

AMENDMENT NO. 7

to the

CITY OF MARSHALLTOWN AMENDED AND RESTATED URBAN RENEWAL AREA NO. 3 URBAN RENEWAL PLAN

for the

CITY OF MARSHALLTOWN AMENDED AND RESTATED URBAN RENEWAL AREA NO. 3 URBAN RENEWAL AREA

City of Marshalltown, Iowa

Original Plan – February 1996

Amendment No. 1 – April 2000

Amended and Restated Urban Renewal Plan Amendment No. 2 – January 2007

Amended and Restated Urban Renewal Plan Amendment No. 3 – June 2013

Amended and Restated Urban Renewal Plan Amendment No. 4 – June 2015

Amended and Restated Urban Renewal Plan Amendment No. 5 – October 2015

Amended and Restated Urban Renewal Plan Amendment No. 6 – October 2016

Amended and Restated Urban Renewal Plan Amendment No. 7 – June 2019

Local Government Professional Services, Inc.

DBA – Simmering-Cory

AMENDMENT NO. 7
to the
AMENDED AND RESTATED URBAN RENEWAL AREA NO. 3
URBAN RENEWAL PLAN
for the
AMENDED AND RESTATED URBAN RENEWAL AREA NO. 3
CITY OF MARSHALLTOWN, IOWA

The Amended and Restated Urban Renewal Area No. 3 Urban Renewal Plan (the “Plan” or “Urban Renewal Plan”) for the Amended and Restated Urban Renewal Area No. 3 Urban Renewal Area (the “Area” or “Urban Renewal Area”) was adopted in 1996 and has been previously amended six times including the following amendments:

- Amendment No. 1 (April 2000). Amendment No. 1 added land to the Urban Renewal Area.
- Amendment No. 2 (January 2007). Amendment No. 2 Amended and Restated the Urban Renewal Plan No. 3 for the Urban Renewal Area No. 3. The Amendment also added land and removed land from the Urban Renewal Area.
- Amendment No. 3 (June 2013). Amendment No. 3 added a project, Plumb Supply Company, LLC. To the Urban Renewal Plan and removed a self-imposed expiration date.
- Amendment No. 4 (June 2015). Amendment No. 4 added a project, Theisen’s, Inc., to the Urban Renewal Plan.
- Amendment No. 5 (October 2015). Amendment No. 5, also referred to as 2015-A Amendment, added a project, Bobcat Academy, to the Urban Renewal Plan.
- Amendment No. 6 (October 2016). Amendment No. 6 added a project, Hawkeye Hotels, LLC, to the Urban Renewal Plan.

Now the Amended and Restated Urban Renewal Plan No. 3 is being further amended for the purpose of adding additional land to the Urban Renewal Area and to identify new urban renewal projects to be undertaken within the Urban Renewal Area by this Amendment No. 7 (“Amendment No. 7” or “Amendment”) in accordance with the provisions of Chapter 403 of the *Code of Iowa*.

Except as modified by this Amendment, the provisions of the Amended and Restated Urban Renewal Plan, as previously amended, are hereby ratified, confirmed, and approved and shall remain in full force and effect as provided herein. In case of any conflict or uncertainty, the terms of this Amendment shall control.

DESCRIPTION OF PROPERTY ADDED TO THE URBAN RENEWAL AREA

A legal description of the property being added to the Urban Renewal Area by this Amendment is attached hereto as Exhibit “A”. A map of the entire Urban Renewal Area, as amended, is attached hereto as Exhibit “B.”

The City reserves the right to modify the boundary of the Area, as amended, as needed at some future date.

AREA DESIGNATION

The Urban Renewal Area was originally designated as both an economic development area appropriate for the promotion of commercial and industrial development and an area in which blighted conditions exist, appropriate for blight remediation activities. Amendments No. 2 and 3 reconfirmed the designation of economic development and the presence of blighting factors within the area. Amendments four through six did not make any changes to the Area designation.

This Amendment makes no change in the area designation for the original area, the Amendment No. 1 Subarea, and the Amendment No. 2 Subarea. The land added by this Amendment No. 7 is designated as an economic development area appropriate for the promotion of commercial and industrial development.

ELGIBLE URBAN RENEWAL PROJECTS (AMENDMENT NO. 7)

The City is hereby amending the Urban Renewal Plan, as amended, in accordance with the provisions of Chapter 403 of the *Code of Iowa*, to authorize new urban renewal projects that are proposed to be undertaken in the Urban Renewal Area.

