

RESOLUTION NO. _____

Resolution to approve urban renewal plan amendment for the Consolidated
Muscatine Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the rehabilitation, conservation, redevelopment, development or a combination thereof, of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, this City Council of the City of Muscatine, Iowa (the "City"), by prior resolution established 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 for the Urban Renewal Area has been prepared which would facilitate the undertaking of new urban renewal projects 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; and

WHEREAS, notice of a public hearing by the City Council of the City of Muscatine, Iowa, on the proposed Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on October 15, 2015; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to Muscatine County and the Muscatine Community School District; the consultation meeting was held on the 28th day of September, 2015; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

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

Section 1. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 2. It is hereby determined by this City Council as follows:

A. The activities proposed under the Amendment conform to the general plan for the development of the City;

B. The proposed economic development under the Amendment is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved October 15, 2015.

Mayor

Attest:

City Clerk

(Attach copy of the urban renewal plan amendment to this resolution.)

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Upon motion and vote, the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS:

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Muscatine, and 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 approving the urban renewal plan amendment for the Consolidated Muscatine Urban Renewal Area in the City of Muscatine, Iowa.

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.