

**Urban Renewal Plan for the
Sycamore and First Avenue
Urban Renewal Area
Amendment No. 3**

June 2020

**Amendment No. 2, 2014
Amendment No. 1, 2003
Original, 2000**

Fee



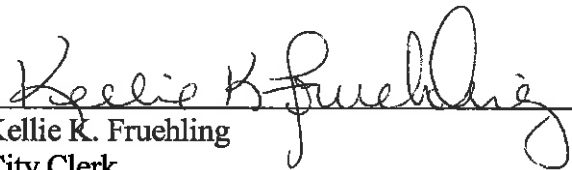
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Fee Amt: \$57.00 Page 1 of 11
Johnson County Iowa
Kim Painter County Recorder
BK **6091** PG **82-92**



STATE OF IOWA)
) SS
JOHNSON COUNTY)

I, Kellie K. Fruehling, City Clerk of Iowa City, Iowa, do hereby certify that the Resolution attached hereto is a true and correct copy of Resolution No. 20-188 which was passed by the City Council of Iowa City, Iowa, at a regular meeting held on the 4th day of August 2020, all as the same appears of record in my office.

Dated at Iowa City, Iowa, this 7th day of August 2020.



Kellie K. Fruehling
City Clerk

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Prepared by: Wendy Ford, 410 E. Washington St., Iowa City, IA 52240 (319) 356-5248

RESOLUTION NO. 20-188

Resolution approving Amendment No. 3 to the Sycamore & First Avenue Urban Renewal Plan to add projects to the Urban Renewal Area.

WHEREAS, on July 7, 2020, City Council adopted a resolution of necessity (Res. No. 20-167) contemplating an amendment to the Sycamore & First Avenue Urban Renewal Plan to facilitate reducing carbon emissions by helping users of industrial facilities in the Urban Renewal Area improve energy efficiency, said amendment being the 3rd amendment thereto, and

WHEREAS, pursuant to Res. No. 20-167, consultation with affected taxing entities was duly held and all required responses to the recommendations made by the affected taxing entities, have been timely made as set forth in the report of the Economic Development Coordinator filed herewith and incorporated herein by the reference, which report is in all respects approved; and

WHEREAS, pursuant to said Res. No. 20-167, a public hearing was held after due and proper notice of said public hearing was given, as provided by law, by timely publication in the Iowa City Press Citizen.

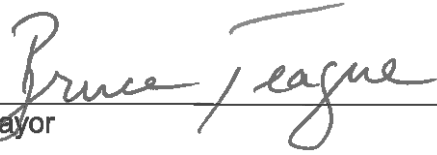
NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF IOWA CITY, IOWA:

Section 1. This Council finds that Amendment No. 3 to the Sycamore & First Avenue Urban Renewal Plan conforms to the general plan for the development of the City as a whole; will not result in the displacement of families; and, does not contain open land to be acquired by the City; and,

Section 2. That Amendment No. 3 is hereby approved and adopted as the "Amendment No. 3 to the Sycamore & First Avenue Urban Renewal Plan for the Sycamore & First Avenue Urban Renewal Area"; and the City Clerk is hereby directed to file a certified copy of said Amendment No. 2 with the proceedings of this meeting.

Section 3. That the Sycamore & First Avenue Urban Renewal Plan for the Sycamore & First Avenue Urban Renewal Area, as amended herein, shall be in full force and effect from the date of this resolution until the later of the date of termination set forth in the Plan, as amended, or the date on which payment of all obligations issued or advances made to carry out the purposes thereof shall be fully provided for. Said Amendment No. 3 shall be forthwith certified by the City Clerk, along with a copy of this Resolution, to the Recorder for Johnson County, Iowa, to be filed and recorded in the manner provided by law.

PASSED AND APPROVED this 4th day of August, 2020.



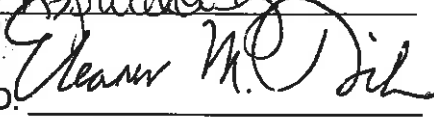
Mayor

ATTEST:



City Clerk

APPROVED:



City Attorney

(Sara Greenwood Hektoen – 07/27/2020)

Resolution No. 20-188
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It was moved by Thomas and seconded by Bergus the
Resolution be adopted, and upon roll call there were:

AYES:	NAYS:	ABSENT:	
<u>X</u>	_____	_____	Bergus
<u>X</u>	_____	_____	Mims
<u>X</u>	_____	_____	Salih
<u>X</u>	_____	_____	Taylor
<u>X</u>	_____	_____	Teague
<u>X</u>	_____	_____	Thomas
<u>X</u>	_____	_____	Weiner

SECTION 1 - INTRODUCTION

The Urban Renewal Plan for the Sycamore and First Avenue Urban Renewal Area, as amended, is being amended to add climate change goals and add a proposed project to be undertaken in the Area. The Sycamore and First Avenue Area was originally adopted in 2000 pursuant to resolution 00-295; amended in 2003 pursuant to Resolution 03-157 to add land to the area; and amended in 2014 pursuant to Resolution 14-301 to add a project.

The base valuation of the area will be unchanged by this Amendment.

SECTION 2 – URBAN RENEWAL GOALS AND OBJECTIVES

The Urban Renewal Goals and Objectives previously set forth in the Original Plan and Amendments No. 1 and 2 remain unchanged by this Amendment. This Amendment No. 3 adds the goal of reducing carbon emissions by helping users of industrial facilities in the Urban Renewal Area improve energy efficiency.

In 2007, the City of Iowa City took an important step toward addressing climate change by signing the U.S. Mayor's Climate Protection Agreement. In 2008, the Council agreed to participate in the "Cities for Climate Protection Campaign." In 2009, the City completed the first greenhouse gas inventory in the state. The Mayor signed the updated U.S. Climate Protection Agreement in 2014 and the Council set greenhouse gas emissions reduction goals in 2016. In 2017, the City formed a Climate Action Steering Committee to provide input on the development of a Climate Action Plan. Comprised of and representing many stakeholders in the community, the Committee sought and received public input to guide planning efforts. In 2017, Council adopted the Iowa City Climate Action and Adaptation Plan. The *Buildings* section of the Action Plan includes among its goals, a) increasing energy efficiency in businesses and b) increasing on-site renewable energy systems and electrification. In 2019, Council increased the carbon emission reduction targets and declared a Climate Crisis.

The average commercial building wastes about 30% of the energy it consumes. By capturing inefficiencies, users can reduce costs. By reducing energy use, users also reduce greenhouse gases emitted at power plants (Energy Star, U.S. Environmental Protection Agency). Reducing greenhouse gases released into the atmosphere is an effective way to stem climate change and results in a cleaner, healthier environment. The amendment to this plan seeks to assist users achieve those goals.

SECTION 3 – DESCRIPTION OF THE URBAN RENEWAL AREA

The legal description of the area is attached hereto as Attachment No. 1.