1. Development Agreement: The proposed project involves the use of incremental property tax revenues to make economic development payments to TC Casady Property, LLC., in an amount not to exceed \$250,000.00 in connection with the development of a commercial building by TC Casady Property, LLC., located in the Urban Renewal Area. The City anticipates that the development will create an increase in assessed value for the property of \$530,000. Payments will be made for ten years, in an amount equal to 100% of the incremental property tax payments that are attributable to the expanded property.

2. Development Agreement: The City proposes to utilize increment, if available, to help fund activities that support efforts to generate new economic development activities within the Urban Renewal Area, including the promotion of development opportunities for perspective developers and efforts to work with existing businesses to enhance and grow their investment within the area. The goal is to provide funding to support growth and remediation of blight within the Area through investment by current and new businesses and developers which results in increased property tax values and the retention and creation of jobs. Funding may be provided to the Marshalltown Area Chamber of Commerce, or a similar agency, based on details of a program outlined in a development agreement. The City anticipates a maximum funding amount of \$250,000 over a period of five years.

3. Public Improvements:

Project	Estimated Date	Estimated Cost to be Funded by TIF Fund	Rationale
Economic Development Grant Program for Demolition and Redevelopment of Blighted Properties	2019-2025	\$1,000,000	The City plans to provide economic development grants to entities for the purpose of acquisition, demolition, and cleanup of dangerous and dilapidated properties that contribute to blighting conditions within the Area. In addition, the City may use funds for the direct purchase, demolition, and cleanup of property.
Sidewalk or Trail Development on Iowa Avenue from Center Street to 6 th Street	2019-2025	\$800,000	<p>A safe pedestrian transportation system is an important element of a successful economic environment and quality of life factor for communities.</p> <p>The installation of approximately 2,600 linear feet of sidewalk or trail will connect to other existing trails in the community and provide pedestrian access to retail businesses along Iowa Avenue enhancing the economic appeal and development of the area.</p>
Iowa Avenue Storm Water Improvements	2019-2025	\$1,500,000	Iowa Avenue is still designed as a rural highway section. With growth along the road the existing conditions are not sufficient to adequately handle storm water flows. The City anticipates using funding to install a stormwater collection system and curb and gutter along the street to better handle rain events and snow melt.

Project	Estimated Date	Estimated Cost to be Funded by TIF Fund	Rationale
<p>Construction of an extension to East Merle Hibbs Blvd. and future unnamed connecting streets, including necessary public utilities, to support commercial and residential growth in the Area.</p> <p>Improvements may include, but are not limited to, street construction, water, storm sewer, sanitary sewer, public utilities, sidewalks, street lighting, and other related facilities and activities.</p>	2019-2028	\$6,000,000	<p>The proposed project will support commercial development by providing necessary infrastructure and access to the lots to be developed.</p> <p>Due to past success and a history of growth in the area the City believes it is reasonable to expect a continued demand for lots and new development in the coming years. The City also anticipates that by acquiring the land and constructing public infrastructure that it will facilitate the growth of the area, City, and County.</p>
<p>Construction of an extension to East LaFrentz Lane and future unnamed connecting streets, including necessary public utilities, to support commercial and residential growth in the Area.</p> <p>Improvements may include, but are not limited to, street construction, water, storm sewer, sanitary sewer, public utilities, sidewalks, street lighting, and other related facilities and activities.</p>	2019-2028	\$6,000,000	<p>The proposed project will support commercial development by providing necessary infrastructure and access to the lots to be developed.</p> <p>Due to past success and a history of growth in the area the City believes it is reasonable to expect a continued demand for lots and new development in the coming years. The City also anticipates that by acquiring the land and constructing public infrastructure that it will facilitate the growth of the area, City, and County.</p>

Project	Estimated Date	Estimated Cost to be Funded by TIF Fund	Rationale
<p>West Berle Road Improvements</p> <p>Improvement may include, but are not limited to, street construction (or reconstruction), storm sewer, sanitary sewer, public utilities, sidewalks, street lighting, and other related facilities, and activities.</p>	2019-2028	\$1,000,000	<p>The City anticipates that the reconstruction of approximately 2,000 lineal feet of West Berle Road could help make additional land available for future development. The City has a history of growth in the recent past in this part of the City and anticipates a continued demand for additional land available for new commercial development.</p>
<p>Construction of an Extension to South 5th Avenue Connecting with East Merle Hibbs Blvd.</p>	2019-2028	\$500,000	<p>Recent development and the potential for additional future development in the area have increased traffic and congestion in the neighborhood. The City anticipates a need to consider additional transportation routes to ease the demand on existing roads.</p> <p>The City may consider the use of funds to construct an extension of South 5th Avenue to connect with Merle Hibbs Blvd., including needed public infrastructure including water, sanitary sewer, and storm water utilities.</p>
<p>Wayfinding</p>	2019-2021	\$40,000	<p>Wayfinding can be an integral piece to the success of community development including the growth and success of commercial and industrial businesses within the area. The City may use funds to provide for implementation of wayfinding signage and other practices, identified by the master plan, to improve transportation and access to businesses and industry within the Urban Renewal Area.</p>
<p>NOTE: It may be that the above costs will be reduced by the application of state and/or federal grants or program; cost sharing agreements with other entities; or other available sources of funds.</p>			

