

TEMPLETON CITY COUNCIL
SPECIAL COUNCIL MEETING
NOVEMBER 18, 2019
7:00 P.M. – TEMPLETON CITY HALL

The Templeton City Council met on this eighteenth day of November 2019 at 7:00 o'clock p.m. at City Hall, Templeton, Iowa. The meeting was called to order by Mayor Behrens, and the roll was called showing the following named Council Members present and absent:

Present: Doyle Engelen, Dave Ramsey, Mark Bauer, & Kelli Morrow
Absent: Joe Irlbeck

Others in attendance: Mayor Ken Behrens, City Clerk Rhonda Schwaller, Public Works Dale Prebeck, Kyra Wolterman, Joe Behrens, Sara Kappos from Veenstra & Kimm.

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

A motion was made by Bauer, second by Ramsey to approve November 4, 2019 minutes. All present voted in favor of the motion and the motion was carried.

Kyra Wolterman addressed the council explaining her school project "Garden in Templeton". A motion was made by Bauer, second by Engelen designating property in the North Ridge Addition as the location for the garden plots and to fund the cost of the fertilizer and gas up to \$30.00. All present voted in favor of the motion and the motion was carried.

Council discussed "Notice of Violation" from the Iowa Department of Natural Resources dated November 6, 2019 with Sara Kappos from Veenstra & Kimm. Council requested Sara draft a letter to the IDNR addressing their requirements and recommendations and report back to the council on December 2, 2019. Council also requested for consideration an agreement for professional services for the outfall sanitary sewer rehabilitation project.

Council discussed & authorized Public Works Director Dale Prebeck to purchase a new computer for his department.

Maintenance Report:

- Attending water/wastewater operator's training workshop on Tuesday, November 19th through Thursday, November 21st.
- Will be purchasing small equipment & shelving for new maintenance building.
- Researching wiring lift station's backup generator to new maintenance building.

After due consideration and discussion, Council Member Ramsey introduced the following resolution and moved for its adoption, seconded by Council Member Engelen. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: Morrow, Ramsey, & Engelen

Nays: Bauer

Whereupon, the Mayor declared the resolution duly adopted, as hereinafter set out.

Resolution No.1241-19

A RESOLUTION AMENDING THE AUGUST 6, 2018, DEVELOPMENT AGREEMENT BETWEEN THE CITY OF TEMPLETON, IA AND TEMPLETON RYE SPIRITS, LLC

WHEREAS, the City of Templeton, Iowa (hereafter "City"), and Templeton Rye Spirits, LLC (hereafter "Company") entered into a Development Agreement (hereafter "Agreement") on August 6, 2018; and,

WHEREAS, the Agreement provided for financial assistance to the Company in the form of incremental property tax payments to assist the Company in their development of a new distillery and distribution facility; and,

WHEREAS, the City has identified an error in the original Agreement and desires to correct the error and adjust several provisions in the original Agreement.

NOW THEREFORE BE IT RESOLVED by the City of Templeton, Iowa City Council the following sections of the Agreement are amended as follows (deleted items are noted with ~~strikethrough~~, replaced or new items are noted **underlined in bold**:

1. The “Base Valuation” of the Property for purposes of Section 403.19 of the Code of Iowa is ~~\$5,620,725~~ \$396,240.00.
2. For the purposes of the Agreement “Annual Percentage” shall mean the annual percentage in effect from time to time as set forth in the following table:

Fiscal Year of City	Annual Percentage
2019-2020 <u>2020-2021</u>	75%
2020-2021 <u>2021-2022</u>	75%
2021-2022 <u>2022-2023</u>	60%
2022-2023 <u>2023-2024</u>	60%
2023-2024 <u>2024-2025</u>	45%
2024-2025 <u>2025-2026</u>	45%
2025-2026 <u>2026-2027</u>	30%
2026-2027 <u>2027-2028</u>	30%
2027-2028 <u>2028-2029</u>	15%
2028-2029 <u>2029-2030</u>	15%