SECTION 4 – AREA DESIGNATION

This area remains an economic development area, as that term is defined in the Iowa Code Chapter 403.

SECTION 5 – PROPOSED URBAN RENEWAL PROJECTS

The eligible urban renewal projects under this Urban Renewal Plan include:

Development Agreements

Enter into development agreements with industrial users in the Urban Renewal Area to provide economic development assistance for projects that include improvements to the facilities making them more energy efficient. The proposed Urban Renewal Projects contemplated by this Amendment No. 2 may require evaluation by a qualified third-party engineering firm to determine and recommend the optimal energy efficiency solutions for industrial companies. Projects may range from adjustments to existing systems to the installation of new systems. They may include a change-over from natural gas to electric energy to the installation of solar panels to reduce carbon emissions.

Project	Date	Estimated Cost	Rationale
Energy efficiency improvements at Industrial properties	2020 – FY22	\$425,000	To reduce carbon emissions

SECTION 6 – DEBT

1. FY21 Constitutional Debt Limit: \$342,894,916
2. Current general obligation debt: \$54,850,000
3. Proposed amount of indebtedness to be incurred: Although a specific amount of tax increment debt to be incurred (including direct grants, loans, advances, indebtedness, or bonds) for projects over time has not yet been determined, it is anticipated that the cost of the Proposed Urban Renewal Activities and Proposed Projects identified in Section 5 above will not exceed \$2.6 million. In no event will debt be incurred that would exceed the City's debt capacity. It is further expected that loans, advances, indebtedness or bonds to be incurred for the Proposed Project or subsequent projects, including interest on the same, will be financed in whole or in part with tax increment revenues from the Urban Renewal Area. The City Council will consider each request for financial assistance or a project proposal on a case-by-case basis to determine if it is in the City's best interest to participate.

SECTION 7 – CONFORMANCE WITH LAND USE POLICY AND ZONING ORDINANCES

The Amendment is consistent with the Iowa City Comprehensive Plan, including the Southeast District Plan.

**Attachment #1
Legal Description**

Commencing at the Southeast corner of the Northeast quarter of Section 23, Township 79N, Range 6W, in accordance with the Records of the Johnson County Auditor's Office; thence West along the South line of the Northeast quarter of Section 23 to the Southwest corner of the Northeast quarter of Section 23; thence 33 feet to a point perpendicular on the Western Right-of-Way line of Sycamore Street, thence Northerly along said Right-of-Way line to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, which is the Point of Beginning.

Thence Northerly along the Western Right-of-Way line of Sycamore Street to the Southeastern corner of Johnson County Auditor's Parcel 10-14-386-003, thence 66 feet to a point perpendicular on the Eastern Right-of-Way line of Sycamore Street; thence Northerly along the Eastern Right-of-Way line of Sycamore Street to the Northwestern corner of Johnson County Auditor's Parcel 10- 14-457 -004; thence Easterly 147 .61 feet to an angle point of said Parcel; thence Northeasterly 413.83 feet; thence Northerly 57.36 feet to the Southern Right-of-Way line of Lower Muscatine Road; thence Northwesterly along the Southern Right-of-Way line of Lower Muscatine Road to a point perpendicular 33 feet from the Western corner of Johnson County Auditor's Parcel 10-14- 452-004; thence Northeasterly 256.82 feet to the Northern corner of said parcel; thence Southeasterly 40 feet to the Eastern corner of said parcel; thence Northeasterly along the property line of Johnson County Auditor's Parcel 10-14-452-002 to its Northern corner; thence Southeasterly 150 feet along the property line of said parcel to its Eastern corner; thence Southwesterly 224.9 feet to the intersection of said parcel's Southern corner and the Northern Right-of-Way line of Lower Muscatine Road.

Thence Southeasterly along the Northern Right-of-Way line of Lower Muscatine Road to the Northern Right-of-Way line of Mall Drive; thence Northeasterly 1533.09 feet along the Northern Right-of-Way line of Mall Drive to the Southern Right-of-Way line of the Iowa Interstate Railroad; thence Southeasterly along said Right-of-Way line to its intersection with the Eastern line of Section 14.

Thence South along the Eastern line of Section 14 to its intersection with the Eastern Right-of-Way line of First Avenue; thence Southwesterly along said Right-of-Way line to the Western corner of Johnson County Auditor's Parcel 10-13-353-003; thence Easterly to the Eastern line of Section 14; thence South along the Eastern line of Section 14 to the Northwest corner of Johnson County Auditor's Parcel 10-13-353-002; thence Easterly 176 feet to the Eastern property line of said parcel; thence Southwesterly along the Eastern property line of Parcel 10-13-353-002 to it's Southeast corner; thence Northwesterly to the Eastern line of Section 23; thence South along the Eastern line of Section 23 to the Southeast corner of the Johnson County Auditor's Parcel described as 10-23-103, 001 through 029, then Southwesterly 988.76 feet to the Northern Right-of-Way line of Lower Muscatine Road, crossing said Right-of-Way line

to the intersecting point of the Southern Right-of-Way line of Lower Muscatine Road and the Northeastern corner of Johnson County Auditor's Parcel number 10-23-105-003; thence Southwesterly 157.9 feet to the Northern Right-of-Way line of U.S. Highway 6; thence Northwesterly 307.82 feet to the intersection of the Northern Right-of-Way line of U.S. Highway 6 and the Eastern Right-of-Way line of First Avenue; projecting across the First Avenue Right-of-Way along the Northern Right-of-Way line of U.S. Highway 6 to the intersection of the Western Right-of-Way line of First Avenue and the Northern Right-of-Way line of U.S. Highway 6; thence Westerly along the Northern Right-of-Way line of U.S. Highway 6 a distance of 1123.13 feet to its intersection with the Eastern Right-of-Way line of Sycamore Street, projecting across the Sycamore Street Right-of-Way along the Northern Right-of-Way of U.S. Highway 6 to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, to the Point of Beginning.

