

# AGENDA

## COUNCIL MEETING

Tuesday, July 28, 2015

5:30 P.M.

## CITY HALL COUNCIL CHAMBERS

- I. **CALL TO ORDER:**
- II. **OPEN FORUM:** This is a time for any concerned citizen to speak to the Council on an item that is not on the agenda.
- III. **CONSENT ITEMS:**
  - A. 7/14/15 council minutes.
  - B. Casa De Oro, Class C Liquor License
- IV. **NEW BUSINESS:**
  - A. Public Hearing July, 2015 Amendment to Urban Renewal Plan.
  - B. Resolution approving July, 2015 Amendment to Urban Renewal Plan.
  - C. Public Hearing on development agreement with Jcorp, Inc.
  - D. Resolution approving development agreement with Jcorp Inc.
  - E. Third reading of ordinance adopting Planned Unit Development zoning classification for property in Water Tower Subdivision.
  - F. Consider approval of preliminary and final plat for Water Tower Subdivision.
  - G. Consider approval to replace existing 4 inch water line on Walnut St between Central Ave and W. Mahlon.
  - H. Consider approval of Blayne Sunstrum as Patrol Officer.
  - I. Consider employment of General Service Worker.
  - J. Second reading of ordinance to increase water rates by 3%.
  - K. Second reading of ordinance to increase sewer rates by 3%.
- V. **REPORTS:**
  - A. Mayor
  - B. Engineer
  - C. City Clerk
  - D. Attorney
  - E. City Administrator
  - F. Council & Committees
- VI. **ADJOURN.**

## AGENDA SUMMARY

DATE 7/28/15

### NEW BUSINESS

- A. **Public Hearing July, 2015 Amendment to Urban Renewal Plan.**
- B. **Resolution approving July, 2015 Amendment to Urban Renewal Plan.** Proposed plan attached.
- C. **Public Hearing on development agreement with Jcorp, Inc.**
- D. **Resolution approving development agreement with Jcorp.** Agreement attached.
- E. **Third reading of ordinance adopting Planned Unit Development zoning classification for property in Water Tower Subdivision.**
- F. **Consider approval of preliminary and final plat for Water Tower Subdivision.** (Attached)
- G. **Consider approval to replace existing 4 inch water line on Walnut St between Central Ave and W. Mahlon.** The Water/Sewer Committee met on Wednesday, 7/8/15 and recommended replacement of the existing 4 inch water line on Walnut St between Central Ave and W. Mahlon for an estimated price of \$73,950.
- H. **Consider approval of Blayne Sunstrum as Patrol Officer.**
- I. **Consider employment of General Service Worker.** The City Staff interviewed candidates for the fulltime position of a General Service Worker for the Streets, Water, Sewer and Parks Departments. Duties include all aspects of street maintenance work along with duties in the operation and maintenance of the municipal water and wastewater treatment system, as well as providing assistance to maintain the cemeteries and parks.
- J. **Second reading of ordinance to increase water rates by 3%.** As part of the 2015-2016 budget the water rates would be increased by 3%. The change would increase the minimum monthly bill for the first 134 cubic feet (1000 gallons) by .29 per month plus .23 per month for each 134 cubic feet (1000 gallons) beyond the minimum charge.
- K. **Second reading of ordinance to increase sewer rates by 3%.** As part of the 2015-2016 budget the sewer rates would be increased by 3%. The change would increase the minimum monthly bill by .34 plus an additional .14 per 100 cubic feet (750 gallons) of water used.

## DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of Jefferson, Iowa (the "City") and JCorp, Inc. (the "Company") as of the 28<sup>th</sup> day of July, 2015.

