RESOLUTION NO. 21-262

RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE, SALE, AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF COUNCIL BLUFFS AND CB-WLG AFFORDABLE LIMITED PARTNERSHIP

WHEREAS, by Resolution No. 87-570, adopted December 14, 1987, this Council 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 West Broadway Urban Renewal Plan (the "Urban Renewal Plan" or "Plan") for the West Broadway Urban Renewal Area (the "Urban Renewal Area" or "Area") described therein, and which Plan, as amended, is on file in the office of the Recorder of Pottawattamie County; and

WHEREAS, the Plan has been amended by a 2021 Amendment to the Plan adopted on July 12, 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, by Resolution No. 19-243, adopted October 21, 2019, this Council approved a Request For Proposals for the sale and development of certain City-owned land located within the Urban Renewal Area (the "Development Property"); and

WHEREAS, by Resolution No. 20-68, adopted February 24, 2020, the City selected the proposal submitted by CB-WLG Affordable Limited Partnership (the "Developer") and declared its intent to accept the Developer's proposal following the preparation of a purchase, sale, and development agreement by and between the City and the Developer; and

WHEREAS, the City has prepared a proposed Purchase, Sale, and Development Agreement (the "Agreement") by and between the City and the Developer for the sale and development of the Development Property, pursuant to which Agreement, among other things, the City would agree to sell to the Developer and the Developer would agree to purchase the Development Property for $225,000 and the Developer's other obligations under the Agreement; and

WHEREAS, the Agreement provides that the City will provide the Developer with a forgivable loan in the amount of $225,000 to finance the Developer's purchase of the Development Property, which forgivable loan would be forgiven over a period of 20 years; and

WHEREAS, pursuant to the terms of the Agreement, the Developer would agree to construct (i) an approximately 92,000 square foot apartment building to include 80 Housing Units, and (ii) 8 townhouse Housing Units (collectively the "Minimum Improvements"), together with all related site improvements, on the Development Property; and

WHEREAS, the Agreement further proposes that the City will make up to sixteen (16) consecutive annual payments of Blight Remediation Grants to Developer consisting of 80% of the

Tax Increments collected pursuant to Section 403.19, Code of Iowa, and generated by the construction of the Minimum Improvements, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, pursuant to the terms of the Agreement, the cumulative total for the Blight Remediation Grants is not to exceed $2,000,000 or, if Developer receives a certificate of occupancy for at least four (4) additional townhouse Housing Units on the Development Property on or before December 31, 2024, not to exceed $3,000,000; and

WHEREAS, Chapters 15A and 403, Code of Iowa, authorize cities to make forgivable loans and grants for economic development 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 Chapters, 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 any or all of the factors set forth in Chapter 15A, Code of Iowa, to wit:

a. Businesses that add diversity to or generate new opportunities for the Iowa economy should be favored over those that do not.

b. Development policies in the dispensing of the funds should attract, retain, or expand businesses that produce exports or import substitutes, or which generate tourism-related activities.

c. Development policies in the dispensing or use of the funds should be targeted toward businesses that generate public gains and benefits, which gains and benefits are warranted in comparison to the amount of the funds dispensed.

d. Development policies in dispensing the funds should not be used to attract a business presently located within the state to relocate to another portion of the state unless the business is considering in good faith to relocate outside the state or unless the relocation is related to an expansion which will generate significant new job creation. Jobs created as a result of other jobs in similar Iowa businesses being displaced shall not be considered direct jobs for the purpose of dispensing funds; and

WHEREAS, pursuant to notice published as required by law, this Council has held a public meeting and hearing upon the proposal to approve and authorize execution of the Agreement and has considered the extent of objections received from residents or property owners as to said proposed Agreement; and, accordingly the following action is now considered to be in the best interests of the City and residents thereof.

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

Section 1. That the performance by the City of its obligations under the Agreement, including but not limited to selling the Development Property to the Developer, making a forgivable loan to the Developer, and making grants to the Developer all in connection with the development of the Development Property under the terms set forth in the Agreement, be and is hereby declared to be 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.

Section 2. That the form and content of the Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Agreement for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as shall be approved by such officers, and that from and after the execution and delivery of the Agreement, the Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

PASSED AND APPROVED this 13th day of September, 2021.

_____
Mayor

ATTEST:

_____
City Clerk