this program, for new homes where the building permit is issued after August 1, 2022, City of Carroll will provide a \$20,000 incentive for a newly constructed home valued under \$325,000.
- Construction must start within 3 months after the applications is approved and all construction needs to be completed within the earlier of: 18 months after the issuance of the building permit or September 1, 2024.
- Funds would be paid after home construction is completed and within 30 days after the certificate of occupancy is issued.
- The program will be limited to the first 10 application and \$200,000 in total incentives.
- Homes constructed on lots in the Northridge, Rolling Hills, Timber Creek, Timber Creek East, or Timber Creek West neighborhoods are NOT eligible for this program.

Additional housing incentive programs with 704 Development Corp related to Rolling Hills South and CADC related to Northridge will be presented to the Council in the future as development agreements for those programs are completed.

RECOMMENDATION: Mayor and City Council consideration and approval of a resolution for the City of Carroll's Infill Housing Incentive Program.

RESOLUTION NO. _____

A RESOLUTION ADOPTING THE CITY OF CARROLL'S INFILL HOUSING INCENTIVE PROGRAM

WHEREAS, the Carroll Area Development Corporation retained the services of RDG Planning and Design to complete the Carroll County Housing Assessment, and

WHEREAS, a steering committee of Carroll County stakeholders, including two Carroll City Council members, assisted RDG Planning and Design on developing the Carroll County Housing Assessment, and

WHEREAS, on May 7, 2016 the Carroll Area Development Corporation completed the Carroll County Housing Assessment, and

WHEREAS, on June 8, 2021 the Carroll Area Development Corporation updated the Carroll County Housing Assessment, and

WHEREAS, while the original 2016 *Carroll County Housing Assessment* showed a need for additional housing units in the City of Carroll, the updated 2021 *Carroll County Housing Assessment* noted that "Carroll's construction activity still has not returned to what it was in 2005 and 2006 and construction activity has not been enough to support real growth", and

WHEREAS, the 2021 *Carroll County Housing Assessment noted*, "If community leaders do nothing to create incentives and support or share risk in housing development the community will not be able to support population growth and thus business growth", and

WHEREAS, the 2021 *Carroll County Housing Assessment* identified a need for 390 new units of housing before 2030; and

WHEREAS, in the ten-year period between 2012 and 2021 the City of Carroll averaged only 13.5 new housing units per year against the need for 39 new housing units per year; and

WHEREAS, the Housing Development Program identified needs in all categories including the need for 144 units of owner-occupied housing valued at more than \$125,000; and

WHEREAS, the imbalanced housing market prevents existing business and industry from attracting and retaining employees and prevents the City from attracting new business and industry; and

WHEREAS, local employers have made job offers that were accepted only to later have the employee decline the position due to the lack of housing in the Carroll community, and

WHEREAS, RDG Planning and Design in the Carroll County Housing Study noted that "In a healthy market some vacancy is necessary to ensure options for new residents and to avoid escalating prices. A healthy balance usually occurs somewhere between 5% and 7%", and

WHEREAS, the City has been tracking the number of available homes on the MLS over the past two years and at no time has the number of available homes on the MLS been over 0.5% of the total Carroll housing stock, and

WHEREAS, this has resulted in increasing home values and a lack of affordable housing at all income levels, and

WHEREAS, Carroll County's unemployment rate in May of 2022 was 1.6% which is lower than the pre-pandemic rate in February of 2020 of 1.9%, and

WHEREAS, employers throughout Carroll are attempting to attract new employees; however, without housing it is impossible attract needed employees to the Carroll community, and

WHEREAS, the aging housing stock and low property values create budget challenges which impact critical services; and

WHEREAS, inadequate housing options create quality of life barriers for residents of all ages and incomes; and

WHEREAS, the City of Carroll Infill Housing Incentive Program will provide \$20,000 economic development grants for the construction of new single family homes valued under \$325,000 per home; and

