

**EXHIBIT #1**

**AMENDMENT #7**

**TO**

**GRINNELL  
URBAN RENEWAL PLAN**

**CITY OF GRINNELL, IOWA**

**Original Area Adopted – 1994**

**Amendment #1 - 2005**

**Amendment #2 - 2006**

**Amendment #3 – 2009**

**Amendment #4 – 2012**

**Amendment #5 - 2012**

**Amendment #6 – 2014**

**Amendment #7 - 2016**

**AMENDMENT #7**  
**to**  
**GRINNELL**  
**URBAN RENEWAL PLAN**  
**CITY OF GRINNELL, IOWA**

The Grinnell Urban Renewal Plan (“Urban Renewal Plan” or “Plan”) for the Grinnell Urban Renewal Area (“Area” or “Urban Renewal Area”), adopted by the City of Grinnell (“City”) in 1994, and amended in 2005, 2006, 2009, twice in 2012, and 2014, is being further amended to add additional land to the Urban Renewal Area and to add and/or confirm the list of proposed projects to be undertaken by this Amendment #7 within the Urban Renewal Area (“Amendment #7” or “Amendment”).

The original Area and each amendment area are referred to as subareas in this Amendment. The property added by this Amendment is called the Amendment #7 Area. The subareas make up the Urban Renewal Area.

The “base valuation” of the original Area and each of the amendment areas will remain unchanged by this Amendment. The overall base value of the Urban Renewal Area, after adoption of this Amendment, will be determined by adding all of the base valuations of the subareas together.

Except as modified by this Amendment, the provisions of the original Grinnell Urban Renewal Plan, as previously amended, are hereby ratified, confirmed, and approved and shall remain in full force and effect as provided herein. In case of any conflict or uncertainty, the terms of this Amendment shall control.

**DESCRIPTION OF THE URBAN RENEWAL AREA**

The legal description of the property being added to the Grinnell Urban Renewal Area is attached hereto as Exhibit A. A map of the Amendment #7 Area is attached hereto as Exhibit B. A map of the entire Grinnell Urban Renewal Area, including the Amendment #7 Area, is attached hereto as Exhibit C.

**AREA DESIGNATION**

The Urban Renewal Area continues to be an economic development area that is appropriate for the promotion of commercial and industrial development and low and moderate income housing, as well as appropriate for blight remediation.

**AREA OBJECTIVES**

In addition to the objectives previously identified in the Grinnell Urban Renewal Plan, as amended, the objectives are as follows:

- to support the goals and objectives of projects within a Reinvestment District, which is the subject of the City's pending application to the Iowa Economic Development Authority. Even if the Reinvestment District is not approved, the facilities proposed in the Area are anticipated to utilize tax increment revenue as incentives to developers or to reimburse the City for urban renewal project costs.

### **TYPES OF RENEWAL ACTIVITIES**

- No changes are made by this Amendment. The City will be encouraging businesses receiving TIF benefits to utilize some of the proceeds to provide incentives to employ City residents or encourage employees to establish residency in the community. We believe that employees that reside in the community are better employees as they do not have long commutes to work and are more readily available for call back. We can develop a stronger workforce if employees have quality and stable housing available to them in close proximity to their employment. See also Development Agreements below.
- The city will be using TIF to stimulate workforce housing options. One of the greatest obstacles the community faces is a shrinking workforce, loss of population, and out migration. The community has completed housing studies that provide evidence the lack of quality rental units and affordable quality housing are impediments to sustaining and growing our community. One significant problem is the availability of housing for possible residents as they transition into new employment or as new residents. This transition housing is abundant in larger urban areas but almost nonexistent in Grinnell. Examples of this type of housing would be duplex rentals, single family rental properties, quality two and three bedroom apartments, and condominiums and townhomes.

Nothing herein shall be construed as a limitation on the power of the City to exercise any lawful power granted to the City under Chapter 15, Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of this Urban Renewal Plan.

### **ELIGIBLE URBAN RENEWAL PROJECTS (Amendment #7)**

The following list of Urban Renewal Projects may contain projects previously proposed in the Grinnell Urban Renewal Plan, as previously amended. The Proposed Urban Renewal Projects under this Amendment have been updated to modify descriptions, delete projects, add projects, and update projected costs that may be reimbursed from incremental tax revenues. All project dates are estimated and many projects may occur over a number of years.