3. The Company agrees to certify to the City by no later than October 15 of each year during the Term, as hereinafter defined, commencing October 15, ~~2018~~ 2019 an amount (the “Company’s Estimate”) equal to the Annual Percentage of the estimated Incremental Property Tax Revenues anticipated to be paid in the fiscal year immediately following such certification with respect to the taxable valuation of the Property.
4. This Agreement assumes that a portion of the new valuation from the Project went on the property tax rolls as of January 1, 2018. Accordingly, Payments will be made on December 1 and June 1 of each fiscal year, beginning December 1, ~~2019~~ 2020, and continuing through and including June 1, ~~2029~~ 2030, or until such earlier date upon which total Payments equal to the Maximum Payment Total have been made.
5. The Payments shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term of this Agreement, commencing in calendar year ~~2018~~ 2019, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payments due in the following fiscal year, an amount (the “Appropriated Amount”) of Incremental Property Tax Revenues to be collected in the following fiscal year equal to or less than the most recently submitted Company’s Estimate.
6. In any given fiscal year, if the City Council determines to not obligate the then-considered Appropriated Amount, then the City will be under no obligation to fund the Payments scheduled to become due in the following fiscal year, and the Company will have no rights whatsoever to compel the City to make such Payments or to seek damages relative thereto or to compel the funding of such Payments in future fiscal years. A determination by the City Council to not obligate funds for any particular fiscal year’s Payments shall not render this Agreement null and void, and the Company shall make the next succeeding submission of the Company’s Estimate as called for in Section A.4 above, provided however that no Payment shall be made after June 1, ~~2029~~ 2030.
7. The aggregate Payments to be made in a fiscal year shall not exceed an amount equal to the corresponding Appropriated Amount (for example, for the Payments due on December 1, ~~2019~~ 2020 and on June 1, ~~2020~~ 2021, the aggregate maximum amount of such Payments would be determined by the Appropriated Amount determined for certification by December 1, ~~2018~~ 2019). Furthermore, the amount of each such Payment shall not exceed the amount of Incremental Property Tax Revenues (excluding allocations of “back-fill” or “make-up” payments from the State of Iowa for property tax credits or roll-back) actually received by the City from the Carroll County Treasurer attributable to the taxable incremental valuation of the Property in the six months immediately preceding the extant Payment due date.
8. The term (the “Term”) of this Agreement shall commence on the Commencement Date and end on June 1, ~~2029~~ 2030 or on such earlier date upon which the aggregate sum of Payments made to the Company equals the Maximum Payment Total.
9. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and Approved by the City of Templeton, Iowa City Council, this 18th day of November, 2019.

Ken F. Behrens, Mayor

ATTEST:

Rhonda Schwaller, City Clerk

After due consideration and discussion, Council Member Engelen introduced the following resolution and moved its adoption, seconded by Council Member Ramsey. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: Engelen, Bauer, Morrow & Ramsey

Nays: None

Whereupon, the Mayor declared the resolution duly adopted, as hereinafter set out.

Resolution No. 1242-19

A RESOLUTION OBLIGATING FUNDS FROM THE TEMPLETON URBAN RENEWAL AREA TIF FUND FOR APPROPRIATION TO THE PAYMENT OF ANNUAL APPROPRIATION TIF OBLIGATIONS WHICH SHALL COME DUE IN THE NEXT SUCCEEDING FISCAL YEAR OF 2020-2021

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

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

WHEREAS, the City has scheduled rebate payments (hereafter the “Annual Payment”) which shall come due in the fiscal year beginning July 1, 2020 with respect to the City’s Development Agreement with Templeton Rye Spirits, LLC (the “Company”) dated August 6, 2018; and,

WHEREAS, it is now necessary for the City Council to obligate for appropriation to the Annual Payment, funds anticipated to be received in the TIF Fund in the fiscal year beginning July 1, 2020;

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

1. The City Council hereby obligates \$96,676 for appropriation from the TIF Fund to the Annual Payment in the fiscal year beginning July 1, 2020.
2. The City Clerk is authorized and directed to certify the amount obligated for appropriation in Number 1 above on the City’s certification of debt payable from the TIF Fund to the Carroll County Auditor no later than December 1, 2019.
3. The City Clerk is authorized and directed to include the amount certified in Numbers 1 & 2 above in the City’s fiscal year 2020-2021 budget.
4. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and Approved by the City of Templeton, Iowa City Council, this 18th day of November, 2019.

Ken F. Behrens, Mayor

ATTEST:

Rhonda Schwaller, City Clerk

A motion was made by Morrow to approve TIF Indebtedness Certification Report, second by Engelen. All present voted in favor of the motion and the motion was carried.

Signage discussion tabled.

Mayor's Report: None

At 8:35 o'clock p.m. and with no further business before the council at that time, they agreed to adjourn. Bauer moved to adjourn and Morrow seconded the motion. All present voted in favor of the motion and the motion was carried.

Ken F. Behrens, Mayor

Rhonda Schwaller, City Clerk