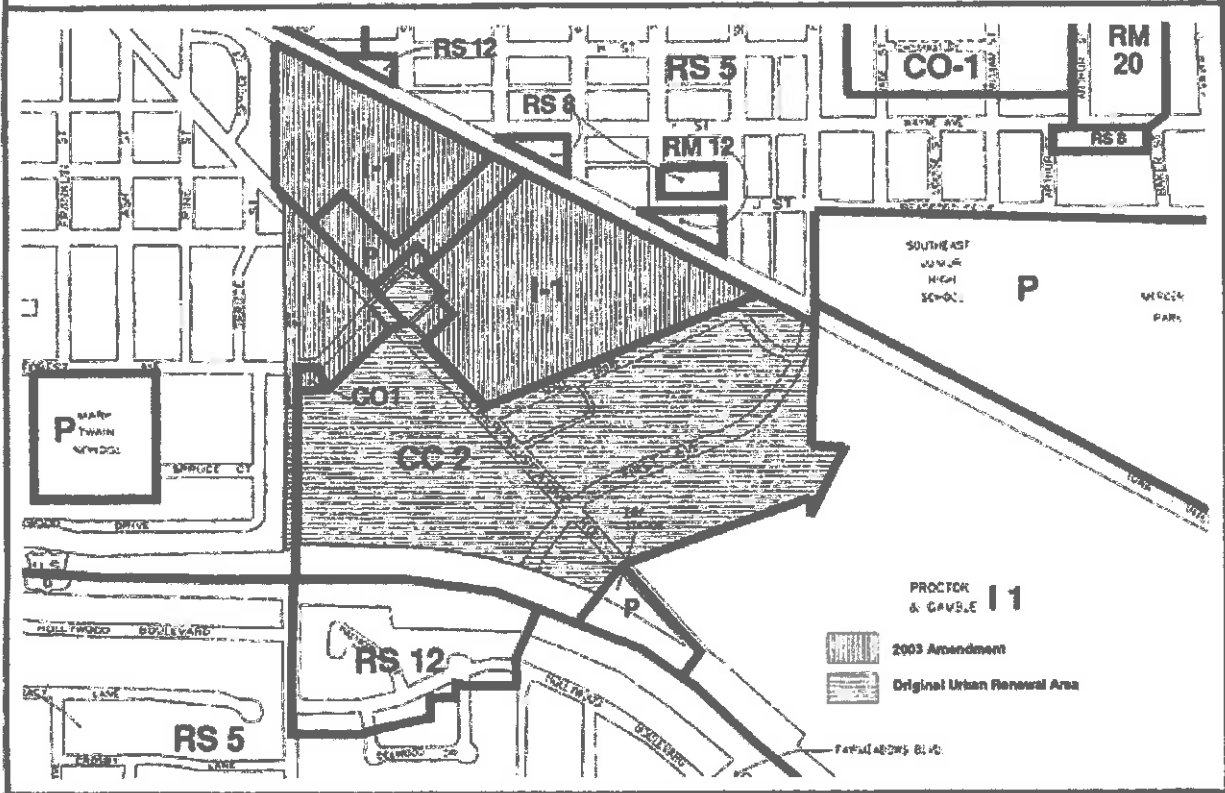
Said parcel contains approximately 61 acres.

And including a tract of land described as follows (2003 Amendment):

Commencing at the northeast corner of Mall Drive Subdivision, which is the point of beginning. Thence northwesterly along the southern boundary of the Iowa Interstate Railway, to the northeast corner of Lafferty subdivision. Thence southerly along the eastern boundary of Lafferty Subdivision, to the centerline of Lower Muscatine Road. Thence southeasterly along said centerline of Lower Muscatine Road to a point on an extension of the westerly right-of-way of Sycamore Street. Thence southerly along said westerly right-of-way of Sycamore Street to the southeast corner of Johnson County Auditor Parcel #10-14-386-003; thence 66 feet to a point perpendicular on the eastern right-of-way line of Sycamore Street; thence northerly along the eastern right-of-way line of Sycamore Street to the northwestern corner of Johnson County Auditor's Parcel 10-14-457-004; thence easterly 147.61 feet to an angle point of said Parcel; thence northeasterly 413.83 feet, thence northerly 57.36 feet to the southern right-of-way line of Lower Muscatine Road; thence northwesterly along the southern right-of-way line of Lower Muscatine Road to a point perpendicular 33 feet from the western corner of a parcel formerly known as Johnson County Auditor's Parcel #10-14-452-004; thence northeasterly 223.82 feet to the northern corner of said parcel; thence southeasterly 40 feet to the eastern corner of said parcel; thence northeasterly along the property line of said parcel formerly known as Johnson County Parcel #10-14-452-002 to its northern corner; thence southeasterly 150 feet along the property line of said Parcel to its eastern corner; thence southwesterly 224.9 feet to the intersection of said Parcel's southern corner and the northern right-of-way line of Lower Muscatine Road. Thence southeasterly along the northern right-of-way line of Lower Muscatine Road to the northern right-of-way line of Mall Drive; thence northeasterly 1,533.09 feet along the northern right-of-way line of Mall Drive to the southern right-of-way line of the Iowa Interstate Railroad, which is the point of beginning.

Said parcel contains approximately 51 acres.

CITY OF IOWA CITY



**Sycamore and First Avenue
Urban Renewal Plan
Amendment No. 2
City of Iowa City, IA**

**Original Plan Adopted 2000
Amendment No. 1 -- 2003**

Prepared by: Wendy Ford, 410 E. Washington St., Iowa City, IA 52240 (319) 356-5248

RESOLUTION NO. 14-301

RESOLUTION APPROVING AMENDMENT NO. 2 TO THE SYCAMORE AND FIRST AVENUE URBAN RENEWAL PLAN TO ADD A PROPOSED URBAN RENEWAL PROJECT.

WHEREAS, September 16, 2014, City Council adopted a resolution of necessity (Reso. No. 14-249) contemplating an amendment to the Sycamore and First Avenue Urban Renewal Plan to facilitate consideration of a new urban renewal project, said amendment being the second amendment thereto, and

WHEREAS, in addition to the projects in the Sycamore and First Avenue Urban Renewal Plan, as previously amended, proposed Urban Renewal Projects under this amendment include additional private development agreements for Core Sycamore Town Center, LLC, for the renovation and rehabilitation of portions of the mall, improved pedestrian access and certain hardscape and landscape improvements to the parking lot, and

WHEREAS, pursuant to Reso. No. 14-273, consultation with affected taxing entities was duly held and all required responses to the recommendations made by the affected taxing entities, have been timely made as set forth in the report of the Economic Development Coordinator filed herewith and incorporated herein by the reference, which report is in all respects approved; and

WHEREAS, pursuant to said Reso. No. 14-273, a public hearing was held after due and proper notice of said public hearing was given, as provided by law, by timely publication in the Press Citizen.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF IOWA CITY, IOWA:

Section 1. This Council finds that the Amendment No. 2 to the Sycamore and First Avenue Urban Renewal Plan conforms to the general plan for the development of the City as a whole; and.

Section 2. That the Amendment No. 2 is hereby approved and adopted as the "Amendment No. 2 to the Sycamore and First Avenue Urban Renewal Plan"; and the City Clerk is hereby directed to file a certified copy of said Amendment No. 2 with the proceedings of this meeting.

Section 3. That the Sycamore and First Avenue Urban Renewal Plan, as amended herein, shall be in full force and effect from the date of this resolution until the later of the date of termination set forth in the Plan, as amended, or the date on which payment of all obligations issued or advances made to carry out the purposes thereof shall be fully provided for. Said Amendment No. 2 shall be forthwith certified by the City Clerk, along with a copy of this Resolution, to the Recorder for Johnson County, Iowa, to be filed and recorded in the manner provided by law.