1. **Iowa Reinvestment District Project.** The Iowa Reinvestment Act allows municipalities in Iowa to designate up to 25 acres as a Reinvestment District, contingent upon the Reinvestment District being within an urban renewal area. Within the Reinvestment District, the municipality may capture the State of Iowa's share of the 5% hotel/motel tax (5 cents) and 2/3 of the state sales tax (4 cents) for up to 20 years. The Reinvestment District will include approximately 25 acres in and around the Grinnell Central Business District. Because the Iowa

Reinvestment Act requires a Reinvestment District to be in an urban renewal area, the City is adding land to the Area that is proposed for part of the Reinvestment District in the Grinnell Urban Renewal Plan (see description of the Amendment No. 7 Area). The city's pre-application to this program has been approved. Some of the Reinvestment District is already in the Area. Regardless of whether or not the Reinvestment District is approved by the Iowa Economic Development Authority many of the projects that make up the proposed Reinvestment District may require tax increment financing. The proposed projects will include the improvements to Central Park, repurposing the Grinnell Community Center into a hotel and event center, completion of Phase 5 of the Central Business District Reconstruction, redevelopment of the Zone of Confluence between the Central Business District and the Grinnell College campus including commercial, retail, residential, public, and educational uses, and improvements to the Grinnell College campus. The rationale for using tax increment financing for the proposed projects that are further described below is that the construction of such facilities will provide a number of economic benefits to the City and community, such as: increase the tax base; serve as an incentive for increased retail, tourism and commercial development; and promote increased jobs and related business activities, such as service businesses and home building and related businesses.

- A. Repurpose Grinnell Community Center into Hotel and Event Center: This project will repurpose the current Grinnell Community Center into a 36-room boutique hotel and event center. The Community Center is located in the Grinnell Cultural and Historic District and listed as a contributing building within the Grinnell Downtown Historic District. This project has received wide support from the downtown business community and is expected to provide support for these businesses in the form of new visitors and additional traffic. The developer's investment in a new hotel and event center is expected to be \$6,000,000 in construction costs, will likely have 36 rooms, and result in the creation and retention of jobs. Construction is expected to take place in 2015-2017. It is possible that the City could enter into a development agreement offering: (i) to transfer the City owned Grinnell Community Center for not less than its fair value taking into account and giving consideration to the restrictions upon, and the covenants, conditions and obligations assumed by the developer; and (ii) up to a ten year property tax rebate of the incremental taxes with a value not to exceed \$1,000,000-\$1,200,000.
- B. Improvements to Central Park: This is a public improvement project that will completely rebuild the cultural and social center of our community, Central Park. The total investment in improvements to Central Park are expected to be \$3,500,000. Construction is expected to take place in 2016-2018. Estimated cost to be reimbursed by tax increment financing not to exceed \$500,000-\$750,000.
- C. Phase 5 of the Reconstruction of the Central Business District: This is a public improvement project. This project is the fifth and final phase of a 15 year effort to replace the entire public infrastructure in Grinnell's downtown. The total investment in this reconstruction is expected to be \$5,000,000. Construction is

expected to take place in 2017-2018. Estimated cost to be reimbursed by tax increment financing not to exceed \$5,000,000.

- D. Develop the Zone of Confluence: This is a public improvement project that will revitalize and transform some of the underutilized and blighted properties in the area. The total investment in this project is expected to be \$10,000,000. Construction is expected to take place in 2016-2020. Estimated cost to be reimbursed by tax increment financing not to exceed \$1,000,000-\$2,000,000.

**2. Public Improvement/Blight Remediation Projects and Development Agreements.**

<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
Workforce Housing: The City may use TIF to assist with construction of new and affordable housing options. This will likely be coupled with the State of Iowa's new work force housing tax credits.	2015-2020	Not to exceed \$500,000 to \$1 million.	The community has identified lack of quality rental housing, transitional housing for new residents, and affordable new housing options are impediments to sustaining our population and growth.
Projects described in the Iowa Reinvestment District Project.	2015-2020	Not to exceed \$7.5 million to \$8.95 million.	This project will be transformative for the Central Business District, strengthen Grinnell College, and improve our local economy. This project will also greatly promote additional tourism in the community.
Indoor athletic center, gaming center, family fun center, indoor playground, daycare, and fitness center.	2019-2021	Not to exceed \$1 million	Grinnell currently lacks a facility for year around sports training, indoor play for youth, a home for the gymnastics center being displaced from the Community Center, and related uses often found in our peer cities. This facility will allow us to compete and keep pace with other school districts and communities.

<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
Iowa Highway 146 North Reconstruction	2016-2017	Not to exceed \$1 million	This highway corridor is the primary entrance to the community from the north and carries a significant amount of traffic to our downtown and eventually south to our business parks.
Assistance to buildings in the Grinnell Central Business Historic District and Central Business District. The City intends to aid building owners with building improvement and rehabilitation. One example is a project with T.L. Baker Company to construct new residences on the upper floors of his buildings and improve commercial space on the lower levels. These funds will likely be spent equally on building façade restorations and interior improvements with funds directed to the owners in the form of rebates.	2014-20	Not to exceed \$600,000	<p>This is an economic development project to encourage creation and retention of residences and businesses in this area.</p> <p>This project promotes economic development by allowing more people to live and shop in the CBD, provides much needed housing for our workforce, supports the vitality of the CBD, and improves spaces for business activity.</p>
Water system improvements near Stagecoach and Iowa Highway 146. These improvements are necessary to complete the water loop in the industrial park area and provide reliable water supply for consumption and fire suppression.	2015-17	Not to exceed \$1 million	<p>To promote commercial/industrial/retail development by providing reliable water supply for consumption and fire suppression.</p> <p>Without these improvements, additional business expansion is not practical.</p>

