

RESOLUTION NO. _____

Setting date for public hearing on urban renewal plan amendment

WHEREAS, the City Council of the City of Muscatine, Iowa (the "City"), by resolution created the Consolidated Muscatine Urban Renewal Area (the "Urban Renewal Area") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which would facilitate the undertaking of a new urban renewal project consisting of providing tax increment financing support to Union Tank Car Company (the "Company") in connection with the expansion of the Company's coating and repair shop facilities, operations and workforce in the Urban Renewal Area (the "Project"), and it is now necessary that a date be set for a public hearing on the Amendment;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Muscatine, Iowa, as follows:

Section 1. This City Council will meet at the _____, Muscatine, Iowa, on October 15, 2015, at _____ o'clock __.m., at which time and place it will hold a public hearing on the proposed Amendment to the Plan for the Area.

Section 2. The City Clerk shall publish notice of said hearing, the same being in the form attached hereto, which publication shall be made in a legal newspaper of general circulation in the City, which publication shall be not less than four (4) nor more than twenty (20) days before the date set for hearing.

Section 3. Pursuant to Section 403.5 of the Code of Iowa, the City Administrator is hereby designated as the City's representative in connection with the consultation process which is required under that section of the urban renewal law.

Passed and approved this September 17, 2015.

Mayor

Attest:

City Clerk

**NOTICE OF PUBLIC HEARING ON PROPOSED URBAN RENEWAL PLAN
AMENDMENT**

Notice Is Hereby Given: That at _____ o'clock __.m., at the _____, Muscatine, Iowa, on October 15, 2015, the City Council of the City of Muscatine, Iowa, will hold a public hearing on the question of amending the urban renewal plan for the Consolidated Muscatine Urban Renewal Area (the "Urban Renewal Area") to facilitate the undertaking of a new urban renewal project consisting of providing tax increment financing support to Union Tank Car Company (the "Company") in connection with the expansion of the Company's coating and repair shop facilities, operations and workforce in the Urban Renewal Area. A copy of the proposed Amendment is on file for public inspection in the office of the City Clerk.

At said hearing any interested person may file written objections or comments and may be heard orally with respect to the subject matters of the hearing.

Gregg Mandsager
City Clerk

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On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS:

I, the undersigned, City Clerk of the aforementioned City do hereby certify that pursuant to the resolution of its City Council fixing a date of public hearing on a proposed urban renewal plan amendment, the notice, of which the printed slip attached to the publisher's affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City, and copies were sent to the county and school district.

WITNESS my hand this ____ day of _____, 2015.

City Clerk

(Attach here publisher's affidavit of publication of notice.)

(PLEASE NOTE: This certificate must not be dated until the publication has been made and you have reviewed it to be sure that the notice was published on the date indicated in the attached affidavit.)

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS:

I, the undersigned, City Clerk of the aforementioned City, do hereby certify that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the City Council preliminary to and in connection with setting a date for public hearing on an urban renewal plan amendment.

WITNESS my hand this ___ day of _____, 2015.

City Clerk

CITY OF MUSCATINE, IOWA

URBAN RENEWAL PLAN AMENDMENT
CONSOLIDATED MUSCATINE URBAN RENEWAL AREA

October, 2015

The Urban Renewal Plan (the “Plan”) for the Consolidated Muscatine Urban Renewal Area (the “Urban Renewal Area”) is being amended for the purpose of identifying a new urban renewal project to be undertaken within the Urban Renewal Area.

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

Name of Project: Union Tank Car Company Expansion Project

Name of Urban Renewal Area: Consolidated Muscatine Urban Renewal Area

Date of Council Approval of Project: October 15, 2015

Description of Project: Union Tank Car Company (the “Company”) is a significant contributor to the local economy and maintains a substantial workforce at its operations in the City of Muscatine. The Company owns the real property situated at 2603 Dick Drak Way in the Urban Renewal Area (the “Development Property”) and has proposed to undertake the expansion of its coating and repair shop facilities, operations and workforce thereon (the “Project”). It is anticipated that the Company will add 10 or more employees to its Muscatine workforce in connection with the Project. It has been requested that the City provide tax increment financing assistance to the Company in support of the efforts to carry out the Project on the Development Property.

The Company has been awarded tax credit assistance through the Iowa Economic Development Authority’s High Quality Jobs Program in connection with the Project.

Description of Public Infrastructure: It is not anticipated that the City will install public infrastructure in connection with the Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire real property in connection with the Project.

Description of Use of TIF: The City intends to enter into a Development Agreement with the Company with respect to the construction and use of the completed Project and to provide economic development payments (the “Payments”) thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Development Property. It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Project will not exceed \$45,000.

2) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$61,915,608</u>
Outstanding general obligation debt of the City:	<u>\$14,265,000</u>
Proposed maximum indebtedness to be incurred in connection with this October, 2015 Amendment	<u>\$ 45,000*</u>

*Some or all of the indebtedness incurred in connection with this Amendment may be subject to annual appropriation by the City Council.

