

CITY OF JEFFERSON, IOWA

URBAN RENEWAL PLAN AMENDMENT
JEFFERSON URBAN RENEWAL AREA

June, 2025

The Urban Renewal Plan (the "Plan") for the Jefferson Urban Renewal Area (the "Urban Renewal Area") of the City of Jefferson, Iowa (the "City") is being amended for the purposes of adding certain real property to the Urban Renewal Area and identifying new urban renewal projects to be undertaken in the Urban Renewal Area.

1) Addition of Property. The real property (the "Property") generally described on Exhibit A hereto is, by virtue of this Amendment, being added as the June, 2025 Addition to the Urban Renewal Area. With the adoption of this Amendment, the City will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Urban Renewal Area. The City may adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

2) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following project descriptions:

A.

Name of Project: Middle School Building Redevelopment Project

Date of Council Approval of Project: June 10, 2025

Description of the Project and Project Site: 203 W Harrison LLC (the "Developer") has undertaken the redevelopment (the "Redevelopment Project") of a former middle school building situated at 203 W. Harrison Street in the Urban Renewal Area into a multifamily housing complex.

The Redevelopment Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and facilitate economic development in the Urban Renewal Area.

The costs incurred by the City in providing financial assistance to the Developer will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$7,500.

Description of Use of TIF for the Project: The City intends to enter into a development agreement (the "Agreement") with the Developer with respect to the construction of the completed Redevelopment Project and to provide an economic development forgivable loan (the "Forgivable Loan") to the Developer thereunder. The

Forgivable Loan will be funded with borrowed funds and/or internal advances of City funds on hand. In any case, the City's obligations (the "Obligations") may be repaid with incremental property tax revenues to be derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues to repay the Obligations will not exceed \$300,000, plus the Admin Fees and any interest expense incurred on the Obligations.

B.

Name of Project: Parkland Development Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The City will undertake the acquisition of certain real property situated at 203 W. Harrison Street and 204 W. Madison Street (the "City Parkland Property") in the Urban Renewal Area. The Parkland Development Project will involve the demolition and removal of existing hardscape improvements on the City Parkland Property, followed by the development and installation of new green space, landscaping, and associated park amenities for use as a City Park.

The Parkland Development Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and encourage future economic development in the Urban Renewal Area.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Parkland Development Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Parkland Development Project will not exceed \$250,000, plus any interest expense incurred by the City on the Obligations.

C.

Name of Project: Public Parking Lot Development Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The City will undertake the acquisition of certain real property situated at 213 S. Vine Street, 215 S. Vine Street and 214 S. Wilson Street (the "City Parkland Property") in the Urban Renewal Area. The Public Parking Lot Development Project will involve construction of parking facilities, including lighting, landscaping, and other site amenities to serve as public parking lot.

The Public Parking Lot Development Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and encourage future economic development in the Urban Renewal Area.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Public Parking Lot Development Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Parkland Development Project will not exceed \$200,000, plus any interest expense incurred by the City on the Obligations.

D.

Name of Project: Jefferson Municipal Golf Course Improvements Project (the "Golf Course Project")

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The City will undertake the acquisition of the Greenwood Community Center building situated at 401 W. Greenwood Road in the Urban Renewal Area to serve as a new clubhouse facility for the Jefferson Municipal Golf Course. The City will also undertake the construction of related improvements including grading, the installation of new golf cart paths and parking lot improvements to accommodate the new clubhouse facility.

It is anticipated that the Golf Course Project will have a positive impact on commerce, tourism and economic development in the Urban Renewal Area through the provision of enhanced recreational amenities.

Description of Use of TIF: It is anticipated that the City will pay for the Golf Course Project with borrowed funds and/or the proceeds of internal advances of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with Incremental Property Tax Revenues derived from the Urban Renewal Area. It is anticipated that the City's use of Incremental Property Tax Revenues for the Golf Course Project will not exceed \$1,000,000, plus any interest expense incurred on the Obligations.

Analysis of Use of TIF: In accordance with the requirement of Section 403.5(2)(b)(1) of the Code of Iowa, the City has analyzed its proposed use of Incremental Property Tax Revenues for the funding of the Golf Course Project and alternative development and funding options for the Golf Course Project. The results of that analysis are summarized as follows:

1) Alternate Development Options: The City Council has determined that a need exists for the provision of enhanced recreational facilities in the City. The Jefferson Municipal Golf Course has enhanced the quality of life in the City thereby resulting in residential and commercial growth in the City. Further, there have been no other development proposals for the repurposing of the existing Greenwood Community Center building.

