

RESOLUTION NO. SPV-090820D

Resolution to Declare Necessity and Establish an Expanded Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve an Urban Renewal Plan Amendment for the 2018 Madison County Urban Renewal Area

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

WHEREAS, the Board of Supervisors of Madison County (the "County") has previously created the 2018 Madison County 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, a proposal has been made which shows the desirability of expanding the Urban Renewal Area to add and include all the property (the "Property") lying within the legal description set out in Exhibit A hereto; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Property to be an economic development area; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which (1) covers the addition of the Property to the Urban Renewal Area; (2) updates the description of the Madison County Ambulance Garage Project previously approved by the Board in the Plan; (3) updates the description of the Madison County Elderly Services Building Project previously approved by the Board in the October 8, 2019 Amendment to the Plan; and (4) authorizes the undertaking of a new urban renewal project in the Urban Renewal Area consisting of using tax increment financing to pay the costs of the demolition of the existing ambulance garage and elderly services building for future commercial development; and

WHEREAS, notice of a public hearing by the Board of Supervisors of the County on the question of establishing the Property as an urban renewal area and on the proposed Amendment for the 2018 Madison County Urban Renewal Area was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Board has conducted said hearing on September 8, 2020; and

WHEREAS, the Planning and Zoning Commission of the County has reviewed and commented on the proposed Amendment; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to the Cities of Winterset, Iowa and Macksburg, Iowa (collectively known as the "Cities") and the Winterset Community School District and the Orient-Macksburg Community School District; the consultation meeting

Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved September 8, 2020.



Chairperson

Attest:



County Auditor

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

MADISON COUNTY, IOWA

URBAN RENEWAL PLAN AMENDMENT
2018 MADISON COUNTY URBAN RENEWAL AREA

September, 2020

The Urban Renewal Plan (the "Plan") for the 2018 Madison County Urban Renewal Area (the "Urban Renewal Area") for Madison County, Iowa (the "County") is being amended for the purposes of (1) adding certain property to the Urban Renewal Area, (2) updating the description of the Madison County Ambulance Garage Project, (3) updating the description of the Madison County Elderly Services Building Project, and (4) identifying a new urban renewal project to be undertaken therein.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the September, 2020 Addition to the Urban Renewal Area. With the adoption of this Amendment, the County will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Urban Renewal Area.

2) Update Description of the Madison County Ambulance Garage Project. The County approved the Madison County Ambulance Garage Project in the Plan. It is now necessary to update details of the Madison County Ambulance Garage Project.

Name of Project: Madison County Ambulance Garage Project

Name of Urban Renewal Area: 2018 Madison County Urban Renewal Area

Date of Board Approval of Project: September 25, 2018, as amended September 8, 2020

Description of Project and Project Site: The County and the City of Winterset (the "City") will undertake the construction of a new ambulance garage station on certain property situated on Lot 4, Casper First Addition, Winterset, Iowa (the "Ambulance Garage Property"). It is anticipated that the completed Madison County Ambulance Garage Project will have a direct, positive impact on increased and improved commerce and development in the Urban Renewal Area through the provision of enhanced municipal services, emergency medical services and facilities.

Description of Properties to be Acquired in Connection with Project: The County will acquire the Ambulance Garage Property, if necessary, and such easement territory and rights-of-way as are necessary to successfully undertake the Madison County Ambulance Garage Project.

Description of Use of TIF: It is anticipated that the County will pay for the Madison County Ambulance Garage Project with either borrowed funds or the proceeds of an internal advance of County funds on-hand. In either case, the County's obligation will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the County's use of incremental property tax revenues for the Madison County

Ambulance Garage Project will not exceed \$3,000,000 (amount approved in the September 25, 2018 Amendment to the Plan).

Analysis of Use of TIF: In accordance with the requirement of Section 403.5(2)(b)(1) of the Code of Iowa, the County has analyzed its proposed use of incremental property tax revenues for the funding of the Madison County Ambulance Garage Project and alternative development and funding options for the Madison County Ambulance Garage Project. The results of that analysis are summarized as follows:

1) **Alternate Development Options:** The Board of Supervisors has determined that a need exists for the provision of a new and ambulance garage and enhanced emergency medical services in the County and the City. There is no conceivable way for the County and the City to outsource or privatize emergency medical services, and the use of one of the parcels comprising the Proposed Ambulance Garage Property as the site for the Madison County Ambulance Garage Project is an optimal use for such Proposed Ambulance Garage Property.

2) **Alternate Financing Options:**

* Local Option Sales and Services Tax Revenues are unavailable to assist with the Madison County Ambulance Garage Project because such Revenues have been allocated to other projects in the County.

* Property Tax Levies/General Fund: The annual proceeds from the County's property tax levies are fully committed to maintain the operational integrity of the County. Further The County cannot access its General Fund reserves to aid in the Madison County Ambulance Garage Project funding without risking unsound fiscal practice.

* Debt Service Levy: It is not feasible for the County to issue general obligation indebtedness for the Madison County Ambulance Garage Project without the ability to assure the taxpayers of the County that tax increment financing will be available to assist with a portion of the financing for the Madison County Ambulance Garage Project. The use of tax increment financing will lessen the burden on individual taxpayers that would result from a spike in the debt service levy rate and will shift that burden onto valuation increases resulting from the County's successful economic development initiatives in the Urban Renewal Area.