4. Tax Rebate Program: The City anticipates that there will be a need to provide incentives to developers within the Urban Renewal Area, as amended, in the form of tax increment rebates to incentivize economic development and remediation of blight within the Urban Renewal Area, as amended.

The following general program guidelines and benefits will be based on the following, subject to review by the City Council:

- Projects must be located within the Urban Renewal Area.
- Prior to providing any rebate under this program the City will hold a public hearing(s) as required by Iowa Law and will approve a Development Agreement outlining details specific to the development and any rebates to be approved.
- Priority for agreements will be given to projects that result in the creation of new jobs and/or new taxable value for the City of Marshalltown.
- Rebates provided will be subject to annual appropriation by the City Council.
- Projects should not create an unfair advantage over similar businesses within the Urban Renewal Area as determined by the City Council.
- Projects will not be participating or taking advantage of other City incentives including, but not limited to Urban Revitalization (tax abatement) or other tax exemption programs.
- Rebate agreements will not be approved for amounts less than \$10,000 nor more than \$1,000,000.
- Rebate agreements will not exceed a maximum of ten years.
- The City does not anticipate more than ten development agreements to be approved under this program without reauthorization.
- Special priority will be given to development in the following locations located within the Urban Renewal Area:
 - Projects along Iowa Avenue West from the City limits to South 6th Street.
 - Projects within the areas zoned as Regional Commercial.

5. Planning, Engineering Fees (for Urban Renewal Plans), Attorney Fees, Administrative, and Other Related Costs to Support Urban Renewal Projects and Planning:

Project	Estimated Date	Estimated Cost to be Funded by TIF Funds
Fees & Costs	Undetermined	Not to Exceed \$50,000

FINANCIAL INFORMATION

1.	July 1, 2018 Constitutional Debt Limit:	\$72,641,507
2.	Outstanding General Obligation Debt:	\$42,208,724
3.	Proposed amount of indebtedness to be incurred: A specific amount of debt to be incurred for the Eligible Urban Renewal Projects (Amendment No. 7) are identified above in the Eligible Urban Renewal Projects (Amendment No. 7). The project costs in this Plan will be incurred and spent over a number of years based on the terms of a development agreement and plans developed by the City. Subject to the foregoing, it is estimated that the cost of the Eligible Urban Renewal Projects (Amendment No. 7) as described above will be approximately as stated in the next column:	\$27,390,000.00

EFFECTIVE PERIOD

This Amendment No. 7 will become effective upon its adoption by the City Council. Notwithstanding anything to the contrary in the Urban Renewal Plan, any prior amendment, resolution, or document, the Urban Renewal Plan shall remain in effect until terminated by the City Council, and the use of incremental property tax revenues, or the “division of revenue,” as those words are used in Chapter 403 of the *Code of Iowa*, will be consistent with Chapter 403 of the *Code of Iowa*. The division of revenues shall continue on the Area for the maximum period allowed by law.

At all times, the use of tax increment financing revenues (including the amount of loans, advances, indebtedness or bonds which qualify for payment from the division of revenue provided in Section 403.19 of the *Code of Iowa*) by the City for activities carried out under the Urban Renewal Area shall be limited as deemed appropriate by the City Council and consistent with all applicable provisions of law.

AGRICULTRUAL LAND

Because a portion of the land being added by Amendment No. 7 is defined as “agricultural land” by the *Code of Iowa* Section 403.17(3), the City and the agricultural land owner have entered into an agreement in which the agricultural land owner agrees to allow the City to include real property, defined as “agricultural land,” in the Urban Renewal Area. A copy of that agreement is attached as Exhibit “C.” The original signed agreement is on file at the City Clerk’s office.

REPEALER

Any parts of the Plan, as previously amended, in conflict with this Amendment are hereby repealed.

SEVERABILITY CLAUSE

If any part of this Amendment No. 7 is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan as a whole or the previous amendments to the Plan, or any part of the Plan not determined to be invalid or unconstitutional.