WHEREAS, the City is also developing other programs and partnerships to encourage additional housing in the Northridge and Rolling Hills neighborhoods and due to these other programs these neighborhoods are not eligible for the infill housing incentive, and

WHEREAS, due to the upper income price range of housing in the Timber Creek, Timber Creek East, or Timber Creek West neighborhoods these neighborhoods are not eligible for this program; and

WHEREAS, incentives for market rate housing development will address the Missing Middle phenomenon which creates a cost burden on low-income homeowners; and

WHEREAS, economic development grants for completing new housing will provide gap financing which will help close the gap between the cost of developing housing and the value of housing.

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CARROLL, IOWA THAT:

1. The City of Carroll Infill Housing Incentive Program, including but not limited to making of economic development grants under the terms of the Program set forth in the Program document attached hereto in Exhibit 1, is hereby declared to be a public undertaking furthering the public purposes described in the Preambles hereto.
2. The City of Carroll Infill Housing Incentive Program, as set forth in the Program document attached hereto as Exhibit 1, is hereby adopted.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 25th day of July, 2022.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

BY: _____
Mark E. Beardmore, Mayor

ATTEST:

By: _____
Laura A. Schaefer, City Clerk

City of Carroll Infill Housing Incentive Program

The Carroll Infill Housing Incentive Program (“Program”) provides incentives to home builders, real estate developers, property owners, and homebuyers to expand the quality and, perhaps more importantly, the quantity of our available housing inventory.

One goal of the program is to create momentum for infill housing development within the community; to develop and ensure a stable and growing population in the community by having safe, sanitary, affordable housing readily available at various income levels; and ensuring housing is available to attract and retain employees and employers in the community.

The City is also developing other programs and partnerships to encourage additional housing in the Northridge and Rolling Hills neighborhoods. Due to these other programs these neighborhoods are not eligible for the infill housing incentive. Additionally, due to the upper income price range of housing in the Timber Creek, Timber Creek East, or Timber Creek West neighborhoods these neighborhoods are not eligible for this program.

The following incentive will be offered for new, single-family homes constructed on infill lots in the City of Carroll by September 1, 2024 (as long as funding is available):

- Subject to the rules of the Program, the owner of a newly constructed, qualifying home valued under \$325,000 will be eligible for a \$20,000 incentive from the City of Carroll. Please note: The home values that qualify for incentives DO NOT include land value.

Program eligibility rules:

- The Program is limited to the first 10 applicants who fully complete and submit a Program application and whose application is approved by the Carroll City Council under the terms of the Program. If an application is initially approved but the home subsequently does not qualify for the incentive, the City may consider a replacement application in the order the applications were received.
- The Program application must be submitted within thirty (30) days after receipt of a building permit for the home and the building permit must be issued after August 1, 2022.
- To be eligible, the home must be new construction, single-family, owner occupied primary residence, with a value at completion under \$325,000.
- Qualifying homes must be constructed consistent with all City and State ordinances and requirements.
- Construction must start within 3 months after the application is approved and all construction needs to be completed within the earlier of: 18 months after the issuance of the building permit or September 1, 2024. Council will consider an extension to a deadline if satisfactory progress is being made on the home; provided, however, that no extension will be granted beyond September 1, 2024.
- The construction of the home must be fully completed, as evidenced by the issuance of a Certificate of Occupancy by the City of Carroll.
- The City is using Federal ARPA Funds for this program. Due to the rules surrounding this program, all work needs to be completed and a Certificate of Occupancy needs to be issued by

September 1, 2024 to receive the funds. NO EXTENSION TO THIS SEPTEMBER 1, 2024 DATE REQUIREMENT WILL BE MADE BY THE CITY OF CARROLL.