WHEREAS, pursuant to Chapter 403 of the Code of Iowa, the City has established the Jefferson Urban Renewal Area (the "Urban Renewal Area"), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Company owns certain property located within the Urban Renewal Area and specifically described as:

All Lots in Water Tower Replat, a subdivision in Jefferson, Greene County, Iowa (the "Property")and;

WHEREAS, the Company intends to construct a residential development on the Property (the "Project"); and

WHEREAS, the Company has requested tax increment financing assistance in paying a portion of the costs of the Project; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

### **A. Company's Covenants**

1. The Company agrees to complete construction of the Project in two phases, with phase one being finished no later than December 1, 2016, and phase two being finished no later than December 1, 2017. The Company agrees to provide documentation in such form as may be required by the City showing that each phase has been completed by the scheduled date. Further, the Company agrees to maintain the Project throughout the term of this Agreement. It is estimated that phase one will include the construction of 4 townhomes and 16 condominium units, and that phase two will include 8 townhomes and 16 condominium units. A description of each phase and a legal description of the property included in each phase is more specifically set out in Exhibit A to this Agreement.

2. The Company agrees to make timely payment of all property taxes, or to make arrangements for the timely payment of all property taxes, as they come due throughout the term of this Agreement and to submit, or require the submission of, a receipt or cancelled check to the City Clerk in evidence of each such payment.

### **B. City's Obligations**

In recognition of the Company's obligations set out above, and subject to the City determining that the Company has complied with each of those obligations, the City agrees to

make economic development tax increment payments (the "Payments") to the Company in each fiscal year during the term of this Agreement, pursuant to Chapters 15A and 403 of the Code of Iowa, provided, however, that the total amount of the Payments shall not exceed \$750,000.00, all Payments shall be subject to annual appropriation by the City Council, no Payments will be made with respect to taxable parcels included in phase one of the Project until the City is satisfied that phase one has been completed and no Payments will be made with respect to taxable parcels included in phase two of the Project until the City is satisfied that phase two has been completed.

Provided phase one of the Project has been completed by December 1, 2016, the Payments for taxable parcels included in phase one will be made on December 1 and June 1 of each fiscal year, beginning in the first fiscal year for which the City receives Incremental Property Tax Revenues with respect to an increase in the taxable valuation of the taxable parcels included in phase one over the valuations shown for such parcels on the tax rolls as of January 1, 2015, and continuing for a total of seven fiscal years. For example, if the increase in the taxable valuation of the parcels included in phase one is shown on the tax rolls as of January 1, 2017, the first Payment will be made on December 1, 2018. Each Payment related to parcels included in phase one shall be in an amount equal to 100% of the Incremental Property Tax Revenues received by the City that are attributable to the taxable parcels included in phase one during the six months immediately preceding each Payment Date.

Provided phase two of the Project has been completed by December 1, 2017, the Payments for taxable parcels included in phase two will be made on December 1 and June 1 of each fiscal year, beginning in the first fiscal year for which the City receives Incremental Property Tax Revenues with respect to an increase in the taxable valuation of the taxable parcels included in phase two over the valuations shown for such parcels on the tax rolls as of January 1, 2016, and continuing for a total of seven fiscal years. For example, if the increase in the taxable valuation of the parcels included in phase two is shown on the tax rolls as of January 1, 2018, the first Payment will be made on December 1, 2019. Each Payment related to parcels included in phase two shall be in an amount equal to 100% of the Incremental Property Tax Revenues received by the City that are attributable to the taxable parcels included in phase two during the six months immediately preceding each Payment Date.

"Incremental Property Tax Revenues" are produced by multiplying the consolidated property tax levy (city, county, school, etc.) times the incremental valuation of the Property, then subtracting debt service levies of all taxing jurisdictions, subtracting the school district physical plant and equipment and instructional support levies and subtracting any other levies which may be exempted from such calculation by action of the Iowa General Assembly.

The Payments shall not constitute general obligations of the City, but shall be made solely and only from Incremental Property Tax Revenues attributable to the Property that are received by the City from the Greene County Treasurer.

Each Payment shall be subject to annual appropriation by the City Council. Prior to November 15 of each year during the term of this Agreement, the City Council shall consider the question of obligating an amount of Incremental Property Tax Revenues for appropriation to the funding of the Payments due in the next succeeding fiscal year. The City Administrator shall

estimate the amount of Incremental Property Tax Revenues attributable to the Property that could be collected in such year and the City Council shall then consider appropriating that estimated amount to the funding of Payments due in such year (the "Appropriated Amount"). Each such estimate shall be based on then current consolidated property tax levy and most recent incremental valuation of the Property.