PASSED AND APPROVED this 21st day of October, 2014.

[Handwritten signature]

Mayor

ATTEST:

Marian K. Kaw

City Clerk

Approved By

Sara Greenwood Hektoen

City Attorney's Office 10/8/14

Resolution No. 14-301
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It was moved by Mims and seconded by Dickens the
Resolution be adopted, and upon roll call there were:

AYES:

NAYS:

ABSENT:

X
X

X
X
X

X

X

Botchway
Dickens
Dobyns
Hayek
Mims
Payne
Throgmorton

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Section 3 - Proposed Urban Renewal Projects

Section 4 - Debt

Section 5 - Urban Renewal Plan Amendments

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Section 7 - Repealer

Section 8 - Severability Clause

SECTION 1- INTRODUCTION

The Sycamore and First Avenue Urban Renewal Plan ("Plan") for the Sycamore and First Avenue Urban Renewal Area ("Area") was originally adopted in 2000 to address vacancy rates in the Sycamore Mall and other properties and the general decline of the property values in the area. Amendment #1 was adopted in 2003 to add more area to the Plan. This Amendment #2 does not change the goals for the Area, but rather allows the City to support an economic development project at the Iowa City Marketplace, formerly known as the Sycamore Mall.

No land is being added to the Area by this Amendment #2. Except as modified by this Amendment, the provisions of the Sycamore and First Avenue Urban Renewal Plan, as amended, are hereby ratified, confirmed, and approved and shall remain in full force and effect. In case of any conflict or uncertainty, the terms of this Amendment shall control.

SECTION 2- URBAN RENEWAL GOALS AND OBJECTIVES

The goals of the plan remain unchanged: to formulate and execute a workable program using public and private resources to develop the Urban Renewal Project Area for retail, office, other commercial and industrial uses.

SECTION 3 - PROPOSED URBAN RENEWAL PROJECTS

Although certain project activities may occur over a period of years, in addition to the projects previously proposed in the Plan, as amended, the following proposed urban renewal projects are hereby added to the Plan:

Economic Development:

Project	Date	Estimated Cost	Rationale
A TIF rebate agreement with mall owner, CORE Sycamore Town Center, LLC to assist with the cost of renovations required for tenant improvements for new anchor tenants.	2014 – 2015	\$1,750,000	After the former anchor tenant was compelled to relocate, other mall tenants left, relocated or sold their businesses, creating a steep decline in property value and a high rate of vacancy. Securing new anchor tenants will help ensure the long-term viability of this development and increase the taxable valuation of the property.
\$1,750,000			

SECTION 4 - DEBT

1.	FY 2014 constitutional debt limit:	\$233,415,950
2.	Outstanding general obligation debt:	\$67,001,000
3.	Proposed amount of loans, advances, indebtedness or bonds to be incurred: The specific amount of debt to be incurred for the Proposed Urban Renewal Projects has not yet been determined. The Projects authorized in this Amendment are only proposed projects at this time. The City Council will consider each proposed project on a case-by-case basis to determine if it is consistent with the Plan and in the public's best interest. These proposed Projects, if approved, will commence and be concluded over a number of years. In no event will debt be incurred that would exceed the City's debt capacity. It is expected that such indebtedness, including interest thereon, may be financed in whole or in part with tax increment revenues from the Urban Renewal Area. Subject to the foregoing, it is estimated that the cost of the Proposed Urban Renewal Projects described above will be approximately as follows:	Not to exceed \$1,750,000

SECTION 5 – URBAN RENEWAL PLAN AMENDMENTS

If the City of Iowa City desires to amend this Plan, it may do so in conformance with applicable state and local laws.

SECTION 6 - EFFECTIVE PERIOD

This Urban Renewal Plan Amendment #2 will become effective upon its adoption by the City Council. Notwithstanding anything to the contrary in the Urban Renewal Plan, any prior amendment, resolution, or document, the Urban Renewal Plan shall remain in effect until terminated by the City Council, and the use of incremental property tax revenues, or the "division of revenue," as those words are used in Chapter 403 of the Code of Iowa, will be consistent with Chapter 403 of the Iowa Code.

SECTION 7 - REPEALER

Any parts of the previous Plan, as previously amended, in conflict with this Amendment are hereby repealed.

SECTION 8 - SEVERABILITY CLAUSE

If any part of the Amendment is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan

as a whole or the previous amendments to the Plan, or any part of the Plan not determined to be invalid or unconstitutional.

Sycamore and First Avenue Urban Renewal Plan

Council Member Vanderhoef then introduced the following Resolution entitled "RESOLUTION DETERMINING AN AREA OF THE CITY TO BE AN ECONOMIC DEVELOPMENT AREA, AND THAT THE REHABILITATION, CONSERVATION, REDEVELOPMENT, DEVELOPMENT, OR A COMBINATION THEREOF, OF SUCH AREA IS NECESSARY IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY OR WELFARE OF THE RESIDENTS OF THE CITY; DESIGNATING SUCH AREA AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT; AND ADOPTING THE SYCAMORE AND FIRST AVENUE URBAN RENEWAL PLAN THEREFOR" and moved that the same be adopted. Council Member O'Donnell seconded the motion to adopt. The roll was called and the vote was,

AYES: O'Donnell, Vanderhoef, Wilburn, Champion,

Lehman

NAYS: Pfab, Kanner

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

RESOLUTION NO. 00-295

RESOLUTION DETERMINING AN AREA OF THE CITY TO BE AN ECONOMIC DEVELOPMENT AREA, AND THAT THE REHABILITATION, CONSERVATION, REDEVELOPMENT, DEVELOPMENT, OR A COMBINATION THEREOF, OF SUCH AREA IS NECESSARY IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY OR WELFARE OF THE RESIDENTS OF THE CITY; DESIGNATING SUCH AREA AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT; AND ADOPTING THE SYCAMORE AND FIRST AVENUE URBAN RENEWAL PLAN THEREFOR.

WHEREAS, this Council has reasonable cause to believe that the area described below satisfies the eligibility criteria for designation as an urban renewal area under Iowa law; and

WHEREAS, a proposed Sycamore and First Avenue Urban Renewal Plan for the area described below has been prepared, which proposed Plan is on file in the office of the City Clerk and which is incorporated herein by reference; and

WHEREAS, this proposed Urban Renewal Area includes and consists of:

Commencing at the Southeast corner of the Northeast quarter of Section 23, Township 79N, Range 6W, in accordance with the Records of the Johnson County Auditor's Office; thence West along the South line of the Northeast quarter of Section 23 to the Southwest corner of the Northeast quarter of Section 23; thence 66 feet to a point perpendicular on the Western Right-of-Way line of Sycamore Street, thence Northerly along said Right-of-Way line to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, which is the Point of Beginning.

