

AGENDA

COUNCIL MEETING
Tuesday, November 27, 2018
5:30 P.M.
CITY HALL COUNCIL CHAMBERS

I. CALL TO ORDER:

II. OPEN FORUM: This is a time for any concerned citizen to speak to the Council on an item that is not on the agenda.

III. CONSENT ITEMS:

- A. 11/13/18 regular Council meeting minutes.
- B. Approval of TIF annual report
- C. Peony Chinese Restaurant, Special Class C Liquor License.
- D. Hy-Vee Market Café, Special Class C Liquor License
- E. Approval of Hotel/Motel grant application for \$900.

IV. NEW BUSINESS:

- A. Public hearing on amendment 2018-3 to the Jefferson Urban Renewal Plan.
- B. Consider resolution approving 2018-3 amendment o the Jefferson Urban Renewal Plan.
- C. Consider approval of Economic Development Agreement with Sky Blue Properties, LLC for redevelopment of property at 1004 North Elm Street.
- D. Consider approval to support application for Iowa Finance Authority Down Payment Assistance Program.
- E. Consider approval to allow the placement of Bell Tower replicas on the square.
- F. Main Street Quarterly Update

V. REPORTS:

- A. Mayor
- B. Engineer
- C. City Clerk
- D. Attorney
- E. City Administrator
- F. Council & Committees

VI. ADJOURN.

AGENDA SUMMARY

DATE 11/27/18

NEW BUSINESS

I. NEW BUSINESS:

- A. **Public hearing on amendment 2018-3 to the Jefferson Urban Renewal Plan.**
- B. **Consider resolution approving 2018-3 amendment o the Jefferson Urban Renewal Plan.**
The amendment would expand the area where building improvement incentives can be made to include all of the Jefferson Urban Renewal Area, rather than just the downtown area. The current language allows for incentives to persons to make repairs and improvements to buildings in the downtown area. The amendment would allow for the incentives to be provided in the entire urban renewal area.
- C. **Consider approval of Economic Development Agreement with Sky Blue Properties, LLC for redevelopment of property at 1004 North Elm Street.** The development agreement (attached) would provide for a \$75,000, 10 year forgivable loan to facilitate the relocation of Ace Hardware to the former Shopko building on North Elm Street.
- D. **Consider approval to support application to Iowa Finance Authority Down Payment Assistance Program.** Region XII applied for this program several years ago but because of the complexity of it at that time, people were barely able to qualify. Since then, the conditions have become more favorable. The program funds are not just limited to the purchase of new homes but also for the rehabilitation projects as well. Council action would indicate their support of the program and intent to provide match funds.
- E. **Consider approval to allow the placement of Bell Tower replicas on the square.** Streets Committee reviewed a request to place a Bell Tower replica on each side of the square between the columns at each alley way for a period of one year.
- F. **Main Street Quarterly Update**

COUNCIL MEETING

November 13, 2018

5:30 P.M.

PRESENT: Ahrenholtz, Teeples, Sloan, Gordon

ABSENT: Wetrich

Mayor Berry presided.

No citizens spoke during the Open Forum.

On motion by Sloan, second by Teeples, the Council approved the following consent agenda October 23, 2018 Council Minutes, Hy-Vee, Class E Liquor License and payment of monthly bills form City funds.

AYE: Ahrenholtz, Sloan, Gordon, Teeples

NAY: None

On motion by Teeples, second by Gordon, the Council approved the appointment of David Schrunk to the Jefferson Fire Department as recommended by Chief Jack Williams.

AYE: Sloan, Ahrenholtz, Teeples, Gordon

NAY: None

RESOLUTION NO. 43-18

On motion by Gordon, second by Sloan, the Council approved Resolution No. 43-18, a resolution obligating funds from the Mark Bauer Subfund of the City of Jefferson Urban Renewal Tax Revenue Fund for appropriation to the payment of annual appropriation tax increment obligations scheduled to be paid in the next succeeding fiscal year, not to exceed \$43,000.00.

AYE: Gordon, Ahrenholtz, Teeples, Sloan

NAY: None

RESOLUTION NO. 44-18

On motion by Ahrenholtz, second by Gordon, the Council approved Resolution No. 44-18, a resolution obligating funds from the Jefferson Hotel Group Subfund of the City of Jefferson Urban Renewal Tax Revenue Fund for appropriation to the payment of annual appropriation tax increment obligations scheduled to be paid in the next succeeding fiscal year, not to exceed \$101,200.00.

AYE: Teeples, Ahrenholtz, Gordon, Sloan

NAY: None

Item D was removed from the Agenda.

RESOLUTION NO. 45-18

On motion by Ahrenholtz, second by Teeples, the Council approved Resolution No. 45-18, a resolution obligating funds from the Goodyear Tire Subfund of the City of Jefferson Urban Renewal Tax Revenue Fund for appropriation to the payment of annual appropriation tax increment obligations scheduled to be paid in the next succeeding fiscal year, not to exceed \$18,600.00.

