

Prepared by: Kevin D. Olson, West Branch City Attorney, PO Box 5640, Coralville, Iowa 52241 (319)351-2277
Return to: City of West Branch, Iowa, 110 N. Poplar Street, West Branch, Iowa 52358.

RESOLUTION NO. 1743

RESOLUTION APPROVING A DEVELOPER'S AGREEMENT WITH THE MEADOWS DEVELOPMENT, INC. INCLUDING TAX INCREMENT REBATE PAYMENTS.

WHEREAS, KLM Investments (the "Developer") has submitted a preliminary plat for The Meadows, Part Four, West Branch, Iowa (the "Development"); and

WHEREAS, to entice the Developer to construct all 57 lots at the same time, the Developer and the City have negotiated a Developer's Agreement (the "Agreement") whereby the City will pay the Developer tax increment rebate payments in an amount of not-to-exceed \$395,000.00 over a fifteen year time frame; and

WHEREAS, to that end, the City Attorney has drafted a Developer's Agreement to outline each party's obligations; and

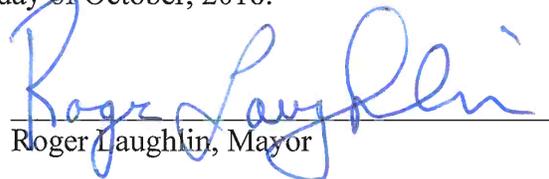
WHEREAS, it is now necessary to approve said Developer's Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of West Branch, Iowa, that this Council hereby finds:

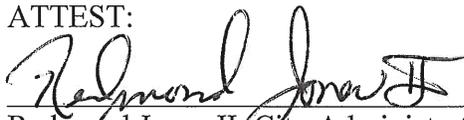
1. That the use of tax increment rebate payments pursuant to Chapters 15A and 403 of the Code of Iowa will generate new opportunities for the state and local economies.
2. That the funds dispensed pursuant to this Agreement will generate appropriate public gains and benefits that are warranted in comparison to the funds dispensed.

BE IT FUTHER RESOLVED, that the aforementioned Agreement be and the same is hereby approved. Further, the Mayor and City Clerk are hereby directed to execute this Agreement on behalf of the City.

Passed and approved this 1st day of October, 2018.


Roger Laughlin, Mayor

ATTEST:


Redmond Jones II, City Administrator/Clerk

DEVELOPMENT AGREEMENT

This Agreement is entered into by and between the City of West Branch, Iowa (the "City"), 110 Poplar Street, West Branch, Iowa 52358 and The Meadows Development, Inc. (the "Development").

WHEREAS, the City has established the West Branch Urban Renewal Area (the "Urban Renewal Area"); and

WHEREAS, the Developer proposes to construct a 57-lot residential subdivision, which will include both one and two-family residences (the "Project"); and

WHEREAS, the Project will be constructed on Lots 1 through 57, The Meadows Subdivision, Part Four, West Branch, Iowa, (the "Development Property"); and

WHEREAS, the Developer has entered into a Subdivider's Agreement with the City outlining the public improvements necessary to complete the Project, and

WHEREAS, the Developer has requested tax increment financing assistance in the form of an economic development grant consisting of tax rebates to assist in the construction of the Project at a faster pace than was the planned phasing of the Project; and

WHEREAS, Chapters 15A and 403 of the Code of Iowa authorize cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Company's Covenants.

1. The Developer will submit a final plat for The Meadows Subdivision, Part Four for approval by the City Council.

2. The Developer shall within one year of the approval of the final plat, construct all of the improvements as outlined in the Subdivider's Agreement.

3. The Developer, its assigns and successors, shall pay all property taxes when due.

B. City's Obligations

1. The City shall amend the West Branch Urban Renewal Plan in strict compliance with Chapter 403 of the Code of Iowa to add the Project so that it is eligible for \$395,000 worth of tax increment financing rebate payments to the Developer.

2. The City shall adopt such ordinances pursuant to Chapter 403 of the Code of Iowa to collect incremental tax revenues for the following subdivisions: The Meadows Subdivision, Part Four, West Branch, Iowa; The Meadows Subdivision, Part Three A and The Meadows Subdivision, Part Three B, West Branch, Iowa, (collectively the "Development Property") and keep such ordinances in place throughout the terms of this Agreement.

2. Upon submitting the required documentation as outlined in Section (A) above to show compliance with this Agreement, the City shall make annual incremental tax payments to the Developer which shall be 70% of the total incremental tax revenues received by the City from the Development Property (the "Payments"). Said Payments shall continue until such time the total aggregate Payments equal \$395,000 or December 31, 2035, whichever occurs sooner. In the event that the Developer has not received the \$395,000 by December 31, 2035, the Developer expressly agrees that it will have no further claim against the City for any shortfall of Payments.

3. The Payment shall not constitute general obligations of the City but shall be made solely and only from incremental property taxes received by the City from the Cedar County Treasurer which are attributable to the Property and is subject to annual appropriation of the City Council on or before December 1st of each year this Agreement is in effect.

C. Administrative Provisions.

1. This Agreement may not be amended or assigned by either party without the express permission of the other party. However, the City hereby gives its permission that the Developer's rights to receive the economic development tax increment payments hereunder may be assigned by the Developer to a private lender, as security, without further action on the part of the City.

2. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

4. Notices. All notices given pursuant to this Agreement shall be in writing and shall be given by United States registered or certified mail, with return receipt requested, or by a national overnight next day business courier service (such as Federal Express), postage or delivery charges prepaid, addressed to the parties at the addresses set forth below:

If to City, to:

City of West Branch, Iowa
110 N. Poplar Street
West Branch, Iowa 52358
ATTN: City Administrator

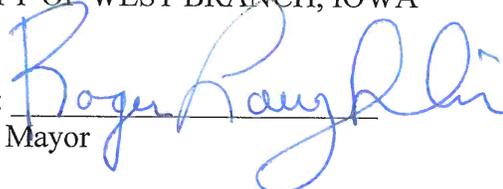
If to Developer, to:

The Meadows Development, Inc.
c/o 25 Eastview Place NE
Iowa City, Iowa 52240

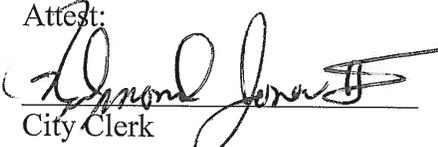
The addresses to which notice are to be given may be changed at any time by any part upon written notice to the other party. All notices given pursuant to this Agreement shall be deemed given upon receipt. For purposes of this Agreement, the term "receipt" shall mean the earlier of any of the following: (i) the date of delivery of the notice or other document to the address specified above as shown on the return receipt, (ii) the date of actual receipt of the notice or other document by the party to whom it was sent, or (iii) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of (a) the date of the attempted delivery or refusal to accept delivery, (b) the date of the postmark on the return receipt, or (c) the date of receipt of notice of refusal or notice of non-delivery by the sending party.

The City and the Developer have caused this Agreement to be signed, and the City's seal to be affixed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF WEST BRANCH, IOWA

By: 
Mayor

Attest:


City Clerk

The Meadows Development, Inc.

By: _____

Print name and title