To the extent the City Council decides to obligate funds for appropriation to the Payments, the City agrees to certify to the Greene County Auditor by December 1 of each year during the term of this Agreement, an amount equal to the most recently determined Appropriated Amount.

**C. Administrative Provisions**

1. This Agreement may not be amended or assigned by either party without the express permission of the other party. Notwithstanding the foregoing, however, or any other provisions of this Agreement, the Company may assign its rights to receive the economic development payments hereunder to a lender as security related to any financing from such lender to the Company. If all or any portion of the Property is sold by the Company, the City reserves the right to determine whether the City will continue to make Payments to the Company, will agree to an assignment of the Payments, or will cancel this Agreement.

2. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Company have caused this Agreement to be signed, in their names and on their behalf, by their duly authorized officers, all as of the day and date written above.

CITY OF JEFFERSON, IOWA

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

JCORP, INC.

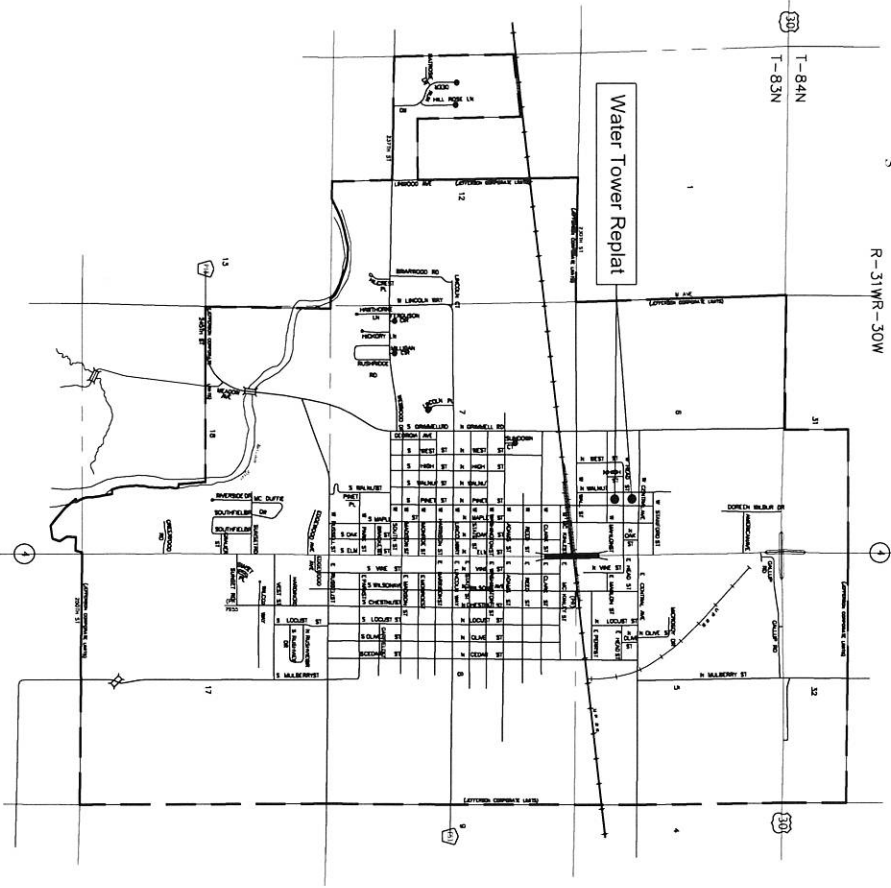
By: \_\_\_\_\_  
Duane E. Jensen, President

EXHIBIT A

Description of Project Phases

[THE DESCRIPTION OF THE PROJECT PHASES MUST BE INSERTED AND REVIEWED  
BY THE PARTIES PRIOR TO SIGNING]