Thence Northerly along the Western Right-of-Way line of Sycamore Street to the Southeastern corner of Johnson County Auditor's Parcel 10-14-386-003, thence 66 feet to a point perpendicular on the Eastern Right-of-Way line of Sycamore Street; thence Northerly along the Eastern Right-of-Way line of Sycamore Street to the Northwestern corner of Johnson County Auditor's Parcel 10-14-457-003; thence Easterly 147.61 feet to an angle point of said Parcel; thence Northeasterly 413.83 feet; thence Northerly 57.36 feet to the Southern Right-of-Way line of Lower Muscatine Road; thence Northwesterly along the Southern Right-of-Way line of Lower Muscatine Road to a point perpendicular 33 feet from the Western corner of Johnson County Auditor's Parcel 10-14-452-004; thence Northeasterly 223.82 feet to the Northern corner of said parcel; thence Southeasterly 40 feet to the Eastern corner of said parcel; thence Northeasterly along the property line of Johnson County Auditor's Parcel 10-14-452-002 to its Northern corner; thence Southeasterly 150 feet along the property line of said parcel to its Eastern corner; thence Southwesterly 224.9 feet to the intersection of said parcel's Southern corner and the Northern Right-of-Way line of Lower Muscatine Road.

Thence Southeasterly along the Northern Right-of-Way line of Lower Muscatine Road to the Northern Right-of-Way line of Mall Drive; thence Northeasterly 1533.09 feet along the Northern Right-of-Way line of Mall Drive to the Southern Right-of-Way line of the Iowa Interstate Railroad;

thence Southeasterly along said Right-of-Way line to its intersection with the Eastern line of Section 14.

Thence South along the Eastern line of Section 14 to the Northwest corner of Johnson County Auditor's Parcel 10-13-353-002; thence Easterly 176 feet to the Eastern property line of said parcel; thence Southwesterly along the Eastern property line of Parcel 10-13-353-002 to its Southeast corner; thence Northwesterly to the Eastern line of Section 23; thence South along the Eastern line of Section 23 to the Southeast corner of the Johnson County Auditor's Parcel described as 10-23-103, 001 through 029, then Southwesterly 988.76 feet to the Northern Right-of-Way line of Lower Muscatine Road, crossing said Right-of-Way line to the intersecting point of the Southern Right-of-Way line of Lower Muscatine Road and the Northeastern corner of Johnson County Auditor's Parcel number 10-23-105-003; thence Southwesterly 157.9 feet to the Northern Right-of-Way line of U.S. Highway 6; thence Northwesterly 307.82 feet to the intersection of the Northern Right-of-Way line of U.S. Highway 6 and the Eastern Right-of-Way line of First Avenue; projecting across the First Avenue Right-of-Way along the Northern Right-of-Way line of U.S. Highway 6 to the intersection of the Western Right-of-Way line of First Avenue and the Northern Right-of-Way line of U.S. Highway 6; thence Westerly along the Northern Right-of-Way line of U.S. Highway 6 a distance of 1123.13 feet to its intersection with the Eastern Right-of-Way line of Sycamore Street, projecting across the Sycamore Street Right-of-Way along the Northern Right-of-Way of U.S. Highway 6 to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, to the Point of Beginning.

WHEREAS, it is desirable that these areas be redeveloped as part of the overall redevelopment area covered by said proposed Urban Renewal Plan to be known hereafter as the "Sycamore and First Avenue Urban Renewal Plan"; and

WHEREAS, the Iowa statutes require the City Council to submit the proposed Sycamore and First Avenue Urban Renewal Plan to the Planning and Zoning Commission for review and recommendation as to its conformity with the General Plan for development of the City as a whole, prior to City Council approval of such urban renewal project and an urban renewal plan therefor; and

WHEREAS, creation of the Sycamore and First Avenue Urban Renewal Plan Area and adoption of the Sycamore and First Avenue Urban Renewal Plan therefor has been approved by the Planning and Zoning Commission for the City as being in conformity with the general plan for development of the City as a whole, as evidenced by its written report filed herewith and incorporated herein by this reference; and

WHEREAS, by resolution adopted on July 18, 2000, this Council directed that a consultation be held with the designated representatives of all affected taxing entities to discuss the proposed Sycamore and First Avenue Urban Renewal Plan and the division of revenue described therein, and that notice of said consultation and a copy of the proposed Sycamore and First Avenue Urban Renewal Plan be sent to all affected taxing entities; and

WHEREAS, pursuant to such notice, the consultation was duly held as ordered by the City Council and all required responses to the recommendations made by the affected taxing entities, if any, have been timely made as set forth in the report of the Economic Development Coordinator filed herewith and incorporated herein by this reference, which report is in all respects approved; and

WHEREAS, by said resolution this Council also set a public hearing on the adoption of the proposed Sycamore and First Avenue Urban Renewal Plan for this meeting of the Council, and due and proper notice of said public hearing was given, as provided by law, by timely publication in the Press Citizen, which notice set forth the time and place for this hearing and the nature and purpose thereof; and

WHEREAS, in accordance with said notice, all persons or organizations desiring to be heard on said proposed Plan, both for and against, have been given an opportunity to be heard with respect thereto and due consideration has been given to all comments and views expressed to this Council in connection therewith and said public hearing has been closed.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF IOWA CITY, IOWA:

Section 1. That the findings and conclusions set forth or contained in the proposed "Sycamore and First Avenue Urban Renewal Plan" for the area of the City of Iowa City, Iowa legally described and depicted in the Plan and incorporated herein by reference (which area shall hereinafter be known as the "Sycamore and First Avenue Urban Renewal Plan Area"), be and the same are hereby adopted and approved as the findings of this Council for this area.

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Section 2 - Urban Renewal Plan Objectives

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Introduction

The **Iowa City Comprehensive Plan – 1997** provides a vision for the economic well-being for the residents of Iowa City and outlines the goals the community must strive to achieve in order to attain its economic well-being vision. The goals outlined in the Comprehensive Plan are:

- Diversify and increase the property tax base by (1) encouraging the retention and expansion of existing industry and (2) attracting industries that have growth potential and are compatible with existing businesses;
- Increase employment opportunities consistent with the available labor force;
- Provide and protect areas suitable for future industrial and commercial development;
- Cooperate with local and regional organizations to promote economic development within Iowa City;
- Improve the environmental and economic health of the community through the efficient use of resources; and
- Consider financial incentives and programs to facilitate achieving the above goals.

In recent years, vacancy rates have increased in certain commercial areas of the community due to the proliferation of new commercial areas in the Iowa City retail trade area. The Sycamore and First Avenue Urban Renewal Area (referred to hereafter in this Plan as the Urban Renewal Project Area) is one of those areas that has experienced a significant increase in its vacancy rate.

