

ORDINANCE NO. 416

AN ORDINANCE PROVIDING THAT GENERAL PROPERTY TAXES LEVIED AND COLLECTED EACH YEAR ON CERTAIN PROPERTY LOCATED WITHIN THE EARLHAM 2019 URBAN RENEWAL AREA, IN CITY OF EARLHAM, COUNTY OF MADISON STATE OF IOWA, BY AND FOR THE BENEFIT OF THE STATE OF IOWA, CITY OF EARLHAM, COUNTY OF MADISON, EARLHAM COMMUNITY SCHOOL DISTRICT, AND OTHER TAXING DISTRICTS, BE PAID TO A SPECIAL FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON LOANS, MONIES ADVANCED TO AND INDEBTEDNESS, INCLUDING BONDS ISSUED OR TO BE ISSUED, INCURRED BY THE CITY IN CONNECTION WITH THE EARLHAM 2019 URBAN RENEWAL AREA (2019 ORDINANCE AREA)

WHEREAS, the City Council of the City of Earlham, State of Iowa, after public notice and hearing as prescribed by law and pursuant to Resolution No. _____ passed and approved on the 25th day of November, 2019, adopted an Urban Renewal Plan (the "Urban Renewal Plan") for an urban renewal area known as the Earlham 2019 Urban Renewal Area (the "Urban Renewal Area"), which Urban Renewal Area includes the lots and parcels located within the area legally described as follows ("**2019 Ordinance Area**"):

Beginning at the northwest corner of Section 7, Township 77 North, Range 28 West of the 5th P.M., Madison County, Iowa; thence south, 810 feet to a point in the center of County Road P-57; thence east, 2640 feet more or less to a point on the east line of the Northwest $\frac{1}{4}$ of said Section 7; thence north along said east line, 810 feet to the north $\frac{1}{4}$ corner of said Section 7, said point also being the south $\frac{1}{4}$ corner of Section 6, Township 77 North, Range 28 West of the 5th P.M., Madison County, Iowa, thence north along the west line of lot 17 of Allen's Subdivision, an Official plat included in and forming a part of the city of Earlham, to the south right-of-way line of the Iowa Interstate Rail Road as presently established; thence along said south right-of-way line for a distance of 378.5 feet more or less; thence northeast to the southwest corner of Outlot "D" of Westphal Subdivision, an Official Plat, included in and forming a part of the city of Earlham; thence along the south line of said Outlot "D", also being the south line of the northeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of section 6; thence east along said south line to a point on the east line of said Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, thence north along said east line to the northeast corner of said Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, thence west along the north line of said Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, to the southeast corner of the West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of said Section 6; thence north along the east line of said West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$, 400.00 feet; thence west along a line being 400 feet north of and parallel with the south line of said West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$, 1260 feet more or less to a point on the east line of the Northwest $\frac{1}{4}$ of said Section 6; thence north 29 feet; thence west along a line being 429 feet north of and parallel with the south

line of said Northwest ¼ of Section 6, 597.5 feet; thence north 33 feet; thence west 54 feet more or less to a point being 1777.61 feet east, and 461.78 feet north of the West ¼ corner of said Section 6; thence north 726.76 feet; thence west 599.41 feet to a point on the east line of the west fractional ½ of the Northwest ¼ of said Section 6, thence south along said east line to a point of intersection of said east line and the extension of the south line of Outlot “X” of Williamson Addition Plat 2, an Official Plat, included in and forming a part of the city of Earlham; thence along said south line of Outlot “X”, to the northwest corner of NW Spruce Avenue right-of-way as presently established, and the south line of said Outlot “X”; thence south 35.89 feet along said line; thence west 669.67 feet along said line; thence south 30.31 feet along said line; thence west 160.02 feet along said line, to the west line of said section 6; thence north along said west line, 207.5 more or less to the north line of the south 858 feet of the south 46.17 acres of the north 66.17 acres of the East ½ of the Northeast ¼ of Section 1-77-29; thence west along the north line of said south 858 feet, and the north line of Parcels “A” and “B” of said section 1, 1038.06 feet to the Northwest corner of said parcel “B”; thence south along the west line of said parcel “B”, 709.20 feet; thence west along the north line of said parcel “B”, 286.27 feet to the west line of the East ½ of the Northeast ¼ of said Section 1; thence south along said west line, 90.00 feet; thence east, 133 feet, thence south 75 feet, thence west 133 feet to a point on the west line of the East ½ of the Northeast ¼ of said Section 1, thence south along said west line of said East ½, 363 feet to the southwest corner of the Southeast ¼ of the Northeast ¼ of said Section 1; thence east along the south line of said Section 1 to the point of beginning.