<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
GART Trail Extension from Industrial Avenue to Stage Coach Road – Then from the south side of I80 to Grinnell Mutual Reinsurance Company.	2015-20	Not to exceed \$500,000	This will complete the GART trail from south Grinnell, through our business parks, north to the high school, and then on to Rock Creek State Park.
Iowa Highway 146 Improvements near Grinnell Mutual Reinsurance Company	2015-16	Not to exceed \$100,000	Grinnell Mutual is one of the largest employers in the region with more than 700 employees. This will improve safety for their employees and the traveling public. The IDOT has awarded RISE and USTEP funds to this project.
I80 and Iowa Highway 146 Interchange Traffic Signals	2015-16	No to exceed \$300,000	These signals are necessary due to the growth of business and industry in south Grinnell.
East Street Reconstruction from 6 <sup>th</sup> Avenue to Garfield	2017-23	Not to exceed \$500,000	This road is often used by large trucks accessing US Highway 6 from the business parks in South Grinnell and the condition is poor. It is important to improve this street to enhance safety due to the conflicts between trucks and those traveling to and from the GMS.

<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
<p>Veterans' Memorial Building improvements and Central Park improvements. The funds may be used to rehabilitate the community center/Veterans' Memorial.</p>	<p>2015-17</p>	<p>Not to exceed \$500,000</p>	<p>To promote commercial and retail as the hub of social and promotional activities of the Central Business District</p> <p>An improved facility has the potential to attract customers to the CBD and attract social events.</p> <p>This facility supports downtown retail by providing a venue for weddings and social events, business meetings, restrooms, and has the potential to serve as a tourist draw.</p>
<p>Iowa Transportation Museum: The blight remediation and rehabilitation of this historic property is underway and will be complete in 2016-2017. The Iowa Transportation Museum (the non-profit organization) is financially insolvent and unable to continue to maintain the museum. It is very possible that the City will use TIF to purchase the current Spaulding Center for Transportation. The primary reason to make the purchase is to hold and maintain this historic landmark until such time an appropriate use can be found.</p>	<p>2016-17</p>	<p>Not to exceed \$4.5 million</p>	<p>This project will aid in the reduction of slum and blight. This property has been a largely vacant industrial complex for over 20 years and only recently have improvements begun to move forward and be completed. This project will also be an economic development project as this will provide much needed workforce housing and the ITM will host events, house critical economic development staff, and attract visitors. The possible relocation of the city offices creates efficiency for the city government while also making the Community Center available for other economic development possibilities.</p>



<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
<p>Water Tower in South Grinnell – This has been a long identified need in the southern part of Grinnell. The City recently increased water rates by 35% to help provide funding for this and other projects. The funds would be spent to design and construct the new water tower to serve the water supply and fire suppression needs of the commercial and industrial customers in south Grinnell.</p>	2015-17	Not to exceed \$1 million	<p>Will promote economic development by supporting water for the expansion of large industrial and commercial operations.</p> <p>This project is necessary to provide a reliable source and supply of water for consumption and fire suppression.</p>
<p>Expenses related to maintenance and improvement of the Grinnell Regional Airport. These funds will be used for taxiway extensions, apron improvements, fuel system improvements and building construction.</p>	2015-20	Not to exceed \$500,000	<p>The primary purposes of the airport are to serve the agricultural sector which is critical to the economic success of the community and to serve all businesses in the area.</p>
<p>The ongoing care and maintenance of the Grinnell Central Business District that includes beautification measures and general maintenance of pavement, lights, decorative features and public infrastructure. The funds are used for beautification and enhancements to improve the experience and environment for consumers.</p>	2015-25	Not to exceed \$20,000 annually	<p>These enhancements are a combination of marketing and creating a welcoming environment for consumers, visitors and residents to improve the vitality of the CBD.</p>

<b>Project Description</b>	<b>Date (Est.)</b>	<b>Estimated cost to be reimbursed by tax increment financing</b>	<b>Rationale</b>
<p>Development Agreements – The City, at its sole discretion, expects to consider requests for development agreements for projects consistent with this Plan that will encourage retail development in the following areas: the Central Business District, the area near the Iowa Highway 146 and U.S. Highway 6 adjacent to the Central Business District, the Wal-Mart area, and the Iowa Highway 146 and Interstate 80 interchange area. The City also hopes to enter into development agreements that will encourage commercial or industrial development at appropriate locations anywhere within the Area. Such Agreements are unknown at this time, but based on past history, and dependent on development opportunities and climate, the City expects to consider a broad range of incentives as authorized by this Plan, including but not limited to land, loans, grants, tax rebates, public infrastructure assistance, and other incentives.</p>	<p>2015-2020</p>	<p>Not to exceed \$7 million.</p>	<p>These rebates often support small to medium size businesses that are creating new jobs in the community. These agreements have also been used to support destination retailers and projects that preserve buildings with local significance that often house businesses.</p>

