



City Hall, 215 Sycamore St.
Muscatine, IA 52761-3899
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FINANCE & RECORDS

MEMO

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director

Date: March 12, 2018

Re: 1. Ordinance on 1st Reading Establishing a Tax Increment Financing District for the March, 2018 Consolidated Muscatine Urban Renewal Area

2. Resolution to Set Public Hearing on Proposed Development Agreement and Tax Increment Payments for White Distributing and Supply, LLC

Introduction:

A public hearing is scheduled for the March 15, 2018 meeting on expanding the current Urban Renewal Area and Amending the Urban Renewal Plan. A resolution approving the expanded Urban Renewal Area and Amended Urban Renewal Plan will be considered after the public hearing.

The expanded Urban Renewal Area includes the recently annexed area which includes property for the expansion of White Distributing and Supply, LLC. The Plan Amendment includes the proposed Development Agreement for White Distributing and Supply, LLC.

Background:

With the approval of the expanded Urban Renewal Area and the Amendment to the Urban Renewal Plan, the City can proceed with creating a Tax Increment Financing (TIF) District and setting a public hearing for April 5, 2018 on the proposed Development Agreement with White Distributing and Supply, LLC. An ordinance is needed to create the TIF district and a resolution needed to set the public hearing on the Development Agreement.

Summary:

Please include the attached Ordinance on 1st reading establishing a TIF district on the agenda for the March 15, 2018 meeting.

A separate agenda item for the March 15, 2018 meeting will be the Resolution Setting Public Hearing for April 5, 2018 on the proposed Development Agreement with White Distributing and Supply, LLC.

Please contact me if you have any questions or need additional information.

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

SET DATE FOR HEARING ON
DEVELOPMENT AGREEMENT AND
TAX INCREMENT PAYMENTS

(White Distribution & Supply, LLC)

421464-52

Muscatine, Iowa

March 15, 2018

A meeting of the City Council of the City of Muscatine, Iowa, was held at _____
o'clock __.m., on March 15, 2018, at the _____, Muscatine, Iowa, pursuant to the
rules of the Council.

The Mayor presided and the roll was called, showing members present and absent as
follows:

Present: _____

Absent: _____.

Council Member _____ introduced the resolution next hereinafter
set out and moved its adoption, seconded by Council Member _____; and
after due consideration thereof by the City Council, the Mayor put the question upon the adoption
of said resolution, and the roll being called, the following named Council Members voted:

Ayes: _____

Nays: _____.

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

RESOLUTION NO. _____

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with White Distribution & Supply, LLC, Including Annual Appropriation Tax Increment Payments

WHEREAS, the City of Muscatine, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Consolidated Muscatine Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

WHEREAS, the City proposes to enter into a certain development agreement (the “Development Agreement”) with White Distribution & Supply, LLC (the “Company”) in connection with the expansion by the Company of its existing manufacturing and warehousing facilities for use in its business operations on certain real property situated in the Urban Renewal Area; and

WHEREAS, the Development Agreement would provide financial incentives to the Company in the form of annual appropriation incremental property tax payments in an amount not to exceed \$445,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to Section 403.9 of the Code of Iowa;

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

Section 1. This City Council shall meet on April 5, 2018, at _____ o’clock __.m., at the _____, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement and to authorize the annual appropriation incremental property tax payments.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four (4) and not more than twenty (20) days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT WITH
WHITE DISTRIBUTION & SUPPLY, LLC AND AUTHORIZATION OF ANNUAL
APPROPRIATION TAX INCREMENT PAYMENTS

The City Council of the City of Muscatine, Iowa, will meet at the _____, on April 5, 2018, at _____ o'clock ____ .m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and White Distribution & Supply, LLC (the "Company") in connection with the expansion by the Company of its existing manufacturing and warehousing facilities for use in its business operations on certain real property situated in the Consolidated Muscatine Urban Renewal Area, which Development Agreement provides for certain financial incentives in the form of incremental property tax payments to the Company in a total amount not exceeding \$445,000 as authorized by Section 403.9 of the Code of Iowa.

The Development Agreement to make incremental property tax payments to the Company will not be a general obligation of the City, but will be payable solely and only from incremental property tax revenues generated within the Consolidated Muscatine Urban Renewal Area. Some or all of the payments under the Development Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the City Council may, at the meeting or at an adjournment thereof, take additional action to approve the Development Agreement or may abandon the proposal.

This notice is given by order of the City Council of Muscatine, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Gregg Mandsager
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 15, 2018.

Mayor

Attest:

City Clerk

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On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF MUSCATINE SS:
CITY OF MUSCATINE

I, the undersigned, City Clerk of the City of Muscatine, hereby certify that the foregoing is a true and correct copy of the minutes of the Council of the City relating to the adoption of a resolution to fix a date of meeting at which it is proposed to take action to approve a Development Agreement.

I do further certify that the notice of hearing, to which the printed slip attached to the publisher's original 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.

WITNESS MY HAND this ____ day of _____, 2018.

City Clerk

(Attach here the publisher's original affidavit with clipping of the notice as published.)

(PLEASE NOTE: Do not sign and date this certificate until you have checked a copy of the published notice and have verified that it was published on the date indicated in the publisher's affidavit.)



March 8, 2018

Via Email

Gregg Mandsager
City Administrator/City Hall
Muscatine, IA

Re: Development Agreement (White Distribution & Supply, LLC)
Our File No. 421464-52

Dear Gregg:

Attached please find copies of proceedings to enable the City Council to act on March 15th to set April 5th as the date for a public hearing on the proposed Development Agreement with White Distribution & Supply, LLC, including the proposal for tax increment payments.

The notice of public hearing on the Development Agreement must be published once, not less than four (4) and not more than twenty (20) days prior to the City Council meeting at which the hearing will be held. The last date on which the notice can effectively be published is April 1, 2018. Please print an extra copy of the notice for delivery to the newspaper. Please insert the time and place of the hearing in both the resolution and the notice and email a copy of the published notice to us at lemke.susan@dorsey.com.

We will prepare and forward to you in time for the April 5th meeting the necessary proceedings to approve the Development Agreement.

We would appreciate receiving one fully executed copy of these proceedings as soon as they are available.

Please contact Amy Bjork or me if you have questions.

Best regards,

John P. Danos

Attachments

cc: Nancy Lueck