

HOLD HEARING ON AND APPROVE
AMENDMENT TO DEVELOPMENT
AGREEMENT

(Forsyth Management Company, LLC)

421044-27

Oelwein, Iowa

November 8, 2021

A meeting of the City Council of the City of Oelwein, Iowa, was held at 6:00 o'clock p.m., on November 8, 2021, at the City Hall, Oelwein, Iowa, pursuant to the rules of the Council.

The Mayor presided and the roll was called, showing members present and absent as follows:

Present: _____

Absent: _____.

Council Member _____ introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member _____; and after due consideration thereof by the Council, the Mayor put the question upon the adoption of said resolution, and the roll being called, the following named Council Members voted:

Ayes: _____

Nays: _____.

Whereupon, the Mayor declared said resolution duly adopted, as follows:

RESOLUTION _____

Resolution ratifying Amended Development Agreement with Forsyth Management Company, LLC

WHEREAS, the City of Oelwein, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Oelwein Urban Renewal Area No. 2 (the “Urban Renewal Area”); and

WHEREAS, this Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

WHEREAS, the City Council previously approved an agreement with Forsyth Management Company, LLC (the “Company”), dated as of June 27, 2012 (the “Original Agreement”), in connection with the construction of a manufacturing facility (the “Project”) in the Urban Renewal Area; and

WHEREAS, the Original Agreement provided property tax incentives to the Company in the form of annual appropriation incremental property tax payments (the “Payments”) in an amount not to exceed \$750,000, under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it was heretofore proposed that an amended development agreement (the “Amended Agreement”) be prepared in order to amend the Original Agreement to (1) increase the maximum amount of the Payments to \$1,500,000; and (2) to extend the period during which Payments would be made to twenty years; and

WHEREAS, this City Council, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Amended Amendment on January 25, 2016, and has otherwise complied with statutory requirements for the approval of the Amended Amendment; and

WHEREAS, it is now necessary for the City Council to ratify the Amended Amendment and authorize the Mayor and the City Clerk to execute the Amended Agreement; and

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which cities may provide grants, loans, tax incentives, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans, tax incentives or other financial assistance, the City Council must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that in determining whether funds should be spent, the City Council must consider any or all of a series of factors;

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

Section 1. Pursuant to the factors listed in Chapter 15A, the City Council hereby reaffirms that:

(a) The Project will continue to add diversity and generate new opportunities for the Oelwein and Iowa economies;

(b) The Project will continue to generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed property tax incentives.

Section 2. The City Council further finds and reaffirms that a public purpose will reasonably be accomplished by entering into the Amended Agreement and providing the Payments to the Company.

Section 2. The Amended Agreement is hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute and deliver the Amended Agreement on behalf of the City, in substantially the form and content in which the Amended Agreement has been presented to this City Council. The Mayor and the City Clerk are also authorized to make such changes, modifications, additions or deletions as they, with the advice of the city attorney and bond counsel, may believe to be necessary, and to take such actions as may be necessary to carry out the provisions of the Amended Agreement.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved this November 8, 2021.

Mayor

Attest:

City Clerk

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On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF FAYETTE SS:
CITY OF OELWEIN

I, the undersigned, Clerk of the City of Oelwein, hereby certify that the foregoing is a true and correct copy of the minutes of the Council of the City relating to holding a public hearing and adopting a resolution to approve an Amendment to a Development Agreement.

WITNESS MY HAND this _____ day of _____, 2021.

City Clerk