3) Update Description of the Madison County Elderly Services Building Project. The County approved the Madison County Elderly Services Building Project in the October 8, 2019 Amendment to the Plan. It is now necessary to update the details of the Madison County Elderly Services Building Project.

Name of Project: Madison County Elderly Services Building Project

Name of Urban Renewal Area: 2018 Madison County Urban Renewal Area

Date of Board Approval of Project: October 8, 2019, as amended September 8, 2020

Description of Project and Project Site: The County will undertake the construction of a new building (the "Elderly Services Project") on the Elderly Services Building Property as defined on Exhibit A hereto for use as the Madison County Elderly Services Building. The

Madison County Elderly Services Building will be utilized as a space for providing meals and other services to the elderly.

It is expected that the completed Elderly Services Project will have a direct, positive impact on increased and improved commerce and development in the Urban Renewal Area through the provision of enhanced County services and facilities.

Description of Properties to be Acquired in Connection with Project: It is anticipated that the County may acquire a portion of the Property (as defined in Section 1 hereto) to serve as the site of the Elderly Services Project.

Description of Use of TIF: It is anticipated that the County will pay for a portion of the Elderly Services Project with either borrowed funds or the proceeds of an internal advance of County funds on-hand. In either case, the County's obligation will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the County's use of incremental property tax revenues for the Elderly Services Project will not exceed \$1,500,000 (increased from \$1,000,000 in the October 8, 2019 Amendment to the Plan)

Analysis of Use of TIF: In accordance with the requirement of Section 403.5(2)(b)(1) of the Code of Iowa, the County has analyzed its proposed use of incremental property tax revenues for the funding of the Elderly Services Project and alternative development and funding options for the Elderly Services Project. The results of that analysis are summarized as follows:

1) Alternate Development Options: The Board of Supervisors has determined that a need exists for the provision of a new Elderly Services Building and enhanced elderly services in the Urban Renewal Area. The Elderly Services Project will contribute to revitalization of tourism and commercial development in the County and will provide improved community services facilities. The use of any portion of the Property as the site for the Elderly Services Project is an optimal use for such Property. Promoting other types of development on the Property to the exclusion of the Elderly Services Project will not meet the public need being addressed by the Elderly Services Project.

2) Alternate Financing Options:

* Local Option Sales and Services Tax Revenues: Local Option Sales and Services Tax Revenues are unavailable to assist with the Elderly Services Project because such Revenues have been allocated to other projects in the County.

* Property Tax Levies/General Fund: The annual proceeds from the County's property tax levies are fully committed to maintain the operational integrity of the County. Further The County cannot access its General Fund reserves to aid in the Elderly Services Project funding without risking unsound fiscal practice.

* Debt Service Levy: It is not feasible for the County to issue general obligation indebtedness for the Elderly Services Project without the ability to assure the taxpayers of the County that tax increment financing will be available to assist with a portion of the financing for the Elderly Services Project. The use of tax increment financing will

lessen the burden on individual taxpayers that would result from a spike in the debt service levy rate and will shift that burden onto valuation increases resulting from the County's successful economic development initiatives in the Urban Renewal Area.

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

Name of Project: Madison County Demolition Project

Name of Urban Renewal Area: 2018 Madison County Urban Renewal Area

Date of Board Approval of Project: September 8, 2020

Description of Project and Project Site: The Madison County Demolition Project (the "Demolition Project") will consist of the demolition of the existing ambulance garage and elderly services building and site preparation for future commercial development on certain real property situated in the City of Winterset, County of Madison, State of Iowa, bearing Madison County Property Tax Identification Parcel Numbers 820004500010000.

Description of Properties to be Acquired in Connection with Project: The County will acquire easement territory and rights-of-way as are necessary to successfully undertake the Demolition Project.

Description of Use of TIF: It is anticipated that the County will pay for the Demolition Project with a combination of borrowed funds and/or the proceeds of an internal advance of County funds on-hand. In any case, the County's obligation will be repaid with incremental property tax revenues to be derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Demolition Project will not exceed \$150,000.

4) 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 County:	<u>\$83,999,075</u>
Outstanding general obligation debt of the County:	<u>\$</u>
Proposed debt to be incurred in connection with September, 2020 Amendment*:	<u>\$ 650,000</u>

*It is anticipated that some or all of the debt incurred hereunder will be subject to annual appropriation by the Board of Supervisors.

EXHIBIT A
Legal Description
2020 Addition to the 2018 Madison County Urban Renewal Area

Certain real property situated in Madison County, State of Iowa more particularly described as follows:

Lot 4, Casper First Addition, Winterset, Iowa; and

A parcel of land in the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 25, Township 76 North, Range 28 West of the 5th P.M., City of Winterset, Madison County, Iowa, more particularly described as follows:

Commencing at the Northwest Corner of Lot 6, North Stone Village Plat No. 1; thence Northerly 210.00 feet along the East Line of North 6th Avenue being a part of North Stone Village Plat No. 1; thence Easterly 210.00 feet; thence southerly 210.00 feet to a point on the North line of Lot 6, North Stone Village Plat No. 1; thence Westerly 210.00 feet along the North line of said Lot 6 to the Point of Beginning, containing 1.01 acres more or less; and to be included as a lot in North Stone Village Plat No. 1 to be platted.