2) Alternate Financing Options:

* Local Option Sales and Services Tax Revenues: Local Option Sales and Services Tax Revenues are unavailable to assist with the Golf Course Project because such Revenues have been allocated to other projects in the City.

* General Fund: The City's General Fund reserves are fully committed to maintain the operational integrity of the City. The City cannot access its General Fund reserves to aid in funding the Golf Course Project without risking unsound fiscal practice.

* Capital Improvements Levy: The City does not have a Capital Improvements Levy available, and the imposition of such additional levy would require a successful referendum, which is not feasible at this time.

* Debt Service Levy: The City intends to use its urban renewal authority to issue general obligation bonds (the "Bonds") to pay the costs of the Golf Course Project. The City may use incremental property tax revenues derived from the Urban Renewal Area to pay a portion of the principal of and interest on the Bonds. The use of incremental property tax revenues would lessen the burden on individual taxpayers that will result from a spike in the debt service levy rate and will shift that burden onto valuation increases resulting from the City's successful economic development initiatives which are improved by the provision of enhanced municipal golf course facilities.

* Utility Surpluses: The City does not have identified surpluses in its sewer and/or water utility funds that could aid in the funding of the Golf Course Project.

E.

Name of Project: Storm Water Drainage Improvements Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The Storm Water Drainage Improvements Projects being undertaken by the City in the Urban Renewal Area will consist of cleaning, improving and reconstructing as needed the portion of the City's storm water drainage systems serving (1) the Greene County Fairgrounds and certain properties situated south and east thereof; and (2) certain properties situated east of Cedar Street between Central Avenue and Lincoln Way.

It is expected that the completed Storm Water Drainage Improvements Project will cause increased and improved ability of the City to provide adequate storm water drainage infrastructure for the growth and retention of commercial and industrial enterprises in the Urban Renewal Area.

Description of Properties to be Acquired in Connection with Project: The City will acquire such easement territory and rights-of-way as are necessary to successfully undertake the Storm Water Drainage Improvements Project.

Description of Use of TIF: It is anticipated that the City will pay for the Storm Water Drainage Improvements Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues to be derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Storm Water Drainage Improvements Project will not exceed \$500,000, plus any interest expense incurred by the City on the Obligations.

F.

Name of Project: Economic Development Demolition and Site Preparation Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The Economic Development Demolition and Site Preparation Project (the "Blight Alleviation Project") will consist of the acquisition by the City of certain parcels (as identified below) situated in the Urban Renewal Area. The City will undertake the demolition of existing buildings and site preparation on such parcels in order to encourage future economic development thereon.

Description of Properties to be Acquired in Connection with Project: The City may acquire the parcels situated at the following addresses in the Urban Renewal Area:

1006 E. Lincoln Way
1012 E. Lincoln Way

The City will also acquire certain easement territory and rights-of-way as are necessary to successfully undertake Economic Development Demolition and Site Preparation Project.

Description of Use of TIF: It is anticipated that the City will pay for the Economic Development Demolition and Site Preparation Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Economic Development Demolition and Site Preparation Project will not exceed \$100,000, plus any interest expense incurred by the City on the Obligations.

G.

Name of Project: E. Lincoln Way Economic Development Local Business Support Program

Date of Council Approval of Project: June 10, 2025

Description of Program: The City acknowledges the importance of the success of local businesses to the promotion of economic development in the City and the Urban Renewal Area. The E. Lincoln Way Economic Development Local Business Support Program is designed to provide public support to the development and improvement of local businesses situated in the E. Lincoln Way Corridor in the Urban Renewal Area. The City will provide fiscal support to qualifying local business owners through the provision of economic development forgivable loans and/or grants (the "Financial Incentives").

The Financial Incentives will be targeted to assist local business owners with (i) façade improvement projects; (ii) repairs and improvements to roofs; (iii) exterior and interior wall improvements; (iv) foundation and façade improvements; (v) flooring, ceiling, electrical, plumbing and HVAC improvements; and (vi) other projects approved by or at the direction of the City Council. The City will develop appropriate materials, including agreements and applications, for the administration of the E. Lincoln Way Economic Development Local Business Support Program.

Description of Use of TIF: It is anticipated that the City will fund the Financial Incentives with borrowed funds and/or with the proceeds of internal advances of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the City in connection with the E. Lincoln Way Economic Development Local Business Support Program will not exceed \$1,000,000 over the course of the City's 2026 through 2030 fiscal years, plus any interest expense incurred by the City on the Obligations.

H.

Name of Program: Urban Renewal Administration and Professional Support Program (the "Admin Program")

Date of Council Approval of Program: June 10, 2025

Description of Program: The City will provide administrative and professional support to its urban renewal projects and initiatives in the City's 2027 through 2031 fiscal years. This support will include planning, staffing, grant writing and administration, document support, record management, site recertification, accounting, legal services and such other services as are necessary to carry out and effectuate the urban renewal initiatives and objectives of the City.

