

TEMPLETON CITY COUNCIL
OCTOBER 14, 2016
7:00 A.M. – TEMPLETON CITY HALL

The Templeton City Council met on this fourteenth day of October 2016 at 7:00 o'clock a.m. at City Hall, Templeton, Iowa. The meeting was called to order by Mayor Behrens, and the roll was called showing the following named Council Members present and absent:

Present: Doyle Engelen, Dave Ramsey, Joe Irlbeck, Mark Bauer, & Alex Schoeppner

Absent: None

Others in attendance: Mayor Ken Behrens, City Clerk Rhonda Schwaller, & Public Works Director Dale Prebeck, & Joe Behrens

Approval of Agenda: A motion was made by Engelen and seconded by Bauer to approve the agenda. All present voted in favor of the motion and the motion was carried.

Citizen's Forum: None

Council Member Engelen introduced and moved for the adoption of resolution entitled "A Resolution of the City Council of the City of Templeton, Iowa Approving the Application of Templeton Rye Spirits, LLC to the Iowa Economic Development Authority High Quality Jobs Program", seconded by Council Member Ramsey. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Bauer, Schoeppner, Ramsey, Engelen, & Irlbeck

Nays: None

Whereupon, the Mayor declared the resolution duly adopted, as follows.

RESOLUTION NO. 1160-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLETON, IA APPROVING THE
APPLICATION OF TEMPLETON RYE SPIRITS, LLC TO THE IOWA ECONOMIC
DEVELOPMENT AUTHORITY HIGH QUALITY JOBS PROGRAM

WHEREAS, the City of Templeton has received a request by Templeton Rye Spirits, LLC to approve and submit an application to the State of Iowa for the High Quality Jobs Program.

WHEREAS, the programs were established to promote Economic Development and Job Creation in the State of Iowa, and

WHEREAS, the City Council supports activities which promote and facilitate Economic Development in Templeton; and

WHEREAS, Templeton Rye Spirits, LLC had indicated they will:

1. Create 27 new full-time, or career positions.
2. Provide comprehensive health benefits to its employees.
3. Make a capital investment of approximately \$26.1 million.

NOW, THEREFORE, BE IT RESOLVED by the City of Templeton, Iowa City Council:

- a. The Templeton City Council approves the application of Templeton Rye Spirits, LLC for the purpose of receiving benefits from the High Quality Jobs Program.
- b. The Templeton City Council approves the local match policy requirement of the Iowa Economic Development Authority and approves a local match in the approximate amount of \$254,352 through infrastructure improvements, tax abatement, tax increment financing, or a combination of any of these programs over a five-year period.
- c. The City will continue to work with Templeton Rye Spirits, LLC and IEDA to determine the most appropriate, feasible, and acceptable manner by which the City can provide the minimum required matching funds to meet the High Quality Jobs Program requirements.
- d. The City will also work with Templeton Rye Spirits, LLC as the project progresses and develops to consider any other additional incentives that may be mutually beneficial to the parties and enhance the overall project and its impact on the Templeton community.
- e. The Templeton City Council authorizes the Mayor and City Clerk to take such further actions as deemed necessary in order to carry into effect the provisions of this Resolution.

PASSED, APPROVED, AND ADOPTED this 14th day of October, 2016.

Ken F. Behrens, Mayor

Rhonda Schwaller, City Clerk

Council Member Ramsey introduced and moved for the adoption of resolution entitled "Resolution Approving Development Agreement with Waspy's Templeton, L.L.C., Authorizing Annual Appropriation Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement", seconded by Council Member Irlbeck. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Ramsey, Schoeppner, Irlbeck, Engelen, & Bauer

Nays: None

Whereupon, the Mayor declared the resolution duly adopted, as follows:

RESOLUTION #1161-16

Resolution Approving Development Agreement with Waspy's-Templeton, L.L.C., Authorizing Annual Appropriation Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement

WHEREAS, the City of Templeton, Iowa (the "City"), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Templeton Urban Renewal Area (the "Urban Renewal Area"); and

WHEREAS, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa (the "Urban Renewal Tax Revenue Fund"), which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

WHEREAS, a certain development agreement (the "Agreement") between the City and Waspy's-Templeton, L.L.C. (the "Company") has been prepared in connection with the construction of a new convenience store/truck stop facility for use in its business operations and the corresponding public infrastructure in the Urban Renewal Area (the "Waspy's Project"); and

WHEREAS, under the Agreement, the City would provide annual appropriation tax increment payments to the Company in a total amount not exceeding \$75,000; and

WHEREAS, this City Council, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Agreement on October 3, 2016, and has otherwise complied with statutory requirements for the approval of the Agreement; and

WHEREAS, Chapter 15A of the Code of Iowa ("Chapter 15A") declares that economic development is a public purpose for which a City may provide grants, loans, tax incentives, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans, tax incentives or other financial assistance, a City Council must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that in determining whether funds should be spent, a City Council must consider any or all of a series of factors;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Templeton, Iowa, as follows:

Section 1. Pursuant to the factors listed in Chapter 15A, the City Council hereby finds that:

(a) The Waspy's Project will add diversity and generate new opportunities for the Templeton and Iowa economies;

(b) The Waspy's Project will generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed financial incentives.

Section 2. The City Council further finds that a public purpose will reasonably be accomplished by entering into the Agreement and providing the incremental property tax payments to the Company.

Section 3. The Agreement is hereby approved and the Mayor and City Clerk are hereby authorized and directed to execute and deliver the Agreement on behalf of the City, in substantially the form and content in which the Agreement has been presented to this City Council, and such officers are also authorized to make such changes, modifications, additions or deletions as they, with the advice of bond counsel, may believe to be necessary, and to take such actions as may be necessary to carry out the provisions of the Agreement.

Section 4. All payments by the City under the Agreement shall be subject to annual appropriation by the City Council, in the manner set out in the Agreement. As provided and required by Chapter 403 of the Code of Iowa, the City's obligations under the Agreement shall be payable solely from a subfund (the "Waspy's Subfund") which is hereby established, into which shall be paid that portion of the income and proceeds of the Urban Renewal Tax Revenue Fund attributable to property taxes derived from the property described as follows:

Certain real property situated in the City of Templeton, County of Carroll, State of Iowa legally described as follows:

Lot 1 of the Northwest Quarter of the Southwest Quarter of Section 16, Township 82 North, Range 35 West of the 5th P.M., Carroll County, Iowa.

Section 5. The City hereby pledges to the payment of the Agreement the Waspy's Subfund and the taxes referred to in Subsection 2 of Section 403.19 of the Code of Iowa to be paid into such Subfund, provided, however, that no payment will be made under the Agreement unless and until monies from the Waspy's Subfund are appropriated for such purpose by the City Council.

Section 6. After its adoption, a copy of this resolution shall be filed in the office of the County Auditor of Carroll County to evidence the continuing pledging of Waspy's Subfund and the portion of taxes to be paid into such Subfund and, pursuant to the direction of Section 403.19 of the Code of Iowa, the Auditor shall allocate the taxes in accordance therewith and in accordance with the tax allocation ordinance referred to in the preamble hereof.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved this 14th day of October, 2016.

Mayor

Attest:

City Clerk

Council Member Irlbeck reported he talked to Craig Nielsen regarding purchasing additional property for a possible expansion of the wastewater lagoon system. No further action taken.

At 7:30 o'clock a.m. and with no further business before the council at that time, they agreed to adjourn. Engelen moved to adjourn and Ramsey seconded the motion. All in favor, motion carried.

Ken F. Behrens, Mayor

Rhonda Schwaller, City Clerk