

CITY COUNCIL MEETING  
RAND CENTER  
OCTOBER 15, 2013  
5:00 P.M.

Mayor Sargent called the workshop to order at 5:00 p.m. with the following Council members present: Dillinger, Isom, Wentworth, Ratliff and Struble. Also present was City Clerk/Administrator Miller. Bob Josten joined the meeting via conference call. Mr. Josten explained TIF districts and rebates. Council discussed the proposal from Longview Home with consensus being they were willing to give the 100% TIF rebate if Longview put in the sewer line, but there would be no advantage to the City to TIF if the line isn't put in. City would pick up 10% of the sewer line cost with the remainder to be split between Longview and Sunnyside Village. Council discussed extending the Urban Renewal area to include additional ground to spur development.

The workshop was closed at 5:55 p.m.

Mayor Sargent opened the regular session at 6:00 p.m. Roll call stands. Visitors were: John Riley, Leonard Johnson, Georgia Johnson Adam Bellis, Bobby Fairchild, Tom Allen, Curtis Wohlers, Bill Bugenhagen, Beth Wohlers, Brent Ott, Kim Ott, Kristin Janssen and Mark Mahoney.

The Pledge of Allegiance was recited.

Moved by Council member Dillinger to approve the agenda as presented, seconded by Council member Struble. Motion carried on a 5-0 vote.

Moved by Council member Wentworth to approve the consent agenda, seconded by Council member Dillinger. Motion carried on a 5-0 vote.

Citizens expressed concerns regarding a vacant house in their neighborhood. City Clerk/Administrator Miller reported the building inspector had made contact with the property owners and had been able to do an inspection. A building permit for roof repair had been issued. Mr. Mowery would be following up on that and nuisance abatement issues on the property.

Moved by Council member Wentworth to pursue TIF funding for Longview Home contingent upon sewer being installed with the City obligated to no more than 10% of the sewer project costs, and 100% TIF rebate to Longview Home for 10 years. Council member Struble seconded the motion. City Clerk/Administrator Miller will send a letter to Longview Home and Sunnyside Village requesting a commitment to participate in the project as set out in the city engineer's proposal. Upon receipt of the letters, the City will proceed with setting up the Urban Renewal Area and TIF district.

Moved by Council member Dillinger to approve Resolution 13-20, "Resolution Relating To Financing Of A Proposed Project To Be Undertaken By The City Of Missouri Valley, Iowa; Establishing Compliance With Reimbursement Bond Regulations Under The Internal Revenue Code", seconded by Council member Struble. Motion carried on a 5-0 vote.

RESOLUTION 13-20

RESOLUTION RELATING TO FINANCING OF A PROPOSED PROJECT TO  
BE UNDERTAKEN BY THE CITY OF MISSOURI VALLY, IOWA;  
ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND  
REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council (the "Council") of the City of Missouri Valley, Iowa (the "City"), as follows:

Section 1. Recitals.

(a) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the "Regulations") dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse the City for project expenditures made by the City prior to the date of issuance.

(b) The Regulations generally require that the City make a prior declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing and that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within a certain period after the payment of the expenditure or the date the project is placed in service; and

(c) The City desires to comply with requirements of the Regulations with respect to certain projects hereinafter identified.

Section 2. Official Intent Declaration.

(a) The City proposes to undertake the following projects and to make original expenditures with respect thereto prior to the issuance of bonds, notes or other obligations (the "Bonds") and reasonably expects to issue the Bonds for such projects in the maximum principal amount shown below:

<u>Project</u>	<u>Maximum Amount of Bonds Expected to be Issued for Project</u>
Fire Station Project, including land acquisition	\$2,500,000.00

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds or (ii) expenditures made no earlier than sixty days prior to the date of this Resolution or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the

proceeds of the Bonds or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the projects have heretofore been made by the City for which the City will seek reimbursement from the proceeds of the Bonds.

(c) This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Budgetary Matters.

As of the date hereof, there are no City funds reserved, allocated on a long term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long term basis or otherwise set aside) to provide permanent financing for the expenditures related to the projects, other than pursuant to the issuance of the Bonds. This resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof, all within the meaning and content of the Regulations.

Section 4. Reimbursement Allocations.

The City's financial officer shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make payment of the prior costs of the projects. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the Bonds, shall specifically identify the actual prior expenditure being reimbursed or, in the case of reimbursement of a fund or account, the fund or account from which the expenditure was paid, and shall be effective to relieve the proceeds of the Bonds from any restriction under the bond resolution or other relevant legal documents for the Bonds, and under any applicable state statute, which would apply to the unspent proceeds of the Bonds.

Section 5. Repealer.

All resolutions, parts of resolutions, or actions of the council in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved this 15<sup>th</sup> day of October , 2013.

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Clint Sargent, Mayor

Attest:

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Rita M. Miller  
City Clerk/Administrator

## REIMBURSEMENT RESOLUTION SYNOPSIS

This is a synopsis of Resolution 13-20 "Resolution Relating To Financing Of A Proposed Project To Be Undertaken By The City Of Missouri Valley, Iowa; Establishing Compliance With Reimbursement Bond Regulations Under The Internal Revenue Code".

Resolution 13-20 serves as a public declaration by the City of its intention to potentially issue bonds or other tax exempt indebtedness in order to fund a municipal fire station project (the "Fire Station Project") and the corresponding acquisition of land. The functionality of this Resolution is to allow the City, as needed, to begin making cash expenditures related to the Fire Station Project from City funds on-hand in advance of actually borrowing money. This Resolution does not oblige the City to borrow any money or to spend any money on the Fire Station Project. Those decisions will be made at the discretion of the City Council in the months to come. Rather, this Resolution simply preserves the ability of the City to be reimbursed for any cash expenditures it determines to make for the Fire Station Project from monies to be borrowed under a tax exempt financing in the future. This type of Resolution and public declaration is required by the Internal Revenue Code in connection with the issuance of tax exempt municipal bonds or other indebtedness.

Kristin Janssen presented a proposal requesting a City contribution toward the school's softball/baseball field repairs. General consensus of Council was that they were not in favor of using taxpayer dollars to support another taxing entity. Moved by Council member Dillinger to deny the request, seconded by Council member Wentworth. Motion carried 4-1 with Council member Isom voting nay.

Georgia Johnson presented the Park Board's request for participation in Mid-American Energy's tree grant. They are asking for a \$1,000 match, which can be in-kind. Moved by Council member Struble to approve the grant application and provide a letter of commitment for \$1,000 match, seconded by Council member Dillinger. Motion carried on a 5-0 vote.

Council considered whether to apply for the CDBG housing rehabilitation grant again. Jeremy Middents, SWIPCO, had some suggestions on how the City could improve its' standing. Consensus was to work with SWIPCO and pursue the grant again.

Moved by Council member Struble to approve the 2013 Urban Renewal/TIF report, seconded by Council member Wentworth. Motion carried on a 5-0 vote.

Moved to adjourn by Council member Struble, seconded by Council member Wentworth. Motion carried on a 5-0 vote. Meeting adjourned at 6:44 p.m.

Clint Sargent, Mayor

Attest:  
Rita Miller  
City Clerk/Administrator