Description of Use of TIF: The City's annual contributions to the Admin Program will be determined from year to year. It is anticipated that the City will pay for the Admin Program with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The total amount of incremental property tax revenues to be applied to the City's Admin Program for the City's fiscal years 2027 through 2031 shall not exceed \$500,000, plus any interest expense incurred on the Obligations.

I.

Name of Project: 2027-2031 Greene County Development Corp. Support Program

Date of Council Approval of Project: June 10, 2025

Description of Program: The City Council acknowledges the importance of the Greene County Development Corp. in the ongoing promotion of economic development in the Urban Renewal Area. The City intends to provide economic development support payments to Greene County Development Corp. for a period of five (5) fiscal years. In return for said support payments, Greene County Development Corp. will commit to undertaking efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

Description of Use of TIF: It is anticipated that the City will pay for the Greene County Development Corp. Support Program with a combination of proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the City in connection with the Greene County Development Corp. Support Program will not exceed \$250,000 over the course of the City's 2027 through 2031 fiscal years, and the City's annual contributions will be determined from year to year.

J.

Name of Project: 2027-2031 Jefferson Matters-Main Street Support Program

Date of Council Approval of Project: June 10, 2025

Description of Program: The City Council acknowledges the importance of the Jefferson Matters-Main Street in the ongoing promotion of economic development in the Urban Renewal Area. The City intends to provide economic development support payments to Jefferson Matters-Main Street for a period of five (5) fiscal years. In return for said support payments, Jefferson Matters-Main Street will commit to undertaking efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

Description of Use of TIF: It is anticipated that the City will pay for the Jefferson Matters-Main Street with a combination of proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the City in connection with the Jefferson Matters-Main Street will not exceed \$350,000 over the course of the City's

2027 through 2031 fiscal years, and the City's annual contributions will be determined from year to year.

3) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$18,383,630</u>
Outstanding general obligation debt of the City:	<u>\$</u>
Proposed debt to be incurred in area to be added in connection with this June, 2025 Amendment*:	<u>\$ 4,457,500</u>

*It is anticipated that some or all of the debt incurred hereunder may be made subject to annual appropriation by the City Council.

EXHIBIT A
JEFFERSON URBAN RENEWAL AREA
JUNE, 2025 ADDITION

Certain real property situated in the City of Jefferson, Greene County, State of Iowa bearing Greene County Property Tax Parcel Identification Numbers:

1105400013, 1105391001, 1105391002, 1105391003, 1105400010, 1108201005, 1108130009, 1108130008, 1108130003, 1108130004, 1108130005, 1108130006, 1108130007, 1108134001, 1108134008, 1108134005, 1108134006, 1108134007, 1108201004, 1108138001, 1108138003, 1108138004, 1108201003, 1108138002, 1108179001, 1108179002, 1108179003, 1108179004, 1108251001, 1108251002, 1108251003, 1108251007, 1108251005, 1108251008, 1108276001, 1108183001, 1108183002, 1108252001, 1108252002, 1108252009, 1108252003, 1108252010, 1108183007, 1108183004, 1108183005, 1108183006, 1108184001, 1108252004, 1108252005, 1108252006, 1108252007, 1108192001, 1108192008, 1108193001, 1108253002, 1108252008, 1108252010, 1108192003, 1108192005, 1108192006, 1108197001, 1108197010, 1108197011, 1108197009, 1108198001, 1108253003, 1108253004, 1108253006, 1108253007, 1108253020, 1108253018, 1108253022, 1108253021, 1108253013, 1108253012, 1108253016, 1108253014, 1108253017, 1108276003, 1108276004, 1108276005, 1108276006, 108401006, 1108401007, 1108426006, 1108426007, 1108426005, 1118427006, 1118476004, 1118428001, 1108305001, 1108309005, 1108309002, 1108309004; and

All of the railroad right-of-way located north of certain real property situated in the City of Jefferson, Greene County, State of Iowa and bearing Greene County Property Tax Parcel Identification Numbers 1105400013, 1105391001, 1105391002, and 1105391003; and

All of the public right-of-way of Elm Street situated in the City of Jefferson, Greene County, State of Iowa.