4443505



Vicinity Map - Jefferson, Iowa

**Preliminary Plat**  
 For  
**Water Tower Replat**  
**Jefferson, Greene County, Iowa**  
 (A Replat of Water Tower Subdivision)

**Index of Drawings**  
 Dwg Description  
 1 Cover Sheet  
 2 Legend Sheet and Notes  
 3 Preliminary Plat

**OWNER:**

Water Tower, LLC  
 P.O. Box 159  
 708 N. Hwy 69  
 Huxley, Iowa 50124

**Developer:**

JCorp, Inc  
 P.O. Box 159  
 708 N. Hwy 69  
 Huxley, Iowa 50124

**Planner/Engineer:**

M.H.F. Engineering, P.C.  
 P.O. Box 68  
 300 W. McKinley St.  
 Jefferson, Iowa 50129  
 John R. Milligan, P.E. #9519

**Land Surveyor:**

M.H.F. Engineering, P.C.  
 P.O. Box 68  
 300 W. McKinley St.  
 Jefferson, Iowa 50129  
 Warder C. Hillhouse, Jr., L.S. #6806



I HEREBY CERTIFY THAT THIS ENGINEERING DOCUMENT WAS PREPARED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF IOWA.

Signature: John R. Milligan Date: \_\_\_\_\_

License number 9519  
 My license removal date is December 31, 2015

PAGES OR SHEETS COVERED BY THIS SEAL: ALL

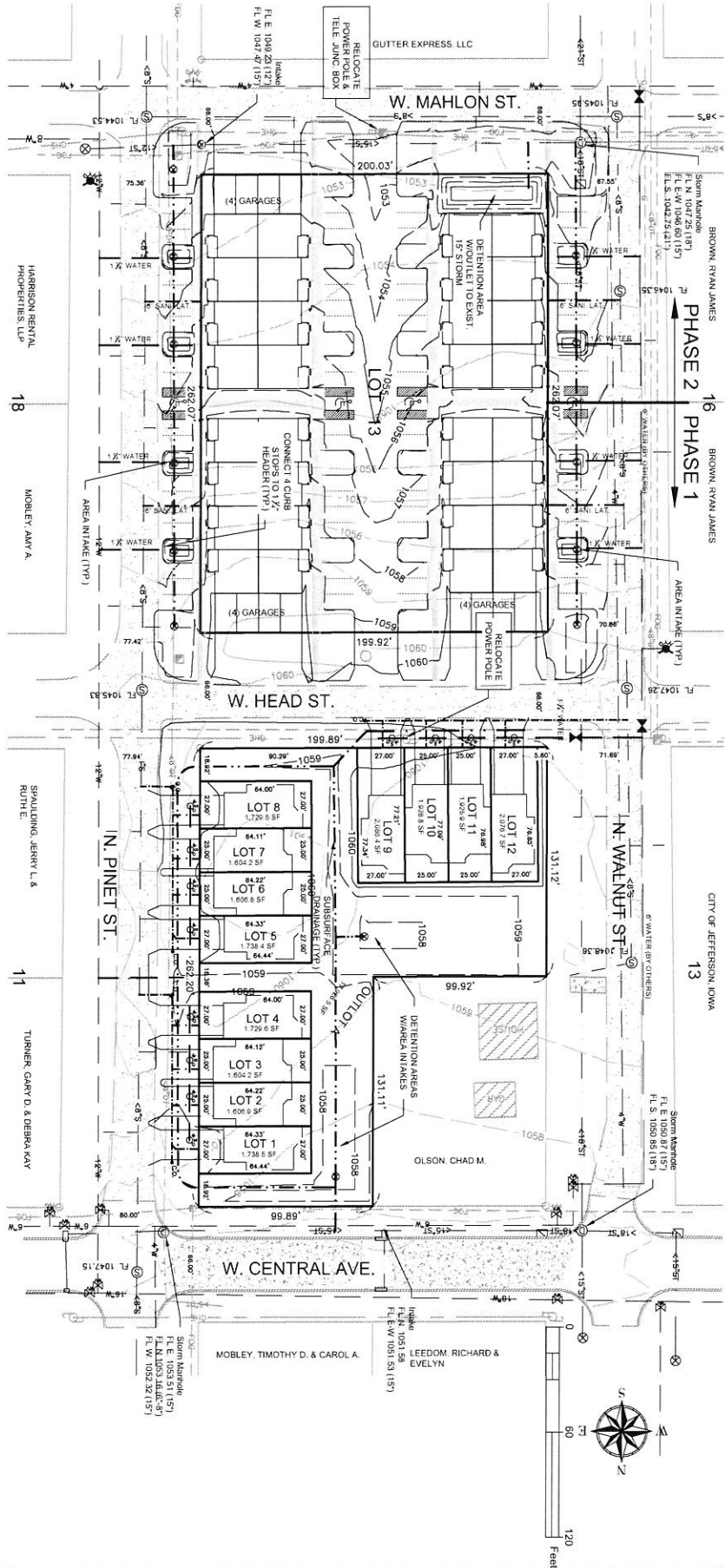
**Recommend Approval**  
**Planning and Zoning Commission**