- Rental properties are not eligible for this Program.
- Homes constructed on lots in the Northridge, Rolling Hills, Timber Creek, Timber Creek East, or Timber Creek West neighborhoods are NOT eligible for this Program as they do not constitute infill housing development.
 - The City is also developing other programs and partnerships to encourage additional housing in the Northridge and Rolling Hills neighborhoods. Due to these other programs these neighborhoods are not eligible for the infill housing incentive.
 - Due to the upper income price range of housing in the Timber Creek, Timber Creek East, or Timber Creek West neighborhoods these neighborhoods are not eligible for this program.
- The value of the completed home (exclusive of land value) must be evidenced by an appraisal performed by a licensed, third-party appraiser or by County assessment.
- Subject to the terms of the Program, the incentive will be provided for a qualifying home within thirty (30) days after issuance of a final Certificate of Occupancy.
- Payment of any incentive is subject to the availability of ARPA funds for such purpose.
- Absent additional action by the Council, at no time will the City make any payments under this Program after \$200,000 in aggregate incentives have been paid.
- A home owner who qualifies for incentives under this Program is not precluded from applying for tax abatement on the new home under the terms of the City's Revitalization Plan/Program then in effect.
- The terms of this Program are subject to review and revision by the City Council at any time.
- Eligibility under the terms of the Program shall be at the discretion of the City Council, and all eligibility determinations are final.

APPLICATION FOR CITY OF CARROLL HOUSING INCENTIVE PROGRAM

Please type or print

Property address: _____

Legal Description or Parcel Number: _____

Applicant: _____

Address: _____

City: _____ **State:** _____

Phone: _____

Current Property Value (from assessor's records)

Land: \$ _____ **Building(s):** \$ _____

Brief Description of Project: _____

Estimated Cost of Actual Building Improvements: \$ _____

(Note: Building value only – exclude land value. Maximum building value of \$325,000)

Start Date: _____

Estimated or Actual Completion Date: _____

Note: No change may be made once an application is approved without approval of the Carroll City Council.

Acknowledgments:

A copy of the building permit is attached.

The property to which improvements are made conform to all applicable city codes.

The applicant certifies that all information in this application and all information provided in the support of this application is given for the purpose of obtaining a housing incentive from the City of Carroll and is true and complete to the best of the applicant's knowledge. The applicant acknowledges that no incentive will be received unless it is approved by the Carroll City Council. The applicant understands and acknowledges the rules of the Program and acknowledges that incentive eligibility is subject to the Program rules.

Applicant's Signature: _____ **Date Signed:** _____

City Council Action:

_____ Approved Date: _____

_____ Disapproved Date: _____

Reason for disapproval: _____

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager *MSPW*
FROM: Chad Tiemeyer, Director of Parks and Recreation *GT*
DATE: July 20, 2022
SUBJECT: Ash Tree Removal Project III- Parks and Carroll Municipal Golf Course

On February 2, 2022, six bids for the Ash Tree Removal Project III were received at the time of the bid opening. Attached to this memo is a Bid Opening Report.

At the February 14th City Council Meeting, the bids for the Carroll Municipal Golf Course and the Parks were awarded to Western Iowa Tree Service, in the amounts of \$14,850 (golf course) and \$9,900 (parks). As of July 20th, the owner of Western Iowa Tree Service has reached out to Carroll Parks and Recreation Staff stating he can no longer do this project due to lack of staffing.

The second lowest bidder for each project is Eddy's Limbs: \$18,000 for the Municipal Golf Course, and \$14,000 for the Parks. Owner Chris Edwards has notified the Parks and Recreation Director that he would still honor each project bid price from the February 2nd bid opening. Eddy's Limbs was also awarded the Cemetery portion as a part of the Ash Tree Removal Project III and completed the work late February.

RECOMMENDATION: Mayor and City Council consider and approve the next lowest responsive bid to Eddy's Limbs for the removal of 20 trees in the Parks at the cost of \$14,000 and the Municipal Golf Course's 30 trees at the cost of \$18,000.