The Iowa City Comprehensive Plan calls for encouraging commercial activity to take place in existing core areas or neighborhood commercial centers and to discourage the proliferation of new major commercial areas. To assist with ensuring that this existing commercial area remains competitive with newer commercial areas in the metropolitan area, the City intends to make available the use of tax increment financing as a means to help finance the construction of some of the necessary private and/or public infrastructure improvements within the Sycamore and First Avenue Urban Renewal Plan Area. In addition, the City will make available the use of tax increment financing to provide rebates for qualifying businesses or development projects within the Urban Renewal Project Area.

To achieve the primary objectives of this Plan, the City of Iowa City shall undertake the urban renewal actions as specified in this Urban Renewal Plan, pursuant to the powers granted to it under Chapter 403 of the 1999 Code of Iowa, as amended.

Urban Renewal Plan Objectives

The overall goal of the Sycamore and First Avenue Urban Renewal Plan is to formulate and execute a workable program using public and private resources to develop the Urban Renewal Project Area for retail, office, and other commercial uses. The following objectives have been established for the proposed Urban Renewal Project Area:

- To encourage the revitalization of commercial activity in the Urban Renewal Project Area, in particular the revitalization of retail, theaters, restaurants, and business and personal service establishments.
- To expand the taxable values of property within the Urban Renewal Project Area.
- To provide for the orderly physical and economic growth of the city.
- To make public improvements as deemed necessary by the City to support commercial activity within the Urban Renewal Project Area.
- To provide financial incentives and assistance to qualifying development projects and businesses.

Description of Urban Renewal Area

The legal description of this proposed Urban Renewal Project Area is included in the Plan as Addendum No. 1 - Legal Description.

The location and general boundaries of the Sycamore and First Avenue Urban Renewal Plan Area are shown on Addendum No. 2 - Location Map: Sycamore and First Avenue Urban Renewal Project Area. This area is approximately 67 acres.

Proposed Urban Renewal Actions

Proposed urban renewal actions will consist of private site improvements, public infrastructure improvements, and financial incentives to encourage office, retail, and other commercial developments.

Private Site Improvements

Site improvements may include, but are not limited to, design and construction of buildings and building additions, grading for building construction and amenities; adequate paving and parking; adequate landscaping; and on-site utilities. Tax increment financing may be used by qualifying businesses to finance these private site improvements. Qualifying businesses must meet the requirements of the *Financial Incentives* section in order to use tax increment financing for private site improvements.

Public Infrastructure Improvements

Public infrastructure improvements may include, but are not limited to, stormwater management facilities, public streets and sidewalks, sanitary sewers, storm sewers, and open space improvements. Tax increment financing may be available to finance the construction of these improvements, in whole or in part, at the City Council's discretion.

Financial Incentives

At the City Council's discretion, tax increment financing may be available in the form of TIF rebates for those qualifying businesses and development projects allowed in the Community Commercial (CC-2) Zone. TIF rebates may be used for, but are not limited to, financing the private site improvements listed above. Qualifying businesses and development projects shall be determined by the City Council on a case by case basis. The Council's determination shall be based upon the financial assistance guidelines outlined in Addendum A of the "Economic Development Policies, Strategies, and Actions for the City of Iowa City" and on additional performance criteria the Council finds appropriate on a case by case basis. These performance criteria may include, but are not limited to, how a project revitalizes retail establishments, theaters, restaurants, and business and personal service establishments in the Urban Renewal Project Area, the extent of a project's physical improvements, timeliness of project's completion, and financial considerations of a project.

Conformance with Land Use Policy and Zoning Ordinance

Comprehensive Plan

The Urban Renewal Project Area is located in the area designated by the Iowa City Comprehensive Plan as the Southeast Planning District. The Iowa City Comprehensive Plan designates the Urban Renewal Project Area as appropriate for General Commercial uses.

Current Zoning

The Project Area's present zoning designation of CC-2, Community Commercial Zone is consistent with this Urban Renewal Plan and with the Iowa City Comprehensive Plan.

Current and Proposed Land Uses

The current land uses consist of commercial and commercial residential uses – See Addendum No. 3. The proposed land uses include retail, office, and other commercial and residential uses permitted in the Community Commercial Zone.

Relocation of Families

Though the Sycamore and First Avenue Urban Renewal Plan does not anticipate the need to relocate families, in the event that such needs arise the City has considered provisions for the relocation of persons, including families, business concerns and others who could be displaced as a result of improvements to be made in the designated Urban Renewal Project Area. Upon such consideration, the following shall be provided under the Sycamore and First Avenue Urban Renewal Plan:

Benefits

Upon the City's verification of a property owner's eligibility for tax increment financing, qualified tenants in the designated Urban Renewal Project Area shall be compensated by the property

owner for one month's rent and for actual reasonable moving and related expenses, where said displacement was due to action on the part of the property owner to qualify for said tax increment financing.

Eligibility

"Qualified tenant" means the legal displaced occupant of a residential dwelling unit which is located within the designated Urban Renewal Project Area where the person or family has occupied the same dwelling unit continuously for twelve months prior to the City making tax increment financing available to a project within the Urban Renewal Project Area. There are no relocation provisions made for displacement from commercial units.

Actual Reasonable Moving and Related Expenses

A qualified tenant of a dwelling is entitled to actual reasonable expenses for:

- a. Transportation of the displaced person and personal property from the displacement site to the replacement site. Transportation costs for a distance beyond twenty-five miles are not eligible.
- b. Packing, crating, unpacking and uncrating of personal property.
- c. Disconnecting, dismantling, removing, reassembling and reinstalling relocated household appliances and other personal property.
- d. Discontinuing, transferring or reconnecting utility services, including cable television.

Least Costly Approach

The amount of compensation for an eligible expense shall not exceed the least costly method of accomplishing the objective of the compensation without causing undue hardship to the displaced tenant and/or landlord.

Current Debt and Proposed Indebtedness

List of Current General Obligation Debt

General Obligation Debt by Issue

<u>Issue Date</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>6-30-99 Principal Outstanding</u>	<u>Notes</u>
1989	2,960,000	5.9%-6.1%	6/00	300,000	(1)
1990	2,300,000	5.7%-6.2%	6/01	450,000	(2)
1991	2,340,000	5.4%-5.6%	6/02	675,000	(3)
1992	4,870,000	4.45%-5.50%	6/02	1,365,000	(4)
1992	3,450,000	4.75%-5.20%	6/07	2,135,000	(5)
1994	7,370,000	4.6%-4.7%	6/04	3,625,000	(6)
1995	8,500,000	4.8%-5.125%	6/07	5,660,000	(7)
1996	6,100,000	3.6%-5.5%	6/15	5,500,000	(8)
1996	295,000	4.2%-5.0%	6/01	130,000	
1997	5,200,000	4.5%-4.7%	6/07	4,150,000	
1997	5,540,000	4.875%-5.0%	6/17	5,250,000	(9)
1998	8,500,000	4.35%-4.75%	6/13	7,925,000	
1999	9,000,000	4.125%-4.75%	6/18	<u>9,000,000</u>	
Total				<u>\$46,165,000</u>	

(1) 41% abated by sewer revenues.