AYE: Ahrenholtz, Gordon, Teeples, Sloan

NAY: None

RESOLUTION NO. 46-18

On motion by Gordon, second by Teeples, the Council approved setting a Public Hearing for November 27, 2018 at 5:30 o'clock p.m., on 2018-3 amendment to urban renewal plan for Jefferson Urban Renewal Area.

AYE: Sloan, Ahrenholtz, Teeples, Gordon
NAY: None

Chief of Police Mark Clouse and Police Captain Heath Enns from the Jefferson Police Department did a presentation on staffing.

The following bills were approved for payment from City funds:

ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT

This Economic Development Forgivable Loan Agreement is dated as of November 27, 2018, and is between the City of Jefferson, Iowa (the “**City**”), and Sky Blue Properties LLC, an Iowa limited liability company (the “**Developer**”).

The City has adopted an Urban Renewal Plan (the “**Urban Renewal Plan**” or the “**Plan**”) for the Jefferson Urban Renewal Area (the “**Urban Renewal Area**”), which Plan includes providing incentives to persons to make repairs and improvements to buildings in the Urban Renewal Area.

Developer is in the process of acquiring property in the Urban Renewal Area located at 1004 North Elm Street, legally described as follows:

Lot 1 of the South Three-fourths of the East Half of the Southeast Quarter of the Southeast Quarter of Section 6, Township 83 North, Range 30 West of the 5th P.M., in Jefferson, Greene County, Iowa, as described on plat of survey recorded July 11, 2017, in Book 132 at Page 492, as Instrument No. 2017-1291

(the “**Development Property**”).

Developer currently owns and operates an ACE hardware store located at 123 North Chestnut Street, in Jefferson. The available space at the current location is limited such that it is necessary for the Developer to find a new location in order to continue and expand its business in the Jefferson area.

Developer intends to purchase the Development Property and to invest an additional approximately \$260,000.00 to improve and remodel it to make it more suitable for the continuation and expansion of its business (the “**Project**”).

The Project will enable Developer to add approximately 176% to its existing sales area and to add one full time job.

Developer has requested the City to make it a \$75,000.00 economic development forgivable loan to cover part of its costs, which City is willing to do in accordance with the terms of this agreement.

Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, and other financial assistance to or for the benefit of private persons.

The parties therefore agree as follows:

1. **Loan Terms.** (a) The Loan. Subject to and on the terms set forth in this agreement City agrees to lend to Developer and Developer agrees to borrow from City the sum of \$75,000.00 (the “**Loan**”). The proceeds of the Loan shall be used only for the purpose of improving and upgrading the Development Property.

(b) Advance of Loan. City shall advance the proceeds of the Loan following closing to the Developer upon submission of a request for reimbursement, which shall be

supported with appropriate documentation that the Project costs have been incurred and any other evidence or documentation that City considers necessary. If the Developer fails to satisfy all conditions, requirements and terms prerequisite to the advance of the proceeds of the Loan from City to the Developer by the second anniversary of this agreement, or such later date as City in its discretion may approve in writing, the Loan commitment shall be considered rescinded.

(c) No Interest. The Loan will not bear interest.

(d) Payment Terms; Forgivable. The Loan is a forgivable loan, the principal of which, subject to Developer's fulfillment of the terms of this agreement, will be forgiven by the City in 10 equal annual installments of \$7,500.00 beginning on February 1, 2020.

(e) Note. At the time of closing Developer shall execute and deliver to City its \$75,000.00 promissory note, a copy of which is attached to this agreement as Exhibit A (the "**Note**").

2. **Security.** As security for the repayment of the Loan and for Developer's performance under this agreement, Developer shall provide to City a mortgage covering the Development Property, which mortgage shall be a second lien against the Development Property, subject only to a first mortgage held by Home State Bank as security for a loan in the amount of \$75,000.00 (the "**Development Property Second Mortgage**").

(This agreement, the Note, and the Development Property Second Mortgage are sometimes collectively referred to as the "**Loan Documents**").

3. **Conditions Precedent.** City's obligation to complete the transaction contemplated by this agreement shall be subject to the satisfaction of the following conditions precedent:

(a) Developer shall complete its purchase of the Development Property.