EXHIBIT A

LEGAL DESCRIPTION OF LAND ADDED TO URBAN RENEWAL AREA BY AMENDMENT NO. 7

Beginning at the Northeast corner of the NW $\frac{1}{4}$ of Section 15, Township 83 North, Range 18 West of the 5th P.M.;

thence Southerly along the East line of the NW $\frac{1}{4}$ of Section 15, Township 83 North, Range 18 West of the 5th P.M., to the Southeast corner of Lot 1 of the Subdivision of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 15, Township 83 North, Range 18 West of the 5th P.M.;

thence westerly 673.0' along the South line of Lot 1 and Lot 2 of the Subdivision of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 15, Township 83 North, Range 18 West of the 5th P.M., to a point 66.0' East of the Southwest corner of said Lot 2;

thence northerly 353.4' parallel to and 66.0' east of the West line of said Lot 2 to the North line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15, Township 15 North, Range 18 West of the 5th P.M.;

thence westerly 66.0' along said North line to the Northwest Corner of Lot 2 of the Subdivision of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 15, Township 83 North, Range 18 West of the 5th P.M.;

thence southerly 353.4' along the Westerly line of said Lot 2 to the Southwest Corner thereof;

thence westerly along the south line of Lot 3 and Lot 4 of the Subdivision of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 15, Township 83 North, Range 18 West of the 5th P.M., to the Southwest corner of said Lot 4;

thence northerly along the West line of said Lot 4 to the NW corner of Section 15, Township 83 North, Range 18 West of the 5th P.M.;

thence North along the West line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, Township 83 North, Range 18 West of the 5th P.M. to the Northwest corner thereof;

thence East along the North line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 10 a distance of 289.96' to the Northeast corner of Parcel "D" in Lot 4 of the Subdivision of the s $\frac{1}{2}$ SW $\frac{1}{4}$ of said Section 10;

thence South along the East line of said Parcel "D" to the Northwest corner of Lot 5, Block 3, Pioneer Village First Addition to Marshall;

thence Easterly along the North lines of Lots 5, 6, 7, 8, 9, 10, 11, 12, and 13, Block 3, Pioneer Village First Addition to the Northeast corner of said Lot 13;

thence Southeast to the Northwest corner of Lot 14, Block 3, Pioneer Village First Addition to Marshall;

thence Southeast to the Northeast corner of Lot 16, Block 3, Pioneer Village First Addition to Marshall;

thence Easterly parallel to and 60.0' North of the South line of said Lot 14 extended to a point on the East right of way line of S. 14th St.;

thence North along said East right of way line to the Southwest corner of Lot 1, Block 3, Rolling Meadows 2nd Addition to Marshall;

thence East along the South line of Rolling Meadows 2nd Addition to Marshall to the Southeast corner of Lot 9, Block 3, Rolling Meadows 2nd Addition to Marshall;

thence South to the Northwest corner of Parcel "A" in Lot 1 of the Subdivision of the S ½ SW ¼ of Section 10, Township 83 North, Range 18 West of the 5th P.M.;

thence East along the North line of said Parcel "A" extended to a point 224.0' North of the Southeast corner of Lot 1 of the Subdivision of the S ½ SW ¼ of Section 10, Township 83 North, Range 18 West of the 5th P.M.;

thence South along the West line of the SW ¼ SE ¼ of Section 10, Township 83 North, Range 18 West of the 5th P.M. to the Northwest corner of the NE ¼ of Section 15, Township 83 North, Range 18 West of the 5th P.M., and the Point of Beginning.

AND

The North One-Half of the Southwest Quarter of Section 12, Township 83 North, Range 18 West of the 5th P.M., Marshall County, Iowa.