(2) 14.95% abated by water revenues and 38.44% abated by sewer revenues

(3) 9.40% abated by sewer revenues.

(4) 8.68% abated by special assessment revenue. 10.73% abated by water revenue. 2.94% abated by airport revenue.

(5) 100% abated by parking revenue.

(6) 32.1% abated by sewer revenues and 20.5% abated by water revenues.

(7) 23.88% abated by sewer revenues and 57.88% abated by water revenues.

(8) 72.89% abated by water revenues.

(9) 100% abated by water revenues.

Current Constitutional Debt Limit of the City of Iowa City

The Constitution of the State of Iowa, Article XI, Section 3, provides as follows:

“Indebtedness of political or municipal corporations. No county, or other political or municipal corporation shall be allowed to become indebted in any manner, or for any purpose, to an amount, in the aggregate, exceeding five per centum on the value of taxable property within such county or corporation-to be ascertained by the last State and County tax lists, previous to the incurring of such indebtedness.”

Debt Limit Computation

Total Assessed Actual Valuation	\$2,416,782,699
Legal Debt Limit of 5% of 1993 Assessed Actual Value	\$120,839,135
Debt Chargeable Against Limit	\$46,165,000
Legal Debt Limit Available	\$74,674,135

Proposed Amount of Indebtedness:

Through the actions of this urban renewal plan, the City of Iowa City proposes to potentially incur indebtedness for public infrastructure improvements, private site improvements, and financial incentives to qualifying businesses. Given the uncertainty of the needs of future business development projects within the Urban Renewal Area, the proposed amount of indebtedness is difficult to determine at this time. The proposed amount of indebtedness to be incurred under this Urban Renewal Plan, including loans, advances, indebtedness, or bonds which qualify, could equal approximately \$3.5 million over the 20 year period of the Urban Renewal Plan.

Other Provisions Necessary to Meet State and Local Requirements

Chapter 403 of the 1999 Code of Iowa, as amended, authorizes cities to exercise urban renewal powers and certain other powers for the development of economic development areas. Certain provisions must be fulfilled to exercise these powers. These provisions and the method(s) by which the City of Iowa City proposes to fulfill these provisions (shown with an *) are detailed below.

Provision: A Resolution of necessity finding that a slum, blighted, and/or an economic development area exists in the community and that designation of this area as a proposed Urban Renewal Project Area is appropriate.

- * A Resolution of Necessity was adopted by the City Council on July 18, 2000. This Resolution of Necessity declares the area encompassed by this Urban Renewal Plan is appropriate for development in conformance with the City's zoning and comprehensive plan; however, due to certain circumstances, appropriate economic development of office, research, production and/or assembly park uses has not occurred on the vacant and under-utilized property which exists in the proposed Urban Renewal Project Area.

Provision: A Resolution of Necessity which determines that the proposed Urban Renewal Project Area is in need of economic development because certain conditions exist which effectively hinder development.

- * A Resolution of Necessity designating the area as meeting the criteria detailed by Chapter 403, Code of Iowa (1999), was adopted by the City Council on July 18, 2000

Provision: A general plan for the development of the municipality has been adopted.

- * The City of Iowa City adopted the Iowa City Comprehensive Plan – 1997 on December 1997

Provision: The Planning and Zoning Commission has made and forwarded its recommendation(s) to the City Council as to the conformity of this Urban Renewal Plan with the Iowa City Comprehensive Plan – 1997

- * The Planning and Zoning Commission recommendation was forwarded to the City Council on August 3, 2000

Provision A designated representative of the municipality shall hold a consultation with designated representatives of the affected taxing districts after notice is given by regular mail and prior to the public hearing on the plan.

- * The consultation with representatives from the affected taxing districts was held on July 24, 2000. The notice was mailed by regular mail on July 19, 2000.

Provision Representatives of the affected taxing districts may make written

recommendations for modification to the proposed division of revenue no later than seven days following the date of the consultation. The representative of the municipality shall, no later than seven days prior to the public hearing on the urban renewal plan, submit a written response to the affected taxing entity addressing the affected taxing districts' recommendations to the proposed division of revenue.

- * Comments were not received from the affected taxing districts by July 31, 2000, which was seven days following the date of the consultation.

On August 8, 2000, at least seven days prior to the public hearing on the urban renewal plan, the representative of the municipality did not submit a written response on to the affected taxing entity addressing the affected taxing districts' recommendations to the proposed division of revenue.

- * On August 8, 2000, at least seven days prior to the public hearing on the urban renewal plan, the representative of the municipality did not submit a written response on to the affected taxing entity addressing the affected taxing districts' recommendations to the proposed division of revenue.

Provision: A public hearing on the Urban Renewal Plan is held after official publication of the public notice.

- * The public hearing on the Urban Renewal Plan document pursuant to state law was held on August 15, 2000. The public notice was published July 27, 2000, in the Press Citizen, a newspaper having a general circulation in Iowa City.

Provision: Approval of the Urban Renewal Plan by the local public agency after finding that:

(a) A feasible method exists for relocating families.

(b) The Urban Renewal Plan conforms to the general plan known as the Iowa City Comprehensive Plan – 1997.

- * On August 15, 2000, the City Council of the City of Iowa City by resolution has found this Urban Renewal Plan to be in conformance with the Iowa City Comprehensive Plan – 1997, the adopted general plan for the municipality.

Procedures for Changes in Approved Plan

If the City of Iowa City desires to amend this Urban Renewal Plan, it may do so after providing public notice, holding a public hearing on the proposed change, and undertaking other required actions in conformance with applicable state and local laws.