BID OPENING REPORT

For: **Ash Tree Removal Project 2022**

Bids were opened on:

| CONTRACTOR: | Cemetery | Parks | Golf Course | Total |
|----------------------------------|-----------|-----------|-------------|-----------|
| 1. Gute Tree Service | No Bid | \$19,000 | \$23,700 | |
| 2. Snyder Tree Service | \$22,100 | \$15,200 | \$19,250 | \$56,550 |
| 3. Eddys Limbs | \$18,400 | \$14,000 | \$18,000 | \$50,400 |
| 4. Western Iowa Tree Service | \$25,500 | \$9,900 | \$14,850 | \$50,250 |
| 5. Latitude 41 Lawn & Landscapes | \$105,000 | \$100,000 | \$130,000 | \$335,000 |
| 6. Forestry Services LLC | \$37,750 | \$25,700 | \$37,500 | \$100,950 |
| 7. | | | | |
| 8. | | | | |
| 9. | | | | |
| 10. | | | | |
| 11. | | | | |
| 12. | | | | |
| 13. | | | | |
| 14. | | | | |
| 15. | | | | |
| 16. | | | | |
| 17. | | | | |
| 18. | | | | |
| 19. | | | | |

Signed: Laurel A Schaefer, City Clerk
 Date: 2/2/2022

THE ABOVE BID AMOUNTS HAVE NOT BEEN CHECKED.

THE BID TOTALS ARE SUBJECT TO CORRECTION AFTER
 THE BIDS HAVE BEEN COMPLETELY REVIEWED.

City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager *MSPW*
FROM: Chad Tiemeyer, Director of Parks and Recreation *GT*
DATE: July 20, 2022
SUBJECT: Report of Bid Opening- 60" Front Mount Mower- Cemetery

At the time of the bid opening on July 20, 2022, three bids were received for a 60" Front Mount Mower for the Cemetery Department. The low bid that met all bid requirements was:

| | <u>Price of Mower</u> | <u>Trade-in Value</u> | <u>Total</u> |
|----------|-----------------------|-----------------------|--------------|
| Rueter's | \$25,000.00 | \$1,750.00 | \$23,250.00 |

The above mower met all specifications outlined in the bid documents. This item was budgeted from the General Fund for FY 22 by the Cemetery, and came in under the \$28,000 estimated budget.

The bid sheet attached to this document shows Van Wall submitted a lower bid than Rueter's; however, the specs of Van Wall's mower did not meet minimum requirements.

RECOMMENDATION: City Council consideration and approval of the bid from Rueter's for a 60" mower in the amount of \$23,250.00.

CITY OF CARROLL
 Department of Parks & Rec
 627 N Adams Street
 CARROLL, IOWA 51401
 (712) 792-1000

BID OPENING REPORT

For: **Front Mount Mower- Cemetery**

Bids were opened on: **7/20/2022- 10 A.M.**

Pre-Bid Estimate **\$28,000.00**

| CONTRACTOR: | Unit Price | Trade in | Total |
|--------------------|--------------|-------------|--------------|
| 1. <u>Rueter's</u> | \$ 25,000.00 | \$ 1,750.00 | \$ 23,250.00 |
| 2. <u>Van Wall</u> | \$ 32,510.06 | \$ 4,000 | \$ 28,510.06 |
| 3. <u>Van Wall</u> | \$ 25,775.59 | \$ 4,000 | \$ 21,775.59 |
| 4. _____ | _____ | _____ | _____ |
| 5. _____ | _____ | _____ | _____ |
| 6. _____ | _____ | _____ | _____ |
| 7. _____ | _____ | _____ | _____ |
| 8. _____ | _____ | _____ | _____ |
| 9. _____ | _____ | _____ | _____ |
| 10. _____ | _____ | _____ | _____ |
| 11. _____ | _____ | _____ | _____ |
| 12. _____ | _____ | _____ | _____ |
| 13. _____ | _____ | _____ | _____ |
| 14. _____ | _____ | _____ | _____ |
| 15. _____ | _____ | _____ | _____ |
| 16. _____ | _____ | _____ | _____ |
| 17. _____ | _____ | _____ | _____ |
| 18. _____ | _____ | _____ | _____ |
| 19. _____ | _____ | _____ | _____ |