Project Description	Date (Est.)	Estimated cost to be reimbursed by tax increment financing	Rationale
RC Industries Redevelopment – Redevelopment of this 32 acre property that has a large abandoned manufacturing facility that is in very poor condition. The funds may be used for building demolition, contamination remediation, site grading, utilities, streets, lighting, marketing, etc.	2015-20	Not to exceed \$1 million	This project is primarily eliminating slum and blight but will also promote economic development. The site could be redeveloped into a small (1-5 acre) parcel industrial/commercial park supporting between 10-20 businesses. Our current industrial park has large lots and covenants that do not support small businesses.
General blight remediation and neighborhood revitalization – the city may utilize TIF revenue to purchase, rehabilitate, demolish, or otherwise improve blighted residences. These funds will be used to purchase and improve blighted properties.	2015-20	Not to exceed \$500,000	There have been many instances in the community where the ‘broken window’ theory has been proven. One or two blighted properties can start to have immediate negative impacts on a neighborhood. Removing this blight prevents further decline and often results in expanded housing options for the workforce.

Note: It may be that the above costs will be reduced by the application of state and/or federal grants or programs; cost-sharing agreements with other entities; or other available sources of funds.

**3. Planning, non-project engineering fees, administrative costs, attorney fees and related costs to support urban renewal projects (engineering costs related to projects is included in the total cost in the table above).**

Project	Date	Estimated cost
Planning, non-project engineering fees, administrative costs, attorney fees and related costs include, but are not limited to, fees and costs associated with plan administration; membership fees to the county economic development corporation; staff expenses for work completed on economic development and elimination of slum and blight.	2015-20	Not to exceed \$70,000 annually

## FINANCIAL DATA

1.	Current constitutional debt limit:	\$24,908,684
2.	Current outstanding general obligation debt:	\$15,634,207
3.	Maximum proposed amount of indebtedness to be incurred: A specific amount of debt to be incurred for the Eligible Urban Renewal Projects (Amendment #7) has not yet been determined. The estimated project costs included in this Amendment are estimates only and the City expects to incur these costs over a number of years. At no time will the City exceed its constitutional debt limit. The City Council will consider each project proposal on a case-by-case basis to determine if it is in the City's best interest to participate before approving any urban renewal project or expense. Subject to the foregoing, it is estimated that the cost of the Eligible Urban Renewal Projects as described above will be approximately as follows:	\$36,050,000 to \$38,450,000

## DEVELOPMENT AGREEMENTS

The City may require part of any Economic Development Grants of property tax rebates to be used by the developer (business) to provide incentives to employ City residents or encourage employees to establish residency in the community, such as down payment assistance, first month rent, etc.

## PROPERTY ACQUISITION/DISPOSITION

The City will follow any applicable requirements for the acquisition and disposition of property.

## DEVELOPMENT PLAN/ZONING

Grinnell has a general plan for the physical development of the City, as a whole, outlined in the City's Comprehensive Plan. The goals, objectives, and proposed urban renewal projects identified in the Plan, as amended, are consistent with the City's Comprehensive Plan, last updated in 2004. This Urban Renewal Plan does not in any way replace or modify the City's current land use planning or zoning regulation process.

The need for improved traffic, public transportation, public utilities, recreational and community facilities, or other public improvements within the Urban Renewal Area is set forth in this Plan, as amended. As the Area develops, the need for public infrastructure extensions and upgrades will be evaluated and planned for by the City.

## **URBAN RENEWAL PLAN AMENDMENTS**

The Grinnell Urban Renewal Plan may be amended from time to time for a variety of reasons, including but not limited to, adding or deleting land, adding urban renewal projects, or to modify goals or types of renewal activities.

The City Council may amend this Plan in accordance with applicable state law.

### **EFFECTIVE PERIOD**

This Urban Renewal Plan Amendment #7 will become effective upon its adoption by the City Council. Notwithstanding anything to the contrary in the Urban Renewal Plan, any prior amendment, resolution, or document, the Urban Renewal Plan shall remain in effect until terminated by the City Council, and the use of incremental property tax revenues, or the “division of revenue,” as those words are used in Chapter 403 of the Code of Iowa, will be consistent with Chapter 403 of the Iowa Code.

The Grinnell Urban Renewal Area is designated as both blighted and economic development (commercial and industrial). Notwithstanding any language in prior Amendments, Plan, ordinances or resolutions, the use of incremental taxes shall continue for such periods as allowed by Iowa Code.

### **REPEALER**

Any parts of the previous Plan, as previously amended, in conflict with this Amendment are hereby repealed.

### **SEVERABILITY CLAUSE**

If any part of the Amendment is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan as a whole or the previous amendments to the Plan, or any part of the Plan not determined to be invalid or unconstitutional.