September 15, 2015

Gregg Mandsager
City Administrator/City Hall
Muscatine, IA
Via Email

Re: 2015 Urban Renewal/Development Agreement Activity

Dear Gregg:

The purpose of this letter is to explain our role as legal counsel for the City of Muscatine's 2015 Union Tank Car (the "Company") Development Project. It is our understanding that the representation will entail an urban renewal plan amendment (the "Amendment") and the drafting and authorization of a development agreement (the "Agreement") with respect to the provision of tax increment financing support with respect to the Company's expansion project (the "Project").

As legal counsel, it will be our responsibility to coordinate activity and legal proceedings necessary to enable the City to (i) approve the Amendment in order to authorize the Project; (ii) negotiate and draft the Agreement with respect to the Project; and (iii) facilitate proper City Council approval of the Agreement. As part of the representation, we will prepare appropriate resolutions, agreements, notices and ordinances as required by state law and the Project.

In performing our services as legal counsel, our sole client will be the City of Muscatine. We will not represent any other party in this matter, and it is mutually understood that the services to be provided by us as described herein are solely for the benefit of the City of Muscatine.

Based upon: (i) our current understanding of the Project, (ii) the duties we will undertake, (iii) the time we anticipate devoting to the Project, and (iv) the responsibilities we assume, we estimate that our fees and expenses for serving as legal counsel will not exceed \$6,000.

After this arrangement is approved on behalf of the City, please have this letter executed in the space below and either fax an executed copy of this letter to our office at (515) 283-1060 or scan and email an executed copy to lemke.susan@dorsey.com. If you have questions, please call me.

We look forward to working with you. Thank you for the opportunity to serve the City.

Best regards,



John P. Danos

JPD/sl

I understand and agree to the arrangements stated above.

CITY OF MUSCATINE, IOWA

BY: _____
Mayor

Date: _____

ATTEST: _____
City Clerk

Date: _____

RESOLUTION NO. 93006-0315

A RESOLUTION OF THE CITY OF MUSCATINE, APPROVING THE APPLICATION OF UNION TANK CAR, TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY HIGH QUALITY JOBS PROGRAM

WHEREAS, the City of Muscatine has received a request from Union Tank Car to approve and submit an application to the State of Iowa for the Economic Development High Quality Jobs Program, and

WHEREAS, the program was established to promote Economic Development and Job Creation in the State of Iowa, and

WHEREAS, the City of Muscatine supports activities which promote and facilitate Economic Development within the City of Muscatine, and

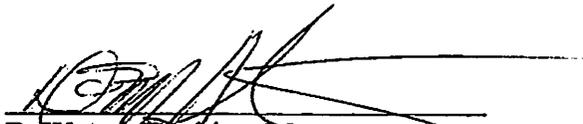
WHEREAS, in the application, Union Tank Car has indicated that they will:

1. Create 10 new full-time positions.
2. Provide comprehensive health benefits to its employees.
3. Make a capital investment of approximately \$1.905 million.

NOW, THEREFORE, BE IT RESOLVED by the City of Muscatine:

- a. The Muscatine City Council hereby approves the application of Union Tank Car for the purpose of receiving benefits from the High Quality Jobs Program.
- b. The Muscatine City Council understands the local match requirement of the Iowa Economic Development Authority and hereby approves a local match in an amount that will exceed the 20% local match with a 10 year 50% TIF rebate agreement estimated at \$43,832.50.
- c. The Muscatine City Council hereby authorizes the Mayor to sign the HQJP application on behalf of the City and to take such further actions as deemed necessary in order to carry into effect the provisions of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of March 2015.


DeWayne Hopkins, Mayor


Randy Hill, Acting City Clerk



MEMORANDUM

Date: March 16, 2015

To: Mayor Hopkins and Muscatine City Council

From: Gregg Mandsager, City Administrator

Re: TIF

The following relates to Tax Increment Financing for a proposed Union Tank Car expansion and IEDA High Quality Jobs application.

The project is estimated to increase their assessed value after the rollback by \$260,000. A minimum 20% local match is required per the High Quality Jobs application. Additional match makes for a stronger application.

The company expects to retain 20 employees and hire 10 new employees and will make an investment of approximately \$1.905 M.

The company is working closely with IEDA to place their application on their March Board Meeting agenda. We are working with IEDA to confirm what additional action may be required from the City prior to the March meeting.

I would ask if there is City Council consensus to proceed and prepare a TIF agreement under the following basic terms and to authorize the Mayor to sign the attached resolution of support for the project.

TIF Proposal:

- Minimum assessed value
- Annual appropriation
- Legal fees covered by the developer
- 20 retained and 10 new employees
- Wages: 10 @ \$17.82-\$18.27
- 10 years @ 50% (\$43,832)