

September 8, 2015

Thirty-seventh Day

The Worth County Board of Supervisors met pursuant to adjournment with Ken Abrams, Dave Haugen and Merlin Bartz present.

Unless otherwise indicated, all of the following **motions** offered at this meeting were carried with the following vote: Ayes: Haugen, Bartz and Abrams. Nays: none. Abstentions: none. Absent: none

Motion by Haugen, second by Bartz, carried to approve the August 31, 2015 board minutes and the agenda.

Motion by Haugen, second by Bartz, carried to approve clerk of court and sheriff's monthly report.

Motion by Haugen, second by Bartz, carried to approve payroll eligibility verification for Emily J. Eilertson at \$11.50/hour as submitted by public health.

Motion by Haugen, second by Bartz, carried to approve recess the regular meeting.

Motion by Haugen, second by Bartz, carried to open the public hearing at 9:37 A.M. to approve a Development Agreement and Tax Increment payments and authorize an internal TIF loan.

Motion by Bartz, second by Haugen, carried to close the public hearing at 9:38 A.M.

Motion by Haugen, second by Bartz, carried to approve **RESOLUTION 9.8.2015**

Approving Development Agreement with New Heaven Chemical, Authorizing Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement and Authorizing Loan to Tax Increment Revenue Fund

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

WHEREAS, this Board 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 County 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, the County and New Heaven Chemical, Inc. (the "Company") have proposed to enter into an agreement (the "Agreement"), pursuant to which the Company would construct a manufacturing facility in the Urban Renewal Area (the "New Heaven Chemical Project") and the County would provide tax increment payments in a total amount not exceeding \$250,000 (the "Payments") to the Company; and

WHEREAS, in order to make \$30,000 of the Payments eligible to be paid from future incremental property tax revenues to be generated by the New Heaven Chemical Project, it is necessary to create an internal TIF debt; and

WHEREAS, this Board of Supervisors, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Agreement on September 8, 2015, 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 County 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 Board of Supervisors 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 Board of Supervisors must consider any or all of a series of factors;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors of Worth County, Iowa, as follows:

Section 1. Pursuant to the factors listed in Chapter 15A, the Board hereby finds that: The New Heaven Chemical Project will add diversity and generate new opportunities for the Worth County and Iowa economies; The New Heaven Chemical 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 property tax incentives.

Section 2. The Board further finds that a public purpose will reasonably be accomplished by entering into the Agreement and providing the property tax payments to New Heaven Chemical, Inc.

Section 3. The Agreement is hereby approved and the Chairperson and County Auditor are hereby authorized and directed to execute and deliver the Agreement on behalf of the County, in substantially the form and content in which the Agreement has been presented to this Board of Supervisors, 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. As provided and required by Chapter 403 of the Code of Iowa, the County’s obligations under the Agreement shall be payable solely from a 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:

A PORTION OF THE NORTHEAST QUARTER OF SECTION 16 TOWNSHIP 98 NORTH, RANGE 20 WEST OF THE 5TH P.M., WORTH COUNTY, IOWA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH ¼ CORNER OF SAID SECTION 16;
THENCE SOUTH 00 DEGREES 04 MINUTES 37 SECONDS EAST ALONG THE MID-SECTION LINE OF SAID SECTION, A DISTANCE OF 1,653.25 FEET;
THENCE DEPARTING SAID SECTION LINE, NORTH 89 DEGREES 55 MINUTES 23 SECONDS EAST, A DISTANCE OF 1,183.17 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 85 DEGREEES 53 MINUTES 21 SECONDS EAST, A DISTANCE OF 160 .00 FEET;
THENCE SOUTH 04 DEGREEES 06 MINUTES 48 SECONDS EAST, A DISTANCE OF 550.00 FEET;
THENCE SOUTH 85 DEGREEES 53 MINUTES 08 SECONDS WEST, A DISTANCE OF 160 .00 FEET;
THENCE NORTH 04 DEGREEES 06 MINUTES 47 SECONDS WEST, A DISTANCE OF 550.01 FEET TO POINT OF BEGINNING.

(the “New Heaven Chemical Subfund”).

Section 5. The County hereby pledges to the payment of the Agreement the New Heaven Chemical Subfund and the taxes referred to in Subsection 2 of Section 403.19 of the Code of Iowa to be paid into such Subfund.

Section 6. There is hereby created the New Heaven Economic Development Urban Renewal Area Tax Increment Revenue Fund (the "Tax Increment Revenue Fund"), into which all revenues received in the New Heaven Chemical Subfund shall be deposited.

Section 7. It is hereby directed that \$30,000 be advanced to the Tax Increment Revenue Fund from the County's Rural Services Trust Fund, in order to make an economic development grant to the Company at the time of plant start-up. This advance shall be treated as a loan (the "Loan") to the Tax Increment Revenue Fund and shall be repaid to the County's Rural Services Trust Fund out of incremental tax revenues received in the New Heaven Chemical Subfund.

Section 8. The Tax Increment Revenue Fund is hereby pledged to the repayment of the Loan and a copy of this resolution shall be filed in the office of the County Auditor to evidence this pledge and to evidence the continuing pledge of the New Heaven Chemical 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 9. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved this 8th day of September, 2015.

Kenneth J. Abrams, Chairperson; Attest: Jacki A. Backhaus, County Auditor

Motion by Abrams, second by Haugen, carried to approve Rognes Bros. Excavating bid estimate of \$46,500 to clean 7,000 feet of the DD #46 drainage ditch in Section 13, Silver Lake Township.

Motion by Bartz, second by Haugen, carried to approve the appointment of Marty Knudson to the Manly Board of Adjustment as the resident of the unincorporated area outside the city limits, but within two (2) miles on all sides of the said city limits.

Motion by Bartz, second by Haugen, carried to approve \$9.50/hour as the wage for Precinct Election Officials as requested by the auditor's office.

Motion by Haugen, second by Bartz, carried to adjourn at 10:36 A.M. The next meeting of the Board of Supervisors will be Monday, September 14, 2015 at 9:00 A.M.

Jacki A. Backhaus, Auditor

Kenneth J. Abrams, Chairperson