### **PUBLIC BUILDING ANALYSIS**

Certain of the proposed urban renewal projects identified in this Amendment involve public buildings. Further description and information is provided below. If these projects are ultimately approved by the City, the City intends to finance some of the costs through tax increment financing (advances or borrowing). The City may decide to borrow funds or issue general obligation bonds and abate a part of the principal and interest payments from incremental tax revenues within the Area, if available. Specifically, under these circumstances, Iowa law requires an analysis of alternative development options and funding for the projects and reasons why such options would be less feasible than the use of incremental tax revenues for the project.

Alternative development and funding options for these projects are for the City to go through a process that would result in the issuance of general obligation bonds to fund each project. This option is less feasible than the use of TIF funds because there would be no contribution of tax increment revenues from the school and County. Because the urban renewal projects listed below will benefit County residents and school patrons, the use of tax increment is the most appropriate funding mechanism because it is fair for the school district and the County to share in the costs for the projects. Each project, as demonstrated from the analysis for each below, demonstrates regional benefits to both the County and school district. The City also intends to consider the use of other funding sources such as state, federal and/or local grants, utility revenues, user fees, private donations, general obligations notes or bonds, local option sales tax revenues, and hotel-motel tax revenues as may be applicable to the projects.

The **Veteran's Memorial Building** facility has been underutilized for many years, but it has the potential to be an asset in the Central Business District. It could serve as a public meeting space, youth center, office complex, or any number of other uses. It is currently vacant and the interior has been removed due to asbestos containing materials. The facility has served as the location of the County Veteran's Affairs Office, the Mid Iowa Community Action Agency, driver's license station, and a number of other regional not-for-profit functions. The City uses the space only infrequently for large group meetings. Because county organizations frequently use and are located within this building, it is fair and rational that this building be supported by tax increment. The current and potential uses of this building stretch beyond the city limits and provide benefits to both the school district and the County. This holds true should the building be removed and a quality veterans' memorial be constructed.

The primary purpose of the **Grinnell Regional Airport** is to serve the needs of the regional business and agricultural community. The airport serves business both in Grinnell and within 15+ miles. Some of the most frequent users of the airport are located outside of Grinnell. These buildings are of no direct benefit to the City operations and serve only the needs of the airport. Having an operational airport provides great incentives to residents and businesses across Poweshiek County. An airport is a necessity for larger businesses who have out-of-state clients and customers. An airport is an asset that attracts and retains business, thus improving the economic activity of the area. Increased economic activity provides increased employment opportunities which sustain the population of mid-sized communities, which in turns benefits the school and the County.

The building of a **new water tower** provides direct regional benefit to the community. Increased water supply is a prerequisite to large industrial and commercial operations. Increased business opportunities, as previously mentioned, provide opportunities for expansion in mid-sized communities. There is currently a lack of adequate water supply because the south industrial area is two or three miles from the city's only elevated water tower. This tower only has a capacity of 300,000 gallons. The creation of a new water tower will greatly improve water pressure and supply for fire suppression. Without being able to provide an adequate water facility for businesses who wish to expand or relocate to the area, populations will decrease. Sustaining the population requires attracting employers and employees to the area, which ultimately benefits both the school and the County.

The City has been a significant project partner with the **Iowa Transportation Museum** on the reconstruction of this blighted and historic property. The project has preserved significant and sizable historic buildings that otherwise were certain to be demolished. The property will now house the transportation museum and serve as a meeting and event space. The unique building design and environment has made it a favorite for small weddings and social gatherings. The transportation museum is also starting to gain traction in visitors and exhibit quality. The balance of the property that is currently unimproved will be purchased by a highly qualified residential and commercial development company that is working to convert the unimproved space to approximately 80 residential lofts. Once the Iowa Transportation Museum Board of Directors sells this unimproved property it will relieve them of substantial expense and generate revenue to bolster their exhibits. This property will add immensely to the vitality of the Central Business District. The Iowa Transportation Museum, like many museums, lives hand to mouth. It may be necessary for the City to assume ownership of the improved building due to federal grant restrictions.

The Iowa Transportation Museum Campus is a powerful community asset. First, the 80 loft apartments are critical to help accommodate our expanding workforce. Our weakest housing sector is our rentals, especially quality rentals near the Central Business District. Demand for these types of units has been high. Maintaining or increasing our population is critical to the school system and to our business community. The museum also provides excellent education opportunities for children and adults alike. There have been a number of education seminars and children's learning events held at the facility in the past. The facility also hosts a number of other community events such as the Greater Poweshiek Community Foundation annual gathering and community forums for the Grinnell-Newburg schools. This project has greatly reduced the blight in this neighborhood and at the same time served as a powerful economic development project.

For all the above projects, issuing general obligation bonds that would be paid only with the City's debt levy or advancing City-only funds is less feasible than the use of TIF funds because there would be no contribution of tax increment revenues from the school and County. As a result of the proposed urban renewal projects benefiting County residents and school patrons, the use of tax increment is the most appropriate funding mechanism because it is fair for the school district and the County to share in the costs for the projects. The projects demonstrate regional benefit to both the County and school.