RESOLUTION NO. _____

Resolution Setting Date for Public Hearing on Designation of the Expanded Jefferson Urban Renewal Area and on Urban Renewal Plan Amendment

WHEREAS, this City Council of the City of Jefferson, Iowa (the "City") by resolution previously established the Jefferson Urban Renewal Area (the "Urban Renewal Area") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, a proposal has been made which shows the desirability of expanding the Urban Renewal Area to add and include all the property (the "Property") lying within the legal description set out in Exhibit A; and

WHEREAS, this City Council is desirous of obtaining as much information as possible from the residents of the City before making this decision; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which (1) covers the addition of the Property to the Urban Renewal Area; and (2) authorizes the undertaking of new urban renewal projects in the Urban Renewal Area consisting of (a) providing financial assistance to 203 W Harrison LLC in connection with the construction of new multifamily housing; (b) using tax increment financing to fund the acquisition of certain real property and the development of new City parkland thereon; (c) using tax increment financing to fund the acquisition of certain real property and the development of a new public parking lot thereon; (d) using tax increment financing to fund the acquisition of the Greenwood Community Center to serve as the clubhouse at the Jefferson Municipal Golf Course and constructing improvements at the Jefferson Municipal Golf Course; (e) using tax increment financing to pay the costs of constructing storm water drainage improvements; (f) using tax increment financing to fund the acquisition of certain real property and undertake the demolition of existing buildings and site preparation thereon; (g) using tax increment financing to pay the costs of the E. Lincoln Way Economic Development Local Business Support Program; (h) using tax increment financing to pay the costs of the City's Urban Renewal and Administration Support Program; (i) using tax increment financing to pay the costs of the City's Greene County Development Corp. Support Program; and (j) using tax increment financing to pay the costs of the City's Jefferson Matters-Main Street Support Program; and

WHEREAS, it is now necessary that a date be set for a public hearing on the designation of the expansion of the Urban Renewal Area and on the Amendment;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Jefferson, Iowa, as follows:

Section 1. This City Council will meet at the City Council Chambers, 220 N. Chestnut Street, Jefferson, Iowa, on June 10, 2025, at 5:30 p.m., at which time and place it will hold a public hearing on the designation of the expanded Urban Renewal Area described in the preamble hereof and on the Amendment.

Section 2. The City Clerk shall publish notice of said hearing, the same being in the form attached hereto, which publication shall be made in a legal newspaper of general circulation in Jefferson, which publication shall be not less than four (4) and not more than twenty (20) days before the date set for hearing.

Section 3. Pursuant to Section 403.5 of the Code of Iowa, the City Administrator, or their designee, is hereby designated as the City's representative in connection with the consultation process which is required under that section of the urban renewal law. It is hereby directed that representatives of Greene County and the Greene County Community School District be invited to participate in the consultation.

Section 4. The proposed Amendment is hereby submitted to the City's Planning and Zoning Commission for review and recommendations, as required by Section 403.5, Code of Iowa.

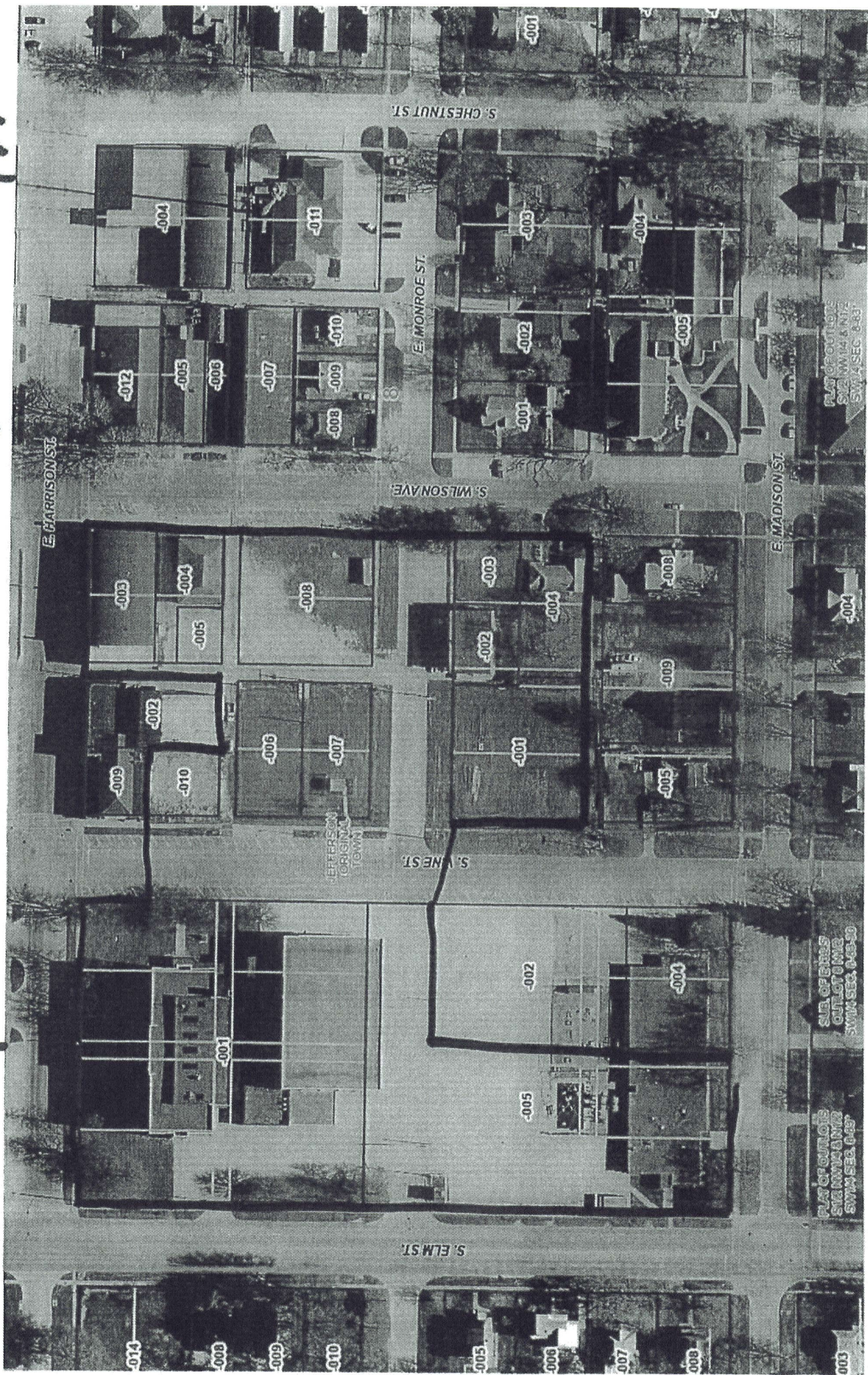
Passed and approved May 13, 2025.