Chairman	_____	Date	_____
Secretary	_____		
<b>Approved</b> City of Jefferson, Iowa			
Mayor	_____	Date	_____
City Clerk	_____		

Form No. 5063-319-100 DATE 3/15

<p> <b>M.H.F. ENGINEERS, P.C.</b>          ENGINEERS - LAND SURVEYORS          P.O. Box 68          Jefferson, Iowa 50129          PH: (515) 386-4101          FAX: (515) 386-4815       </p>	<b>Cover Sheet</b> <b>Water Tower Replat</b> <b>Jefferson, Greene County, Iowa</b>	NO. _____ REVISIONS _____ BY _____ DATE _____
	PROJECT NO. <b>15013</b> DWG NO. <b>1</b>	DESIGNER DRAFTSMAN RMC CHECKER





**Total Number of Lots:**  
 Block 12: 12 Lots  
 Block 17: 1 Lot

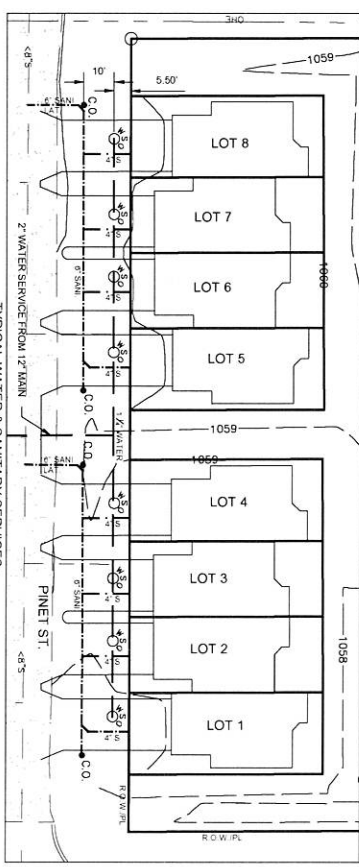
**Lot Areas:**  
 Block 12:  
 Min. Lot Area: 1,604.2 sf  
 Max. Lot Area: 2,086.4 sf  
 Avg. Lot Area: 1,781.3 sf  
 Outlot (Common) Area: 17,926.53 sf

Block 17:  
 Lot Area: 52,407.79 sf

**Legal Description (Existing Property):**  
 Block 12, and Block 17 of Water Tower Subdivision,  
 Jefferson, Iowa.

**Zoning Classification:**  
 Existing: RS-6  
 Proposed: Planned Unit Development

See general notes on drawing number 2 for additional information of the Planned Unit Development.



DATE: 3/15

**M.H.F. ENGINEERING, P.C.**  
 ENGINEERS - LAND SURVEYORS  
 P.O. Box 66  
 Jefferson, Iowa 50129  
 Ph: (515) 386-4101  
 Fax: (515) 386-4815

Preliminary Plat - Water Tower Replat  
 Water Tower Planned Unit Development  
 Jefferson, Greene County, Iowa

NO.	REVISIONS	BY	DATE