EXHIBIT B

MAP OF MARSHALLTOWN URBAN RENEWAL AREA NO. 3, AS AMENDED

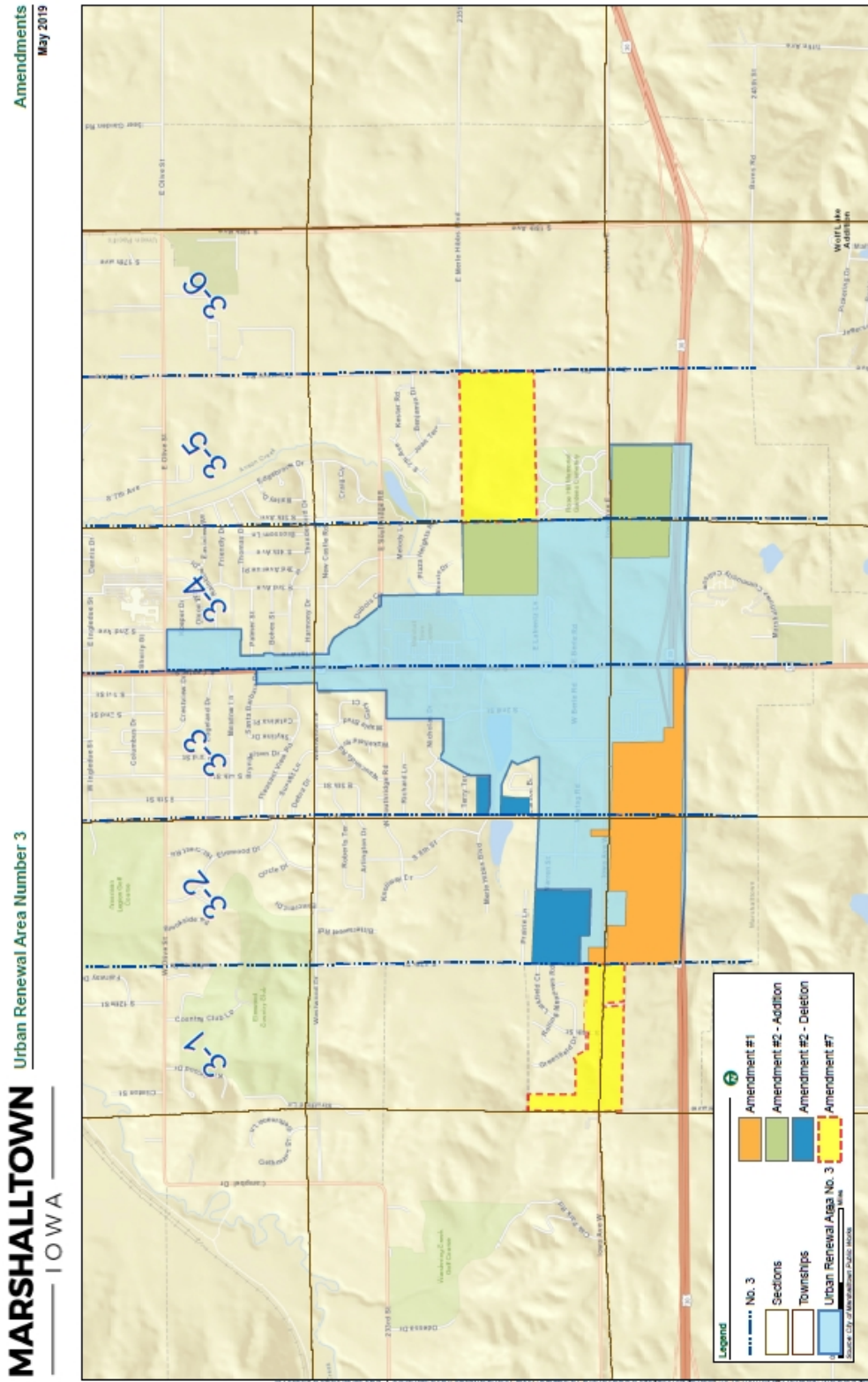


EXHIBIT C

AGRICULTURAL LAND CONSENT

**DECLARATION OF AGREEMENT TO INCLUDE AGRICULTURAL LAND
IN MARSHALLTOWN URBAN RENEWAL AREA**

WHEREAS, the City Council of the City of Marshalltown, Iowa (the "City") has begun the process of amending the urban renewal plan for the Urban Renewal Area No. 3 (the "Urban Renewal Area"), pursuant to Chapter 403 of the Code of Iowa, in order to undertake certain projects, including the use of tax increment financing for improvements related to economic development; and

WHEREAS, the Urban Renewal Area would be expanded to include certain property with the following legal description:

The North One-Half of the Southwest Quarter of Section 12, Township 83 North, Range 18 West of the 5th P.M., Marshall County, Iowa.

(the "Added Property"); and

WHEREAS, Section 403.17 of the Code of Iowa provides that no property may be included in an urban renewal area which meets the definition in that Section of "agricultural land," unless the owner of such property agrees to include such property in such urban renewal area; and

WHEREAS, it has been determined that the Added Property meets the definition of "agricultural land" in Section 403.17(3) of the Code of Iowa; and

WHEREAS, in order for the City to include the Added Property the owner of that property must agree that the Added Property may be included in the Urban Renewal Area;

NOW, THEREFORE, the Undersigned hereby certifies and agrees as follows:

1. The Undersigned is the owner of the Added Property described above.
2. The Undersigned hereby agrees that the City of Marshalltown may include the Added Property described above in the Urban Renewal Area.

DATED this 5 day of October, 2018.

By Donald J. Stolzer