

RESOLUTION NO. 2025-

Resolution setting the date for public hearings and additional action on proposals to enter into General Obligation Loan Agreements and to borrow money thereunder

WHEREAS, the City of Independence (the “City”), in Buchanan County, State of Iowa, pursuant to the provisions of Section 384.24A of the Code of Iowa, proposes to enter into a loan agreement (the “Essential Purpose Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent, of (a) constructing street, sidewalk, stormwater drainage, water system and sanitary sewer system improvements; (b) acquiring and installing street lighting, signage and signalization improvements; (c) acquiring vehicles and equipment for the municipal police department; (d) acquiring vehicles and equipment for the municipal fire department; (e) acquiring and installing emergency warning sirens; (f) acquiring vehicles and equipment for the municipal streets department; and (g) equipping existing municipal parks (collectively, the “Essential Purpose Projects”), and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Essential Purpose Loan Agreement and to give notice thereof as required by such law; and

WHEREAS, the City also proposes to enter into a loan agreement (the “General Purpose Loan Agreement,” and together with the Essential Purpose Loan Agreement, the “Loan Agreements”) and to borrow money thereunder in a principal amount not to exceed \$400,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the costs, to that extent, of (a) undertaking storage shed improvements for the street shop; (b) undertaking parking improvements for City Hall; (c) undertaking storage shed improvements for the parks and recreation department; and (d) planning for the City’s infrastructure and land use needs (the “General Purpose Projects,” and together with the Essential Purpose Projects, the “Projects”), and it is now necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the General Purpose Loan Agreement and to give notice thereof as required by such law, including notice of the right to petition for an election on such proposal pursuant to the provisions of Section 384.26 of the Code of Iowa;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Independence, Iowa, as follows:

Section 1. The City Council shall meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., at which time and place the hearings will be held and proceedings will be instituted and action taken to enter into the Loan Agreements described in the preamble hereof.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Essential Purpose Loan Agreement setting forth the amount and purpose thereof, the time when and place where the 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 which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,100,000

(GENERAL OBLIGATION)

The City Council of the City of Independence, Iowa (the “City”), will meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent, of (a) constructing street, sidewalk, stormwater drainage, water system and sanitary sewer system improvements; (b) acquiring and installing street lighting, signage and signalization improvements; (c) acquiring vehicles and equipment for the municipal police department; (d) acquiring vehicles and equipment for the municipal fire department; (e) acquiring and installing emergency warning sirens; (f) acquiring vehicles and equipment for the municipal streets department; and (g) equipping existing municipal parks.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

It is estimated the annual increase in property taxes on a residential property with an actual valuation of one hundred thousand dollars resulting from the City entering into the Loan Agreement will be \$45.01, however the City Council may determine for any fiscal year while the Loan Agreement is outstanding to budget other available revenues to the payment of some or all of the debt service coming due thereunder.

At that time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Independence, Iowa.

Susi Lampe
City Clerk

Section 3. The City Clerk is hereby directed to give notice of the proposed action on the General Purpose Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than ten (10) and not more than twenty (20) days before the date of said meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$400,000

(GENERAL OBLIGATION)

The City Council of the City of Independence, Iowa (the “City”), will meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$400,000 for the purpose of paying the costs, to that extent, of (a) undertaking storage shed improvements for the street shop; (b) undertaking parking improvements for City Hall; (c) undertaking storage shed improvements for the parks and recreation department; and (d) planning for the City’s infrastructure and land use needs.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

The maximum rate of interest which may be payable under the Loan Agreement is 7% per annum.

It is estimated the annual increase in property taxes on a residential property with an actual valuation of one hundred thousand dollars resulting from the City entering into the Loan Agreement will be \$9.37, however the City Council may determine for any fiscal year while the Loan Agreement is outstanding to budget other available revenues to the payment of some or all of the debt service coming due thereunder.

At any time before the date fixed for taking action to enter into the Loan Agreement, a petition may be filed with the City Clerk of the City asking that the question of entering into the Loan Agreement be submitted to the registered voters of the City, pursuant to the provisions of Section 384.26 of the Code of Iowa. If no such petition is filed, at the aforementioned time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Independence, Iowa.

Susi Lampe
City Clerk

Section 4. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Projects which are reasonably estimated to cost approximately \$2,500,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made no earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Projects have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 5. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

RESOLUTION NO. 2025- was passed and approved by a majority vote of the City Council of Independence, Iowa, on the 24th day of February 2025.

Record of Voting:

Ayes:

Nays:

Absent:

RESOLUTION NO. 2025- declared passed and adopted by the Mayor Pro Tem on this 24th day of February 2025.

Michael O’Loughlin, Mayor Pro Tem of the City of
Independence, IA

ATTEST:

Susi Lampe, IaCMC, IaCFO,
Assistant City Manager/City Clerk/Treasurer of the City of Independence, IA