

RESOLUTION NO 2019-53

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 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 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 of 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. The City hereby declares the existence of a "surplus" in the Electric Revenue Fund sufficient to support internal advances from such Fund in the amounts set forth below. The surplus calculation is shown on Exhibit A hereto.

Section 2. 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 Municipal Electric Utility Fund (the "Source Fund") to the Economic Development 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 one (1) installment on June 1, 2021, 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 3. 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 to the Economic Development 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 one (1) installment on June 1, 2021, 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 4. A copy of this Resolution shall be filed in the office of the County Auditor of Sioux County, Iowa to evidence 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 Admin Program Advance and the Economic Development Director Program Advance.

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 All resolutions or parts thereof in conflict herewith, are hereby repealed, to the extent of such conflict.

PASSED AND APPROVED this November 13, 2019.

Richard R Porter
Mayor

Attest:

Michael DeBruin
City Clerk