Mayor

Attest:

City Clerk

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CITY OF JEFFERSON, IOWA
URBAN RENEWAL PLAN
2025 JEFFERSON REDEVELOPMENT URBAN RENEWAL AREA

June, 2025

I. INTRODUCTION

Chapter 403 of the Code of Iowa authorizes cities to establish areas within their boundaries known as “urban renewal areas,” and to exercise special powers within these areas. Urban renewal powers were initially provided to cities in order that conditions of blight and of deterioration within cities might be brought under control. Gradually, urban renewal has been found to be a useful tool, as well, for economic development in previously undeveloped areas and for retention of enterprises and jobs in other areas.

In order to facilitate the use of urban renewal for economic development, in 1985, the Iowa General Assembly amended Chapter 403 to authorize City Councils to create “economic development” areas. An economic development urban renewal area may be any area of a city which has been designated by the City Council as an area which is appropriate for commercial, industrial and/or residential housing enterprises and in which the city seeks to encourage further development.

As an additional expression of the role for local governments in private economic development, the General Assembly also enacted Chapter 15A of the Code of Iowa, which declares that economic development is a “public purpose” and authorizes local governments to make grants, loans, guarantees, tax incentives and other financial assistance to private enterprise. The statute defines “economic development” as including public investment involving the creation of new jobs and income or the retention of existing jobs and income that would otherwise be lost.

An investigation has been conducted the results of which indicate that conditions of blight, as described in Section 403.17(5) of the Code of Iowa exist on certain property situated in the City of Jefferson, Iowa (the “City”), such property being more particularly described on Exhibit A hereto (the “Property”), as a result of the deterioration of private properties, faulty land use and lot layout conditions, dilapidation and developing failure of public infrastructure and utility connections (the “Blighted Conditions”). The Blighted Conditions are further described on Exhibit B hereto. Furthermore, the City Council has determined that need exists to undertake projects for the promotion of economic development on the Property proposed for inclusion in the urban renewal area.

The process by which a blighted and economic development urban renewal area may be created begins with a finding by the City Council that such an area needs to be established within the City. An urban renewal plan is then prepared for the area, which must be consistent with the City’s existing general plan for the development of the City. All other affected taxing entities

must be notified and given an opportunity to comment on the plan. The City Council must hold a public hearing on the urban renewal plan, following which, the Council may approve the plan.

This document is intended to serve as the Urban Renewal Plan for the 2025 Jefferson Redevelopment Urban Renewal Area (the "Urban Renewal Area") of the City of Jefferson, Iowa (the "City") and will guide the City in alleviating the Blighted Conditions and promoting economic growth through the encouragement of residential, commercial and industrial development in such area as detailed herein. This document is an Urban Renewal Plan within the meaning of Chapter 403 of the Code of Iowa and sets out proposed projects and activities within the Urban Renewal Area.

