

RESOLUTION NO 2019-23

Resolution Authorizing Internal Advance for Funding of Urban Renewal Projects

WHEREAS, the City of Hawarden, Iowa (the “City”), has previously established the Consolidated Hawarden Urban Renewal Area (the “Urban Renewal Area”) and has established the Consolidated Hawarden Urban Renewal Area Tax Increment Revenue Fund (the “Tax Increment Fund”) in connection therewith; and

WHEREAS, the City has undertaken certain urban renewal projects (the “Projects”) in the Urban Renewal Area, including the Main Street Improvements Project (the “Main Street Project”), the Urban Renewal Administration and Professional Support Program (the “Admin Program”), and the Urban Renewal Economic Development Director Support Program (the “Economic Development Director Program”); and

WHEREAS, costs (the “Project Costs”) have been and will be incurred in connection with the undertaking of such Projects; and

WHEREAS, in order to cover a portion of the Project Costs and to make such Project Costs eligible to be recouped from incremental property tax revenues, it is necessary to facilitate an internal advance (the “Advance”) of funds;

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Hawarden, Iowa, as follows:

Section 1. The City is hereby found to be current on all its operations and maintenance expenses for the Municipal Electric Utility (the “Utility”). Furthermore, the City is hereby found to be up-to-date and in full compliance with the covenants and requirements of all bonds, notes, pledge orders and other obligations to which the Net Revenues of said Utility have been pledged. It is hereby found and determined that a surplus of Nine Hundred Sixty Thousand Dollars (\$960,000) exists in the Electric Revenue Fund.

Section 2. It is hereby directed that an amount not in excess of Nine Hundred Thousand Dollars (\$900,000) be advanced (the “Main Street Project Advance”) from the Municipal Electric Utility Fund (the “Source Fund”) in order to fund a portion of the Main Street Project. The Main Street Project Advance shall be repaid to the Source Fund, without interest, out of incremental property tax revenues received with respect to the Urban Renewal Area.

It is intended that the Main Street Project Advance shall be repaid in ten (10) installments on June 1 in each of the years 2021 through 2030, inclusive, provided however that repayment of the Main Street Project Advance is subject to the determination of future City Councils that there are incremental property tax revenues available for such purpose which have been allocated to or accrued in the Tax Increment Fund relative to the Main Street Project Advance, and the City Council reserves the right to appropriate funds to the repayment of the Main Street Project Advance, or to withhold such appropriation, at its discretion.

Section 3. It is hereby directed that an amount not in excess of Forty-Five Thousand Dollars (\$45,000) be advanced (the “Admin Program Advance”) from the Source Fund in order

to fund a portion of the Admin Program. The Admin Program Advance shall be repaid to the Source Fund, without interest, out of incremental property tax revenues received with respect to the Urban Renewal Area.

It is intended that the Admin Program Advance shall be repaid in five (5) installments on June 1 in each of the years 2021 through 2025, inclusive, provided however that repayment of the Admin Program Advance is subject to the determination of future City Councils that there are incremental property tax revenues available for such purpose which have been allocated to or accrued in the Tax Increment Fund relative to the Admin Program Advance, and the City Council reserves the right to appropriate funds to the repayment of the Admin Program Advance, or to withhold such appropriation, at its discretion.

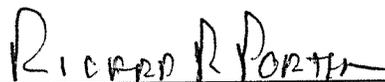
Section 4. It is hereby directed that an amount not in excess of Fifteen Thousand Dollars (\$15,000) be advanced (the "Economic Development Director Program Advance") from the Source Fund in order to fund a portion of the Economic Development Director Program. The Economic Development Director Program Advance shall be repaid to the Source Fund, without interest, out of incremental property tax revenues received with respect to the Urban Renewal Area.

It is intended that the Economic Development Director Program Advance shall be repaid in five (5) installments on June 1 in each of the years 2021 through 2025, inclusive, provided however that repayment of the Economic Development Director Program Advance is subject to the determination of future City Councils that there are incremental property tax revenues available for such purpose which have been allocated to or accrued in the Tax Increment Fund relative to the Economic Development Director Program Advance, and the City Council reserves the right to appropriate funds to the repayment of the Economic Development Director Program Advance, or to withhold such appropriation, at its discretion.

Section 5. A copy of this Resolution shall be filed in the office of the County Auditor of Sioux County, Iowa to evidence the Main Street Project Advance, the Admin Program Advance and the Economic Development Director Program Advance. Pursuant to Section 403.19 of the Code of Iowa, the City Clerk is hereby directed to certify, no later than December 1, 2019, the original amounts of the Main Street Project Advance, the Admin Program Advance and the Economic Development Director Program Advance.

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

PASSED AND APPROVED this May 8, 2019.



Ricard R. Porter, Mayor

Attest:



Michael De Bruin, City Clerk