For all of the aforementioned reasons, the tax increment revenue funding alternative option (reimbursement of city advances or general obligation debt abated by incremental tax revenues) is the most fair and equitable mechanism for funding all or a portion of the proposed projects; alternative options for funding of these urban renewal projects are less feasible than the use of incremental tax revenues.

### **URBAN RENEWAL FINANCING**

The City of Grinnell intends to utilize various financing tools such as those described below to successfully undertake the proposed urban renewal actions. The City of Grinnell has the statutory authority to use a variety of tools to finance physical improvements within the Areas. These include:

A. Tax Increment Financing

Under Section 403.19 of the Iowa Code, urban renewal areas may utilize the tax increment financing mechanism to finance the costs of public improvements associated with redevelopment projects. Upon creation of a tax increment district within the Area, by ordinance, the assessment base is frozen and the amount of tax revenue available from taxes paid on the difference between the frozen base and the increased value, if any, is segregated into a separate fund for the use by the City to pay costs of the eligible urban renewal projects. The increased taxes generated by any new development, above the base value, are distributed to the taxing entities, if not requested by the City.

B. General Obligation Bonds

Under Division III of Chapter 384 and Chapter 403 of the Iowa Code, the City has the authority to issue and sell general obligation bonds for specified essential and general corporate purposes, including the acquisition and construction of certain public improvements within the Area. Such bonds are payable from the levy of unlimited ad valorem taxes on all the taxable property within the City of Grinnell. It may be the City will elect to abate some or all of the debt service on these bonds with incremental taxes from this Area.

The City may also determine to use tax increment financing to provide incentives such as cash grants, loans, tax rebates or other incentives to developers in connection with urban renewal projects for commercial or industrial development and/or blight remediation or redevelopment. In addition, the City may determine to issue general obligation bonds, tax increment revenue bonds or such other obligations, or loan agreements for the purpose of making loans or grants of public funds to private businesses located in the Area for urban renewal projects. Alternatively, the City may determine to use available funds for making such loans or grants for urban renewal projects. In any event, the City may determine to use tax increment financing to reimburse the City for any obligations or advances.

Nothing herein shall be construed as a limitation on the power of the City to exercise any lawful power granted to the City under Chapter 15, Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of this Urban Renewal Plan.

### **RELOCATION**

The City does not expect there to be any relocation required as part of the eligible urban renewal projects; however, if any relocation is necessary, the City will follow all applicable relocation requirements.



**EXHIBIT A**  
**LEGAL DESCRIPTION OF AMENDMENT #7**

Beginning at the NW corner of the NW  $\frac{1}{4}$  or the SW  $\frac{1}{4}$  of Section 9, Township 80, Range 16, thence North Thirty-three (33) feet north, thence West One Hundred Sixty-three (163) feet to a point located on the north right-of-way of 11<sup>th</sup> Avenue and the Point of beginning: Thence East along the north right-of-way line of 11<sup>th</sup> Avenue to the East right-of-way line of Main Street, thence South along the east right-of-way line of Main Street to the North right-of-way line of 6<sup>th</sup> Avenue, thence West along the north right-of-way line of 6<sup>th</sup> Avenue to the East right-of-way line of Spring Street, thence north along the east right-of-way line of Spring Street Hundred Fifty (150) feet, thence West Sixty-six (66) feet to a point One Hundred Fifty (150) feet North of the 6<sup>th</sup> Avenue right-of-way line and on the West right-of-way line of Spring Street, thence North along the West right-of-way line of Spring Street to the North right-of-way line of 10<sup>th</sup> Avenue, thence East along the North right-of-way line of 10<sup>th</sup> Avenue Two Hundred Forty-three and Seventeen Hundredths (243.17) feet to the Southwest corner of Lot 10, Moyle & Pooley's 1<sup>st</sup> Subdivision, thence North along the West property line of Lots 10, 11 and 12, M&P 1<sup>st</sup> Subdivision One Hundred Ninety-three and three tenths (193.3) feet, thence West Fifteen (15) feet, thence North One Hundred Thirty-two (132) feet, thence East Thirty-five (35) feet, thence North One Hundred Ninety-eight (198) feet to the point of beginning.