WHEREAS, expenditures and indebtedness are anticipated to be incurred by the City of Earlham, State of Iowa, in the future to finance urban renewal project activities carried out in furtherance of the objectives of the Urban Renewal Plan; and

WHEREAS, the City Council of the City of Earlham, State of Iowa, desires to provide for the division of revenue from taxation on the **2019 Ordinance Area** in the Urban Renewal Area, as above described, in accordance with the provisions of Section 403.19 of the Code of Iowa, as amended. [Note: The **2019 Ordinance Area** is the only portion of the Urban Renewal Area that will be included in this TIF Ordinance. The City may adopt a separate TIF ordinance(s) on other parcels/areas within the Urban Renewal Area. Therefore, the various TIF ordinances in this Urban Renewal Area will have different frozen bases and different expiration dates.]

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EARLHAM, STATE OF IOWA:

Section 1. That the taxes levied on the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area legally described in the preamble hereof, by and for the benefit of the State of Iowa, City of Earlham, County of Madison, Earlham Community School District, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in this Ordinance provided.

Section 2. That portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of

the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City of Earlham, State of Iowa, certifies to the Auditor of Madison County, Iowa the amount of loans, advances, indebtedness, or bonds payable from the division of property tax revenue described herein, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid.

Section 3. That portion of the taxes each year in excess of the base period taxes determined as provided in Section 2 of this Ordinance shall be allocated to and when collected be paid into a special tax increment fund of the City of Earlham, State of Iowa, hereby established, to pay the principal of and interest on loans, monies advanced to, indebtedness, whether funded, refunded, assumed or otherwise, including bonds or obligations issued under the authority of Section 403.9 or 403.12, Code of Iowa, as amended, incurred by the City of Earlham, State of Iowa, to finance or refinance, in whole or in part, urban renewal projects undertaken within the Urban Renewal Area pursuant to the Urban Renewal Plan, except that (i) taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2, Code of Iowa, and taxes for the instructional support program of a school district imposed pursuant to Section 257.19, Code of Iowa, (but in each case only to the extent required under Section 403.19(2), Code of Iowa); (ii) taxes for the payment of bonds and interest of each taxing district; (iii) taxes imposed under Section 346.27(22), Code of Iowa, related to joint county-city buildings; and (iv) any other exceptions under Section 403.19, Code of Iowa, shall be collected against all taxable property within the **2019 Ordinance Area** of the Urban Renewal Area without any limitation as hereinabove provided.

Section 4. Unless or until the total assessed valuation of the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area exceeds the total assessed value of the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area as shown by the assessment roll referred to in Section 2 of this Ordinance, all of the taxes levied and collected upon the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area shall be paid into the funds for the respective taxing districts as taxes by or for the taxing districts in the same manner as all other property taxes.

Section 5. At such time as the loans, advances, indebtedness, bonds and interest thereon of the City of Earlham, State of Iowa, referred to in Section 3 hereof have been paid, all monies thereafter received from taxes upon the taxable property in the **2019 Ordinance Area** of the Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

Section 6. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed. The provisions of this Ordinance are intended and shall be construed so as to fully implement the provisions of Section 403.19, Code of Iowa, as amended, with respect to the division of taxes from property within the **2019 Ordinance Area** of the Urban Renewal Area as described above. In the event that any provision of this Ordinance shall be determined to be contrary to law, it shall not affect other provisions or application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19, Code of Iowa, with reference to the **2019 Ordinance Area** of the Urban Renewal Area and the territory contained therein.

Section 7. This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

PASSED AND APPROVED this _____ day of _____, 2019.

Mayor

ATTEST:

City Clerk

Read First Time: _____, 2019

Read Second Time: _____, 2019

Read Third Time: _____, 2019

PASSED AND APPROVED: _____, 2019.

I, _____, City Clerk of the City of Earlham, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2019, signed by the Mayor on _____, 2019, and published in the Earlham Echo on _____, 2019.

City Clerk, City of Earlham, State of Iowa

(SEAL)