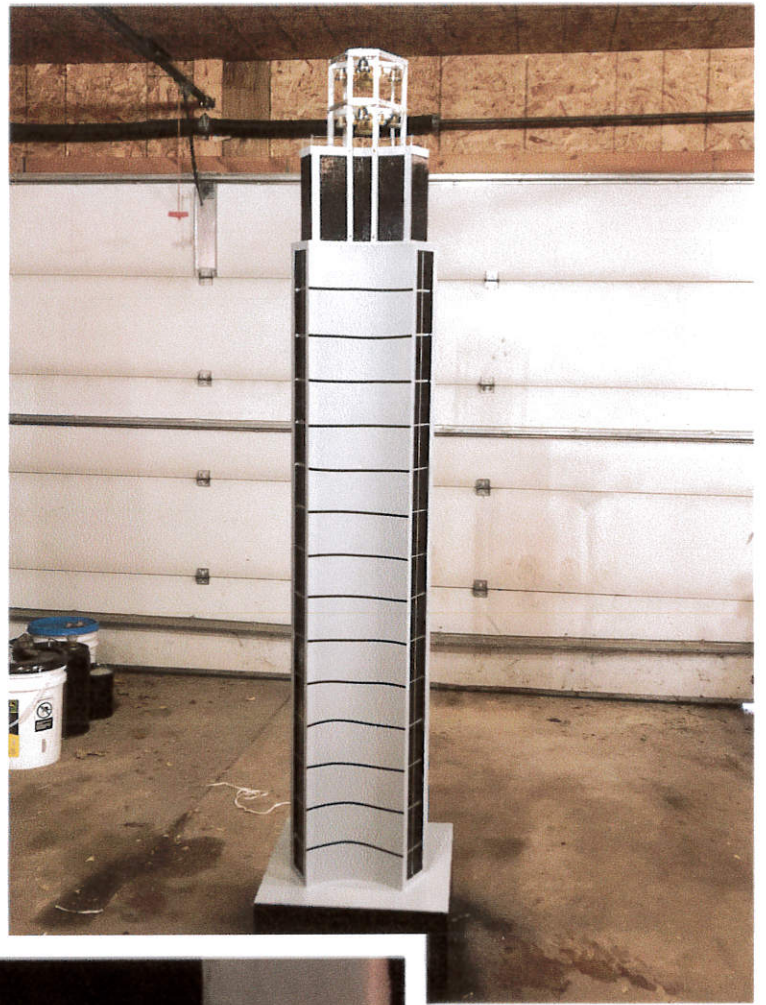
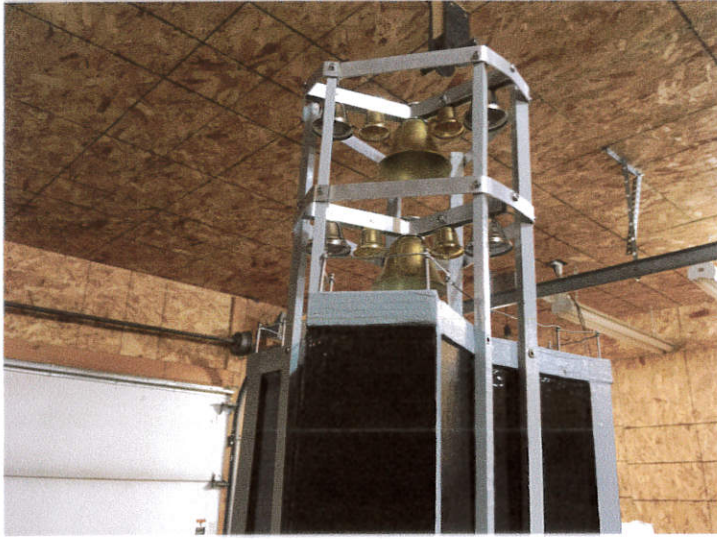
(b) City shall have received the Note and Development Property Second Mortgage.

(c) Supplemental Financing. City shall have received from Developer satisfactory evidence that Developer has obtained funds or received binding commitments for supplemental financing in the amount needed to ensure completion of the Project.

(d) Correctness of Warranties. All representations and warranties contained in this agreement or otherwise made to City in connection with this agreement shall be true and correct.

(e) No Event of Default. There shall exist no Event of Default, as defined in this agreement, and no condition, event or act which, with notice or lapse of time, or both, would constitute an Event of Default.

**The Mini-Bells of Jefferson
Project by Tower View Team of
Jefferson Matters: Main Street**



AGENDA

WATER/SEWER, STREET/SANITATION COMMITTEES TUESDAY, NOVEMBER 20, 2018, 12:00 NOON JEFFERSON CITY HALL

I. SEWER

- A. 2019-2020 Budget comments

II. WATER

- A. Review of water bills
- B. Water usage report
- C. 2019-2020 comments

III. STREETS

- A. Request to place Bell Tower display on the square.
- B. 2019-2020 Budget comments

IV. SANITATION/RECYCLE

- A. Waste collection report
- B. Recycling report
- C. 2019-2020 Budget comments

Jefferson Park & Recreation Commission AGENDA

Wednesday, November 21, 2018

12:00 pm Greene County Community Center

- I. Call to Order
- II. Roll Call
- III. Open Forum: This is a time for any concerned citizen to speak to the Board on an item that is not on the agenda. (Limit 3-5 minutes).
- IV. Approval of minutes for October
- V. Approval of bills for October 15-November 15
- VI. Old Business
 - a. Budget Report approval
- VII. New Business
 - a. Board positions for renewal Doug Meinecke and Mary Pedersen
 - b. President and Vice President appointment for 2019
- VIII. Reports
 - a. Wellness Report
 - b. Program Report
 - c. Directors Report
 - d. Parks Report
- IX. Adjournment-Next meeting Wednesday, December 19, 2018 at noon at the GCCC

Agenda Summary

Old Business

- A. Approval of Budget by board to be submitted to Diane Kennedy on November 30.

New Business

- A. Lee Horbach and Mary Pedersen current term for renewal is 2018.
- B. Doug Meinecke is Vice President and should move into the President's position for 2019. A Vice President needs to be determined for 2019.