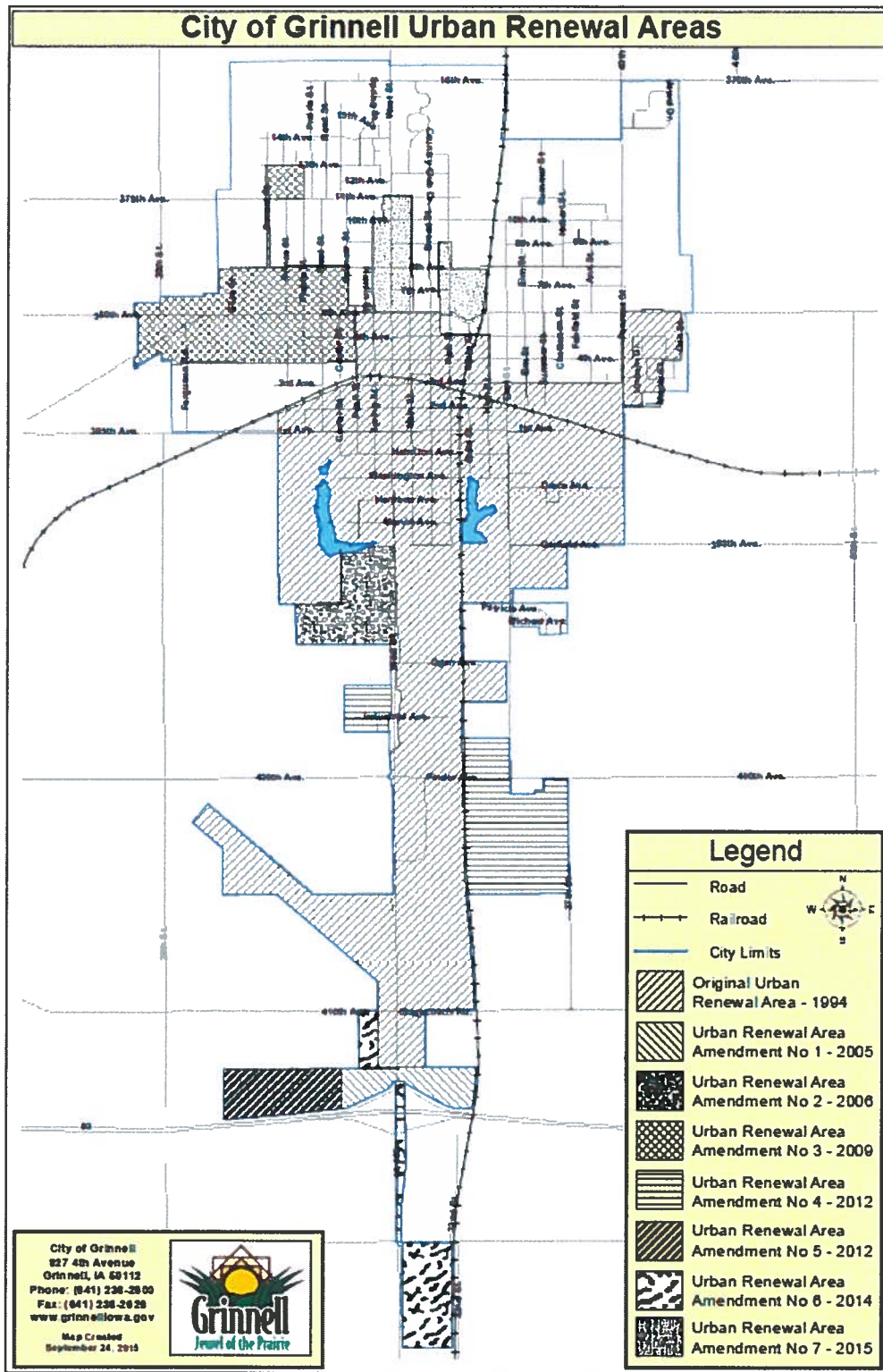
And

Beginning at the Southeast corner of Lot 1, Block 3, G.W. Merrill's 1<sup>st</sup> Addition, locally known as 1404 Broad Street, thence East along the North right-of-way line of 9<sup>th</sup> Avenue to a point of intersection with the East right-of-way line of Park Street, thence South on the East right-of-way line of Park Street to the south right-of-way line of 8<sup>th</sup> Avenue, thence East Seven Hundred Ninety-five (795) feet along the South right-of-way line of 8<sup>th</sup> Avenue to a point of intersection with the east property line of Parcel 180-0782600, located between 6<sup>th</sup> and 8<sup>th</sup> Avenue and Park Street and Union Pacific Railroad, thence South along the East property line of Parcel 180-0782600 to the North right-of-way line of 6<sup>th</sup> Avenue, thence West along the North right-of-way line of 6<sup>th</sup> Avenue to the East right-of-way line of Park Street, thence South along the East right-of-way line of Park Street to the South right-of-way line of 6<sup>th</sup> Avenue, thence West along the South right-of-way line of 6<sup>th</sup> Avenue Two Hundred Forty-five (245) feet, thence North Eighty (80) feet to the North right-of-way line of 6<sup>th</sup> Avenue, thence West Twenty-six (26) feet along the North right-of-way line of 6<sup>th</sup> Avenue to the Southeast corner of Lot 1, Block 7, North Grinnell, thence North along the East property lines of all of Block 7 and Block 8, North Grinnell, thence North Eighty (80) feet to a point located on the North right-of-way line of 8<sup>th</sup> Avenue and Two Hundred (200) feet West of the West right-of-way line of Park Street, thence North Two Hundred Twenty-four and Ninety-five Hundredths (224.95) feet to the Northeast corner of the property locally known as 1312 Broad Street, legally described as E 20' of N  $\frac{1}{2}$  of Lot 2 and N  $\frac{1}{2}$  Lots 3,4 and 5, Block 9, North Grinnell, thence east Nine (9) feet to the West right-of-way line of the alley located in Block 9, North Grinnell, thence North Three Hundred Five (305) feet to the point of beginning.