Signed: Laura A. Schaefer, City Clerk
 Date: 7/20/2022

Library Board Minutes

June 20, 2022

The Carroll Board of Trustees met at the Carroll Public Library. Trustees present: Summer Parrott, Brenda Hogue, Ralph Von Qualen, , Lisa Auen, Julie Perkins, Marcie Hircock, Kyle Ulveling and Dale Schmidt. Trustees absent: Thomas Parrish. Also present: Interim Director Parveen Karim, Hiring Consultant Liz Hansen and Community Member Alicia Perry.

Parrott called the meeting to order at 5:15pm. Melissa (project manager) and Barbara (part time circulation desk) were introduced. It was moved by Von Qualen and seconded by Ulveling to approve the agenda. All voted aye. Absent: Parrish. It was moved by Von Qualen and seconded by Perkins to approve the May 16, 2022 minutes. All voted aye. Absent: Parrish.

Correspondence: none

Financials/Approval of bills: Auen motioned with a second by Ulveling to approve the bills. All voted aye. Absent: Parrish

Directors Report: The summer adult and kid reading programs are in progress. Miss Diane's story times are getting good turn out as are the Rec Center programs. Teen/tween programs have started with good turn out as well. Health/Safety training is being planned for the staff.

Board Education: none

Old Business:

Discussion Item- Review Updated Policy: Operations & Circulation Policy –this was tabled until document has been revised

Action Item-Updated Assistant Library Director Job Description –no action needed this was voted on at the May meeting and approved

New Business:

Discussion Item: Director Search- reviewed with Liz Hanson agenda for hiring a new Library Director and verified time line

Discussion Item: Patron Conduct Policy- reviewed policy in place and verified that the Library Director is able to handle concerns/issues as needed

Agenda Items for Next Meeting: Discussion Item: candidate packets from Liz

Parrott adjourned the meeting at 7:00pm. Ulveling motioned and it was seconded by Von Qualen to adjourn. All voted aye. Absent: Parrish.

Next regular meeting- July 18, 2022 at Carroll Public Library: Community Meeting Room 118 E 5th St, Carroll, IA 51401 at 5:15pm cst. **If you can't be present at the meeting, please contact Parveen Karim at 792-3432 or email pkarim@carroll-library.org**