II. DESCRIPTION OF URBAN RENEWAL AREA

A description of all property (the "Property") that has been included within the Urban Renewal Area is attached hereto as Exhibit A.

III. URBAN RENEWAL OBJECTIVES

The primary objectives for the development of the Urban Renewal Area are:

1. To contribute to a diversified, well-balanced local economy by creating job opportunities and strengthening the property tax base.
2. To assist in providing land and resources for new and expanded residential development in a manner that is efficient from the standpoint of providing municipal services.
3. To stimulate through public action and commitment, private investment in residential, commercial and industrial development through the use of various federal, state and local incentives, including tax increment financing.
4. To provide municipal infrastructure, services and facilities that enhance possibilities for economic development and community attractiveness to private enterprise and alleviate the Blighted Conditions
5. To undertake projects, both public and private, targeted at the alleviation of the Blighted Conditions.
6. To help finance the cost of streets, water, sanitary sewer, storm sewer, or other public improvements in support of new residential, commercial and industrial development.
7. To provide a more marketable and attractive investment climate.
8. To increase the number of housing units in the City that are safe, attractive and comfortable.
9. To provide public facilities to enhance City services and enhance the economic attractiveness of the community.

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10. To alleviate conditions of slum and blight in the Urban Renewal Area.

IV. URBAN RENEWAL PROJECTS AND ACTIVITIES

The following types of activities are examples of the specific actions which may be undertaken by the City within the Urban Renewal Area:

1. Preparation of plans related to the development and implementation of the Urban Renewal Area and specific urban renewal projects.
2. Construction of public improvements and facilities, including streets, public utilities or other facilities in connection with an urban renewal project.
3. Construction of buildings or specific site improvements such as grading and site preparation activities, access roads and parking, railroad spurs, fencing, utility connections, and related activities.
4. Acquisition, preparation and disposition of property for development and/or redevelopment.
5. Making available, as appropriate, financing for development projects, including conventional municipal borrowing and tax increment financing resulting from increased property values in the Urban Renewal Area.
6. Pursuant to state law, provision of direct financial assistance, including grants, loans and tax increment rebate agreements, to private persons engaged in economic development, in such form and subject to such conditions as may be determined by the City Council.

V. SPECIFIC URBAN RENEWAL PROJECTS

The City has determined to undertake the following initiatives in the Urban Renewal Area as economic development urban renewal projects:

A.

Name of Project: Middle School Building Redevelopment Project

Date of Council Approval of Project: June 10, 2025

Description of the Project and Project Site: 203 W Harrison LLC (the "Developer") has undertaken the redevelopment (the "Redevelopment Project") of a former middle school building situated at 203 W. Harrison Street in the Urban Renewal Area into a multifamily housing complex.

The Redevelopment Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and facilitate economic development in the Urban Renewal Area.

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The costs incurred by the City in providing financial assistance to the Developer will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$7,500.

Description of Use of TIF for the Project: The City intends to enter into a development agreement (the "Agreement") with the Developer with respect to the construction of the completed Redevelopment Project and to provide an economic development forgivable loan (the "Forgivable Loan") to the Developer thereunder. The Forgivable Loan will be funded with borrowed funds and/or internal advances of City funds on hand. In any case, the City's obligations (the "Obligations") may be repaid with incremental property tax revenues to be derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues to repay the Obligations will not exceed \$300,000, plus the Admin Fees and any interest expense incurred on the Obligations.

B.

Name of Project: Parkland Development Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The City will undertake the acquisition of certain real property situated at 203 W. Harrison Street and 204 W. Madison Street (the "City Parkland Property") in the Urban Renewal Area. The Parkland Development Project will involve the demolition and removal of existing hardscape improvements on the City Parkland Property, followed by the development and installation of new green space, landscaping, and associated park amenities for use as a City Park.

The Parkland Development Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and encourage future economic development in the Urban Renewal Area.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Parkland Development Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Parkland Development Project will not exceed \$250,000, plus any interest expense incurred by the City on the Obligations.

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C.

Name of Project: Public Parking Lot Development Project

Date of Council Approval of Project: June 10, 2025

Description of Project and Project Site: The City will undertake the acquisition of certain real property situated at 213 S. Vine Street, 215 S. Vine Street and 214 S. Wilson Street (the "City Parkland Property") in the Urban Renewal Area. The Public Parking Lot Development Project will involve construction of parking facilities, including lighting, landscaping, and other site amenities to serve as public parking lot.