**EXHIBIT B**  
**Map of Amendment No. 7**



**EXHIBIT C**  
**MAP OF GRINNELL URA showing Amendment Nos. 1, 2, 3, 4, 5, 6 and 7**



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ORIGINAL

CERTIFICATE OF PUBLISHER'S  
AFFIDAVIT OF PUBLICATION

STATE OF IOWA )  
 ) SS  
COUNTY OF POWESHIEK )

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Grinnell, in the County of Poweshiek, State of Iowa, and that as such Clerk and by full authority from the Council of the City, I have caused a

NOTICE OF PUBLIC HEARING

which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published as required by law in the Grinnell Herald Register, a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and has a general circulation in the City, and that the Notice was published in all of the issues thereof published and circulated on the following date:

January 4, 2016.

WITNESS my official signature this 20<sup>th</sup> day of January, 2016.

[Signature]  
City Clerk, City of Grinnell, State of Iowa



# AFFIDAVIT OF PUBLICATION

STATE OF IOWA,  
Poweshiek County, ss.

I, Peggy Elliott, having been duly sworn, do depose and say that I am managing editor of the GRINNELL HERALD-REGISTER, a semi-weekly newspaper in Grinnell in said county; that I am cognizant of the matters and things therein contained; and that the annexed Notice was published in said paper on the following dates:

January 4 2016  
 \_\_\_\_\_ 2016  
 \_\_\_\_\_ 2016  
 \_\_\_\_\_ 2016  
January 5 2016

Acknowledged before me on this date

January 5, 2016

Brandie Sebeniecher

Notary Public

**Brandie Sebeniecher**

Notarial Seal -IOWA  
Commission #756903

My Commission Expires

February 10, 2018

Fee for publication, \$ 75.75

**NOTICE OF PUBLIC HEARING  
TO CONSIDER APPROVAL  
OF A PROPOSED AMENDMENT  
NO. 7 TO THE GRINNELL URBAN RENEWAL  
PLAN FOR AN URBAN RENEWAL AREA IN  
THE CITY OF GRINNELL, STATE OF IOWA**

The City Council of the City of Grinnell, State of Iowa, will hold a public hearing before itself at its meeting which commences at 7:00 P.M. on January 18, 2016 in the Council Chambers, City Hall, 927-4th Avenue, Grinnell, Iowa, to consider adoption of a proposed Amendment No. 7 to the Grinnell Urban Renewal Plan (the "Amendment") concerning an Urban Renewal Area in the City of Grinnell, State of Iowa, legally described as follows:

**AMENDMENT NO. 7 AREA**

Beginning at the NW corner of the NW ¼ of the SW ¼ of Section 9, Township 80, Range 16, thence North Thirty-three (33) feet north, thence West One Hundred Sixty-three (163) feet to a point located on the north right-of-way of 11th Avenue and the Point of beginning: Thence East along the north right-of-way line of 11th Avenue to the East right-of-way line of Main Street, thence South along the east right-of-way line of Main Street to the North right-of-way line of 6th Avenue, thence West along the north right-of-way line of 6th Avenue to the East right-of-way line of Spring Street, thence north along the east right-of-way line of Spring Street Hundred Fifty (150) feet, thence West Sixty-six (66) feet to a point One Hundred Fifty (150) feet North of the 6th Avenue right-of-way line and on the West right-of-way line of Spring Street, thence North along the West right-of-way line of Spring Street to the North right-of-way line of 10th Avenue, thence East along the North right-of-way line of 10th Avenue Two Hundred Forty-three and Seventeen Hundredths (243.17) feet to the Southwest corner of Lot 10, Moyle & Pooley's 1st Subdivision, thence North along the West property line of Lots 10, 11 and 12, M&P 1st Subdivision One Hundred Ninety-three and three tenths (193.3) feet, thence West Fifteen (15) feet, thence North One Hundred Thirty-two (132) feet, thence East Thirty-five (35) feet, thence North One Hundred Ninety-eight (198) feet to the point of beginning.



(front row, from left) Jaimeson Hicklin, [unreadable], [unreadable] Stepanek, Edward Lopatto, Chance Aguilar; (second row) Robert Clower, [unreadable] [unreadable] Locker, Peyton Robbins, Steven Logan Strawser, John Langerud, and [unreadable]

**ss & Pro**

Assisted Living  
**WINDSOR MANOR**  
Assisted Living Community

Assisted Living  
**MO**