RESOLUTION NO. 24-106

RESOLUTION AUTHORIZING ADVANCEMENT OF PAYMENT FOR AN URBAN RENEWAL PROJECT AND CERTIFICATION OF EXPENSES INCURRED BY THE CITY FOR PAYMENT UNDER IOWA CODE SECTION 403.19

WHEREAS, the City of Council Bluffs, Iowa has previously adopted the Marketplace Urban Renewal Plan (the "Plan") for the Marketplace Urban Renewal Area (the "Urban Renewal Area") for the purpose of undertaking urban renewal projects within the Urban Renewal Area; and

WHEREAS, the City has authorized various projects as eligible urban renewal projects to be undertaken within the Urban Renewal Area, including a development agreement with Legacy CB, LLC (the "Legacy Development Agreement"); and

WHEREAS, the Legacy Development Agreement project was previously determined to be a valid urban renewal project that, in the judgment of the Council, would further one or more of the objectives of the Plan; and

WHEREAS, in furtherance of the Legacy Development Agreement project, the Iowa Finance Authority ("IFA") issued economic development revenue bonds (the "IFA Bonds") and the City agreed to use incremental tax revenues collected pursuant to Iowa Code Section 403.19 from the Urban Renewal Area (the "TIF Revenues") for payments related to the IFA Bonds; and

WHEREAS, due to changed circumstances of the Legacy Development Agreement project, the City and IFA have agreed to provide for the early redemption of the IFA Bonds and, accordingly, the City will issue payment of approximately $1,240,000 to IFA (the "Payoff Payment"); and

WHEREAS, the City intends to advance funds from the City's General Fund to pay the Payoff Payment, and intends to reimburse said fund with TIF Revenues; and

WHEREAS, before approving an urban renewal project for reimbursement with tax increment, it is necessary to make certain findings under Iowa Code Chapter 403; and

WHEREAS, it is the intention of the City to certify the amount of funds advanced for the Payoff Payment for reimbursement under Iowa Code Section 403.19 before December 1, 2024; and

WHEREAS, the City has previously certified debt to the County Auditor, pursuant to Iowa Code Section 403.19, related to the City's obligation to use said TIF Revenues for payments related to the IFA Bonds and the City intends to decertify this debt in the amount of the Payoff Payment being advanced.

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

Section 1. Pursuant to Ordinance no. 5941, there has been established the Marketplace TIF Account (the "Tax Increment Fund"), into which incremental property tax revenues received from the Urban Renewal Area are deposited. The Council finds the Payoff Payment to be an expenditure for an urban renewal project as defined in Iowa Code Chapter 403, and further finds that said project is included in the Plan for the Urban Renewal Area.

Section 2. It is hereby directed that the amount advanced from General Fund in order to pay the amount of the Payoff Payment shall be treated as an advance from the General Fund (the "Advance"), and said fund shall be reimbursed the total actual amount of the Advance from the Tax Increment Fund.

Section 3. The amount of the Advance is expected to total $1,240,000.

Section 4. Certification for reimbursement under Iowa Code Section 403.19 for the actual amount of the Advance shall be made by the City to the County Auditor on or before December 1, 2024; furthermore, to the extent the same amount was previously certified as debt for reimbursement from the Tax Increment Fund related to paying off the IFA Bonds directly, such amount shall be decertified on or before December 1, 2024.

ADOPTED AND PASSED BY THE CITY COUNCIL OF THE CITY OF COUNCIL BLUFFS, STATE OF IOWA, this 1st day of April 2024.

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Mayor

ATTEST:

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City Clerk

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