

HOLD HEARING ON AND APPROVE  
DEVELOPMENT AGREEMENT AND  
TAX INCREMENT PAYMENTS

(Cooperative Farmers Elevator)

487157-10

Sibley, Iowa

September 15, 2017

A meeting of the Board of Supervisors of Osceola County, Iowa (the “County”), was held at 8:45 o’clock a.m., on September 15, 2017, at the Osceola County Courthouse, Sibley, Iowa, pursuant to the rules of the Board.

The Chairperson presided and the roll was called, showing Supervisors present and absent as follows:

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

The Board of Supervisors investigated and found that notice of the intention of the Board of Supervisors to conduct a public hearing on and approve a Development Agreement between the County and Cooperative Farmers Elevator had been published according to law and as directed by the Board and that this is the time and place at which the Board shall receive oral or written objections from any resident or property owner of the County. All written objections, statements, and evidence heretofore filed were reported to the Board, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

(Here list all persons presenting written or oral statements or evidence and summarize each presentation.)

There being no further objections or comments, the Chairperson announced that the hearing was closed.

Supervisor \_\_\_\_\_ introduced the resolution next hereinafter set out and moved its adoption, seconded by Supervisor \_\_\_\_\_; and after due consideration thereof by the Board, the Chairperson put the question upon the adoption of said resolution, and the roll being called, the following named Supervisors voted:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_.

Whereupon, the Chairperson declared said resolution duly adopted, as follows:

RESOLUTION 3-17/18

Resolution approving Development Agreement and Assessment Agreement with Cooperative Farmers Elevator, Authorizing Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement

WHEREAS, Osceola County, Iowa (the “County”), pursuant to and in strict compliance with all laws applicable to the County, and in particular the provisions of Chapter 403 of the Code of Iowa, has previously adopted an Urban Renewal Plan for the 2017 CFE Urban Renewal Area (the “Urban Renewal Area”); and

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

WHEREAS, an agreement (the “Agreement”) between the County and Cooperative Farmers Elevator (the “CFE”) has been prepared pursuant to which the CFE would undertake the construction and operation of a feed mill for use in its agribusiness operations (the “Project”), and the County would agree to provide incremental tax increment payments in a total amount not exceeding \$2,000,000 to CFE; and

WHAT IS THIS?! Osceola County is now going to pay \$2,000,000 to CFE?

WHEREAS, this Board of Supervisors, pursuant to Section 403.9 of the Code of Iowa, has published notice, has held a public hearing on the Agreement on September 15, 2017, and has otherwise complied with statutory requirements for the approval of the Agreement; and

WHEREAS, Chapter 15A of the Code of Iowa (“Chapter 15A”) declares that economic development is a public purpose for which a county may provide grants, loans, tax incentives, guarantees and other financial assistance to or for the benefit of private persons; and

WHEREAS, Chapter 15A requires that before public funds are used for grants, loans, tax incentives or other financial assistance, a Board of Supervisors must determine that a public purpose will reasonably be accomplished by the spending or use of those funds; and

WHEREAS, Chapter 15A requires that in determining whether funds should be spent, a Board of Supervisors must consider any or all of a series of factors;

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

Section 1. Pursuant to the factors listed in Chapter 15A, the Board hereby finds that:

(a) The Project will add diversity and generate new opportunities for the Osceola County and Iowa economies;

What kind of diversity? Economic, employment, what? Knowing the Dorsey firm could they even mean some social engineering diversity? Why isn't this defined before the Board signs it?

ISU research scientist Dave Swenson has found that across Iowa such promises to "create new jobs" tied to TIF's have not materialized.

CFE's manager Jacobs told the Supervisors last fall that the current feed mills are "tired", implying they are wore out and this new one will replace them. If that's what he meant, could employees in other Iowa communities lose their jobs, once this one starts up?

(b) The Project will generate public gains and benefits, particularly in the creation of new jobs, which are warranted in comparison to the amount of the proposed property tax incentives.

Shouldn't the Board see solid employment projections from CFE before they sign such an Agreement?

Section 2. The Board further finds that a public purpose will reasonably be accomplished by entering into the Agreement and providing the incremental property tax payments to the Coop.

What does this mean? Entering into this Agreement, itself, will accomplish a public purpose?

Section 3. The Agreement and the Assessment Agreement are hereby approved and the Chairperson and County Auditor are hereby authorized and directed to execute and deliver these Agreements on behalf of the County, in substantially the form and content in which they have been presented to this Board of Supervisors, and such officers are also authorized to make such changes, modifications, additions or deletions as they, with the advice of bond counsel, may believe to be necessary, and to take such actions as may be necessary to carry out the provisions of the Agreements.

Section 4. As provided and required by Chapter 403 of the Code of Iowa, the County's obligations under the Agreement shall be payable solely from a subfund (the "CFE Subfund") which is hereby established, into which shall be paid that portion of the income and proceeds of the Urban Renewal Tax Revenue Fund attributable to property taxes derived from the property described as follows:

Parcel H in the SE ¼ of Section 2-99-40 (Ocheyedan Township), Osceola County, Iowa

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

Section 6. After its adoption, a copy of this resolution shall be filed in the office of the County Auditor to evidence the continuing pledging of the CFE Subfund and the portion of taxes to be paid into such Subfund and, pursuant to the direction of Section 403.19 of the Code of Iowa, the Auditor shall allocate the taxes in accordance therewith and in accordance with the tax allocation ordinance referred to in the preamble hereof.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed.

Passed and approved this 15<sup>th</sup> day of September, 2017.

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
County Auditor

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On motion and vote the meeting adjourned.

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
County Auditor

STATE OF IOWA

SS:

COUNTY OF OSCEOLA

I, the undersigned, County Auditor of Osceola County, hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Supervisors of Osceola County relating to holding a public hearing and adopting a resolution to approve a Development Agreement.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
County Auditor

STATE OF IOWA

SS:

COUNTY OF OSCEOLA

I, the undersigned, County Auditor of Osceola County, in the State of Iowa, do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2017, there was filed in my office a certified copy of a resolution of such County shown to have been adopted by the Board of Supervisors and approved by the Chairperson thereof on September 15, 2017, entitled: “Resolution Approving Development Agreement with Cooperative Farmers Elevator, Authorizing Tax Increment Payments and Pledging Certain Tax Increment Revenues to the Payment of the Agreement,” and that I have duly placed the copy of the resolution on file in my records.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
County Auditor