The Public Parking Lot Development Project will alleviate certain Blighted Conditions in the Urban Renewal Area, prevent the spread of blighted conditions in the Urban Renewal Area and encourage future economic development in the Urban Renewal Area.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Public Parking Lot Development Project with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Parkland Development Project will not exceed \$200,000, plus any interest expense incurred by the City on the Obligations.

D.

Name of Program: Urban Renewal Administration and Professional Support Program (the "Admin Program")

Date of Council Approval of Program: June 10, 2025

Description of Program: The City will provide administrative and professional support to its urban renewal projects and initiatives in the City's 2027 through 2031 fiscal years. This support will include planning, staffing, grant writing and administration, document support, record management, site recertification, accounting, legal services and such other services as are necessary to carry out and effectuate the urban renewal initiatives and objectives of the City.

Description of Use of TIF: The City's annual contributions to the Admin Program will be determined from year to year. It is anticipated that the City will pay for the Admin Program with borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligations (the "Obligations") will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The total amount of incremental property tax revenues to be applied to the City's Admin Program for the City's fiscal years 2027 through 2031 shall not exceed \$125,000, plus any interest expense incurred on the Obligations.

E.

Name of Project: 2027-2031 Greene County Development Corp. Support Program

Date of Council Approval of Project: June 10, 2025

Description of Program: The City Council acknowledges the importance of the Greene County Development Corp. in the ongoing promotion of economic development in the Urban Renewal Area. The City intends to provide economic development support payments to Greene County Development Corp. for a period of five (5) fiscal years. In return for said support payments, Greene County Development Corp. will commit to undertaking efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

Description of Use of TIF: It is anticipated that the City will pay for the Greene County Development Corp. Support Program with a combination of proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the City in connection with the Greene County Development Corp. Support Program will not exceed \$65,000 over the course of the City's 2027 through 2031 fiscal years, and the City's annual contributions will be determined from year to year.

F.

Name of Project: 2027-2031 Jefferson Matters-Main Street Support Program

Date of Council Approval of Project: June 10, 2025

Description of Program: The City Council acknowledges the importance of the Jefferson Matters-Main Street in the ongoing promotion of economic development in the Urban Renewal Area. The City intends to provide economic development support payments to Jefferson Matters-Main Street for a period of five (5) fiscal years. In return for said support payments, Jefferson Matters-Main Street will commit to undertaking efforts to carry out economic development support programs, promotional events, initiatives and activities within the Urban Renewal Area.

Description of Use of TIF: It is anticipated that the City will pay for the Jefferson Matters-Main Street with a combination of proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In any case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Area. The amount of incremental property tax revenues to be expended by the City in connection with the Jefferson Matters-Main Street will not exceed \$65,000 over the course of the City's 2027

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through 2031 fiscal years, and the City's annual contributions will be determined from year to year.

VI. LAND USE PLAN AND PROPOSED DEVELOPMENT

The City has adopted a Comprehensive Land Use Plan which guides the establishment of commercial, residential and industrial land uses throughout the incorporated area. Land use in the Urban Renewal Area will be carried out in a manner that will maintain consistency with the Comprehensive Land Use Plan.

VII. TAX INCREMENT FINANCING

In order to assist in the development or retention of private enterprises, the City may be requested to acquire land, construct public improvements or provide economic development loans, grants or other tax incentives for the benefit of private enterprises in order to enhance the value of property in the Urban Renewal Area. As part of the Urban Renewal Area, the City will adopt an ordinance to create a tax increment district (the "TIF District"), within which the property taxes eventually paid by new private development may be used to pay costs of urban renewal projects for these types of activities, including reimbursing the City or paying debt service on obligations issued by the City. The use of these tax revenues is known as tax increment financing ("TIF").

Depending upon the date upon which the TIF District is legally established and the date on which debt is initially certified within the TIF District, an original taxable valuation is established for the property within the TIF District, which is known as the "base valuation." The "base valuation" is the assessed value of the taxable property in the TIF District as of January 1 of the calendar year preceding the calendar year in which the City first certifies the amount of any debt payable from TIF revenues to be generated within that TIF District. When the value of the property inside the TIF District increases by virtue of new construction or any other reason, the difference between the base valuation and the new property value is the "tax increment" or "incremental value."

Procedurally, after tax increment debt has been incurred for the financing of improvements within the TIF District or for the payment of economic development incentives to private entities, property taxes levied by all local jurisdictions (city, county, school, area college) against the incremental value, with the exception of taxes levied to repay current or future debt incurred by local jurisdictions and the school district instructional support and physical plant and equipment levies, are allocated by state law to the City's tax increment fund rather than to each local jurisdiction. These new tax dollars are then used to pay principal and interest on any tax increment debt incurred or to pay the costs of projects in the Urban Renewal Area.