Summer Parrott- President

Brenda Hogue-Recording Secretary

CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

EXECUTIVE BOARD MEETING-UNOFFICIAL MINUTES

July 12, 2022
Unofficial Minutes

1. The meeting was called to order at 6:32 a.m. by Vice-Chair Dan Snyder, Mayor of Breda. Others present were Scott Johnson, Carroll County Board of Supervisor; Harvey Dales, City of Manning; Mark Beardmore, Mayor of Carroll; Mary Wittry, Director; Cathy Toms, Office Manager and Steve and Shari Stypa, Carroll Action Shooting Sports (CASS).
2. Dales moved and Beardmore seconded to approve the agenda with the following additions: add equipment under landfill and add CASS under other. Motion carried, all voting aye.
13. Vice-Chair Snyder moved Steve and Shari Stypa to the top of the agenda. The Stypa's are representing CASS and have received grant funding to expand the public shooting range for the competitive sport. The request is to expand north of the current public shooting range. Consensus was to put the request on the August Board meeting with a liability release provided and named insured on insurance coverage.
3. Johnson moved and Dales seconded to approve the minutes of the June 14, 2022 meeting as presented. Motion carried, all voting aye.
4. Dales reviewed the bills payable -see attached. Dales moved and Beardmore seconded to approve the bills as presented. Motion carried, all voting aye.
5. Toms presented the financial report, review of set aside accounts and market prices. Staff will check with Dupaco Community Credit Union regarding additional investment opportunities. Dales moved and Beardmore seconded to approve the reports as presented. Motion carried, all voting aye.
6. Beardmore moved and Johnson seconded to purchase a Surface Pro 7 computer and installation from Ice Technologies as presented. Motion carried, all voting aye.
7. Staff updated the Board on the leachate treatment discussion with the City of Carroll. No action taken.
8. The succession planning has started with meetings with the employees and more information will be forthcoming.
9. The Commission's life cycle analysis is started and the report is being revamped for easier use.
10. Due to a recent resignation, sorting staff will be hired and training will continue for the assistant production coordinator.
11. The Closure/Post Closure payment into dedicated fund was made in June for \$\$84,332. The 2021 payment was \$169,877. The decrease is due to the Environmental Covenant for the closed landfill that no longer falls under the landfill rules.
12. The waste sort was completed with 55 samples of waste sorted into categories. The report will be available in the fall. The 973K track loader is expected to arrive on site in September (ordered May 2021) and the 826K compactor is expected to arrive in February 2023 (ordered February 2022). The current 826K compactor has 8,200 hours and is out of warranty.
13. The next meeting will be Tuesday, August 9 at 6:30 a.m. at the recycling center.
14. Beardmore moved and Johnson seconded to adjourn at 7:40 a.m. Motion carried.

Respectfully submitted,

Mary Wittry

Library Board Minutes

July 18, 2022

The Carroll Board of Trustees met at the Carroll Public Library. Trustees present: Summer Parrott, Brenda Hogue, Ralph Von Qualen, Lisa Auen, Marcie Hircock, Kyle Ulveling and Thomas Parrish. Trustees absent: Dale Schmidt and Julie Perkins. Also present: Interim Director Parveen Karim, Hiring Consultant Liz Hansen

Parrott called the meeting to order at 5:18pm. It was moved by Von Qualen and seconded by Auen to approve the agenda. All voted aye. Absent: Schmidt and Perkins. It was moved by Ulveling and seconded by Auen to approve the June 20, 2022 minutes. All voted aye. Absent: Schmidt and Perkins.

Correspondence: none

Financials/Approval of bills: Hogue motioned with a second by Parrish to approve the bills. Adjustment to be made to ICE technologies amount for IT maintenance, amount should be \$2695.80 instead of \$695.50 All voted aye. Absent: Schmidt and Parrish

Directors Report: Teen/tween programs are having success, Miss Diane's reading has good attendance. The programs are going well. There has been some technology and lighting issues, working on getting fixed.

Board Education: none

Old Business: Discussion Items: Director Search- reviewed candidates for the Library Director position and timeline of hiring process with Liz Hanson

Von Qualen left at 5:55pm

Perkins arrived at 6:30pm

Patron Conduct policy- letter going out to disruptive patron who damaged door banning them from the library for one year

New Business: Discussion Item: Enrich Iowa-discussed expenses coming up for book sharing programs

Agenda Items for Next Meeting: Discussion Item: review candidate information

Parrott adjourned the meeting at 6:46pm. Ulveling motioned and it was seconded by Auen to adjourn. All voted aye. Absent: Schmidt and Von Qualen.

Special meeting August 1, 2022 at Carroll Public Library: Community Meeting Room 118 E 5th St, Carroll IA 51401 or via zoom link at 6:15pm cst. This will be a closed session. **If you can't be present at the meeting either via zoom or in person, please contact Parveen Karim.**

Next regular meeting- August 15, 2022 at Carroll Public Library: Community Meeting Room 118 E 5th St, Carroll, IA 51401 at 5:00pm cst. This will be a closed session.

If you can't be present at the meeting, please contact Parveen Karim at 792-3432 or email pkarim@carroll-library.org