Addendum No. 1 - Legal Description of the Proposed Urban Renewal Project Area

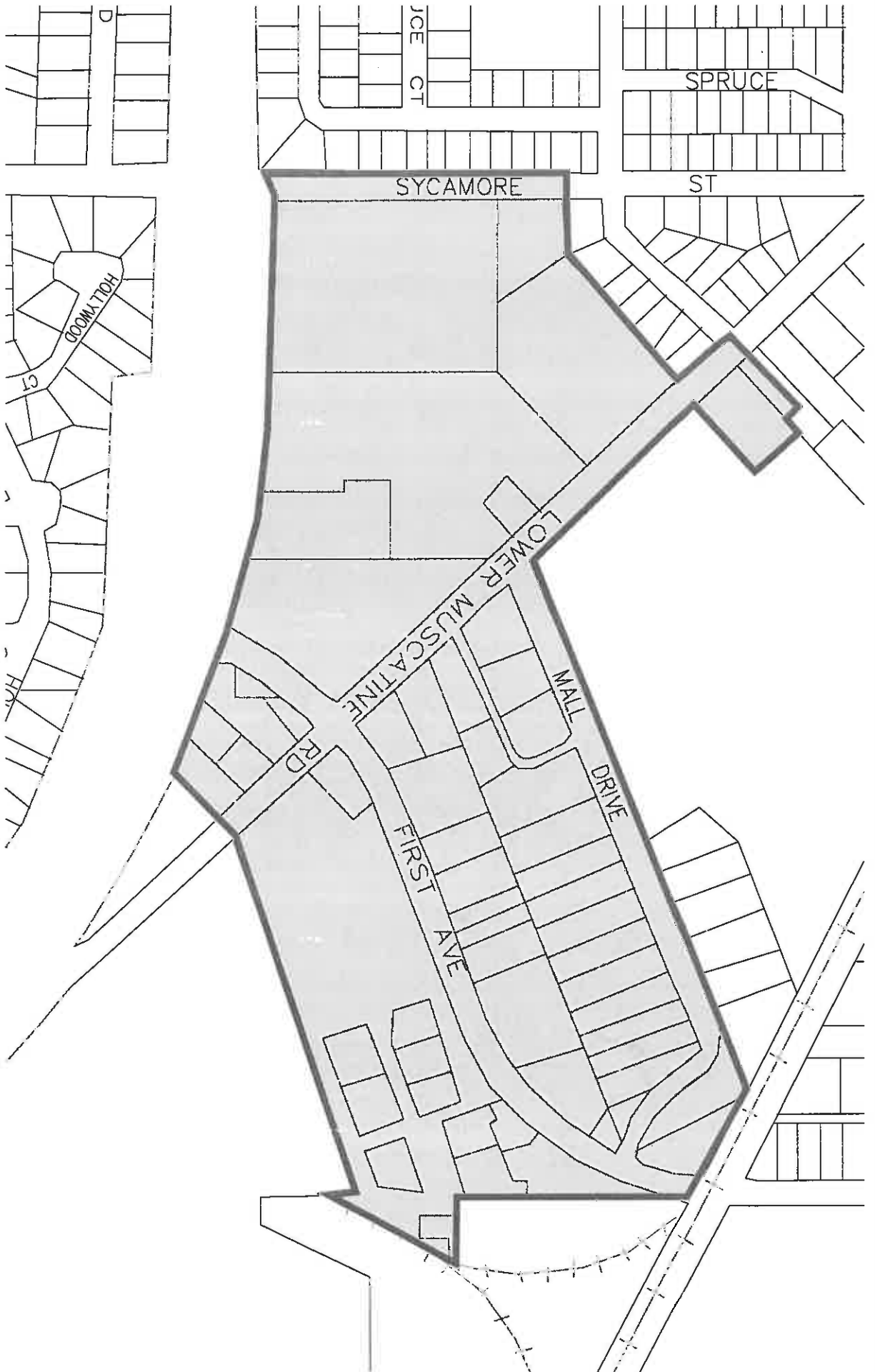
Consisting of a tract of land described as follows:

Commencing at the Southeast corner of the Northeast quarter of Section 23, Township 79N, Range 6W, in accordance with the Records of the Johnson County Auditor's Office; thence West along the South line of the Northeast quarter of Section 23 to the Southwest corner of the Northeast quarter of Section 23; thence 66 feet to a point perpendicular on the Western Right-of-Way line of Sycamore Street, thence Northerly along said Right-of-Way line to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, which is the Point of Beginning.

Thence Northerly along the Western Right-of-Way line of Sycamore Street to the Southeastern corner of Johnson County Auditor's Parcel 10-14-386-003, thence 66 feet to a point perpendicular on the Eastern Right-of-Way line of Sycamore Street; thence Northerly along the Eastern Right-of-Way line of Sycamore Street to the Northwestern corner of Johnson County Auditor's Parcel 10-14-457-003; thence Easterly 147.61 feet to an angle point of said Parcel; thence Northeasterly 413.83 feet; thence Northerly 57.36 feet to the Southern Right-of-Way line of Lower Muscatine Road; thence Northwesterly along the Southern Right-of-Way line of Lower Muscatine Road to a point perpendicular 33 feet from the Western corner of Johnson County Auditor's Parcel 10-14-452-004; thence Northeasterly 223.82 feet to the Northern corner of said parcel; thence Southeasterly 40 feet to the Eastern corner of said parcel; thence Northeasterly along the property line of Johnson County Auditor's Parcel 10-14-452-002 to its Northern corner; thence Southeasterly 150 feet along the property line of said parcel to its Eastern corner; thence Southwesterly 224.9 feet to the intersection of said parcel's Southern corner and the Northern Right-of-Way line of Lower Muscatine Road.

Thence Southeasterly along the Northern Right-of-Way line of Lower Muscatine Road to the Northern Right-of-Way line of Mall Drive; thence Northeasterly 1533.09 feet along the Northern Right-of-Way line of Mall Drive to the Southern Right-of-Way line of the Iowa Interstate Railroad; thence Southeasterly along said Right-of-Way line to its intersection with the Eastern line of Section 14.

Thence South along the Eastern line of Section 14 to the Northwest corner of Johnson County Auditor's Parcel 10-13-353-002; thence Easterly 176 feet to the Eastern property line of said parcel; thence Southwesterly along the Eastern property line of Parcel 10-13-353-002 to its Southeast corner; thence Northwesterly to the Eastern line of Section 23; thence South along the Eastern line of Section 23 to the Southeast corner of the Johnson County Auditor's Parcel described as 10-23-103, 001 through 029, then Southwesterly 988.76 feet to the Northern Right-of-Way line of Lower Muscatine Road, crossing said Right-of-Way line to the intersecting point of the Southern Right-of-Way line of Lower Muscatine Road and the Northeastern corner of Johnson County Auditor's Parcel number 10-23-105-003; thence Southwesterly 157.9 feet to the Northern Right-of-Way line of U.S. Highway 6; thence Northwesterly 307.82 feet to the intersection of the Northern Right-of-Way line of U.S. Highway 6 and the Eastern Right-of-Way line of First Avenue; projecting across the First Avenue Right-of-Way along the Northern Right-of-Way line of U.S. Highway 6 to the intersection of the Western Right-of-Way line of First Avenue and the Northern Right-of-Way line of U.S. Highway 6; thence Westerly along the Northern Right-of-Way line of U.S. Highway 6 a distance of 1123.13 feet to its intersection with the Eastern Right-of-Way line of Sycamore Street, projecting across the Sycamore Street Right-of-Way along the Northern Right-of-Way of U.S. Highway 6 to the intersection of the Western Right-of-Way line of Sycamore Street and the Northern Right-of-Way line of U.S. Highway 6, to the Point of Beginning.



Sycamore/First Avenue Urban Renewal Area