VIII. EFFECTIVE PERIOD

This Urban Renewal Plan will become effective upon its adoption by the City Council and will remain in effect until it is repealed by the City Council. The collection of incremental property taxes in the Urban Renewal Area will continue for the maximum number of years

authorized by Chapter 403 of the Code of Iowa unless otherwise determined by action of the City Council.

IX. PLAN AMENDMENTS

This Urban Renewal Plan may be amended in accordance with the procedures set forth in Chapter 403 of the Code of Iowa to, for example, change the project boundaries, modify urban renewal objectives or activities, or to carry out any other purposes consistent with Chapter 403 of the Code of Iowa.

X. FINANCIAL INFORMATION

CITY DEBT INFORMATION

- | | |
|--|---------------------|
| 1. Current constitutional debt limit: | <u>\$18,383,630</u> |
| 2. Outstanding general obligation debt: | <u>\$</u> |
| 3. Proposed amount of TIF debt
to be incurred*: | <u>\$ 1,012,500</u> |

*Some or all of the debt incurred hereunder may be subject to annual appropriation by the City Council.

**EXHIBIT A
LEGAL DESCRIPTION
2025 JEFFERSON REDEVELOPMENT URBAN RENEWAL AREA**

Certain real situated in the City of Jefferson, Greene County, State of Iowa bearing Greene County Property Tax Parcel Identification numbers: 1108305001, 1108309005, 1108306010, 1108306006, 1108306007, 1108306003, 1108306004, 1108306005, 1108306008, 1108310001, 1108310002, 1108310003, and 1108310004; and

All of the public right-of-way of S. Vine Street situated in the City of Jefferson, Greene County, State of Iowa; and

All of the public right-of-way of E. Monroe Street situated in the City of Jefferson, Greene County, State of Iowa.

RESOLUTION NO. _____

Resolution Setting Date for a Public Hearing on Designation of the 2025 Jefferson Redevelopment Urban Renewal Area and on Urban Renewal Plan and Project

WHEREAS, a proposal has been made which shows the desirability of designating certain real property situated in the City of Jefferson, Iowa (the "City") as the 2025 Jefferson Redevelopment Urban Renewal Area (the "Urban Renewal Area") in order to facilitate projects for the promotion of economic development and the alleviation of blighted conditions, pursuant to the provisions of Chapter 403, Code of Iowa; and

WHEREAS, under the proposal, the real property (the "Property") described on Exhibit A hereto would be designated as the Urban Renewal Area; and

WHEREAS, this City Council is desirous of obtaining as much information as possible from the residents of the City before making this designation; and

WHEREAS, a proposed urban renewal plan (the "Plan") has been prepared for the governance of projects and initiatives to be undertaken in the Urban Renewal Area and which authorizes certain initial urban renewal projects to be undertaken therein consisting of (i) providing financial assistance to 203 W Harrison LLC in connection with the construction of new multifamily housing; (ii) using tax increment financing to fund the acquisition of certain real property and the development of new City parkland thereon; (iii) using tax increment financing to fund the acquisition of certain real property and the development of a new public parking lot thereon; (iv) using tax increment financing to pay the costs of the City's Urban Renewal and Administration Support Program; (v) using tax increment financing to pay the costs of the City's Greene County Development Corp. Support Program; and (vi) using tax increment financing to pay the costs of the City's Jefferson Matters-Main Street Support Program; and

WHEREAS, it is now necessary that a date be set for a public hearing on the designation of the Urban Renewal Area and on the Plan;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Jefferson, Iowa, as follows:

Section 1. This City Council will meet at the City Council Chambers, 220 N. Chestnut Street, Jefferson, Iowa, on June 10, 2025, at 5:30 p.m., at which time and place it will hold a public hearing on the designation of the proposed Urban Renewal Area described in the preamble hereof and on the proposed Plan for said Urban Renewal Area.

Section 2. The City Clerk shall publish notice of said hearing, the same being in the form attached to this resolution, which publication shall be made in a legal newspaper of general circulation in the City, which publication shall be not less than four (4) and not more than twenty (20) days before the date set for the hearing.

Section 3. Pursuant to Section 403.5 of the Code of Iowa, the City Administrator, or his designee, is hereby designated as the City's representative in connection with the consultation process which is required under that section of the urban renewal law. It is hereby directed that

representatives of Greene County and the Greene County Community School District be invited to participate in the consultation.

Section 4. The Plan is hereby submitted to the City's Planning and Zoning Commission for review and recommendations, as required by Section 403.5, Code of Iowa.

Passed and approved May 13, 2025.

Mayor

Attest:

City Clerk