



Newton City Council Agenda

October 2, 2023 - 6:00 PM

View the City Council Meeting:

In Person

City Hall - Council Chambers
101 W 4th St S, Newton, IA 50208

Television

Mediacom Channel
12/85/121.12

Online

newtongov.org/cablecast

Pledge

Pledge of Allegiance

Call to Order

1. Roll Call

Proclamation

2. Fire Prevention Week Proclamation

Presentation

3. Update from the Auditor's Office - Jenna Jennings, Jasper County Auditor

Citizen Participation

4. This is the time of the meeting that a citizen may address the Council. After being recognized by the presiding officer, each person will be given three (3) minutes to speak. Elected officials will take comments into consideration; however, this time is not intended for a discussion or entering into a dialogue. Elected officials and City staff will not answer questions or debate a citizen during the *Citizen Participation* portion of the meeting

Consent Agenda

5. September 18, 2023 Regular City Council Meeting Minutes
6. September 27, 2023 Special City Council Meeting Minutes
7. Approve Liquor Licenses for the following: Shop N Save Newton LLC-LE0003589, 404 S.11th Ave W, Class E Retail Alcohol License; Lucky Wife Wine Slushies, Special Event November 4, 2023, 500 1st Street North, Special Class C Retail Alcohol License
8. Resolution fixing the amounts to be assessed against individual private properties for the abatement of nuisance violations (Schedule No. 23-09)
9. Resolution awarding contract for the 2023 Ceiling Installation Project - Community Services
10. Resolution ordering bids, approving plans, specifications, form of contract, notice to bidders, ordering clerk to publish notice, fixing a date for receiving same, for a public hearing on plans, specifications, form of contract and estimate of costs for the Water Treatment Plant Controls and Telemetry Replacement Project

11. Resolution ordering bids, approving plans, specifications, form of contract, notice to bidders, ordering clerk to publish notice, fixing a date for receiving same, for a public hearing on plans, specifications, form of contract and estimate of costs for the WPC 1st St N Aerial Sewer Crossing Repair Project
12. Resolution appointing the Public Works Department's Engineering Technician I as the City of Newton's Title VI Coordinator and the Americans with Disability Act Program Coordinator
13. Resolution Approving a Property Tax Rebate for the Cindy Rogers-Sell Property Located at 107 1st Ave W Within the North Central Urban Renewal Area
14. Resolution Setting a Date of Meeting at which it is Proposed to Approve an Amended Development Agreement with Hotel Maytag Investors, LLC, Including Annual Appropriation Tax Increment Payments
15. Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Mercurialis Holdings Real Estate Newton LLC, Including Annual Appropriation Tax Increment Payments
16. Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Ex Nihilo LLC, Including Annual Appropriation Tax Increment Payments
17. Resolution awarding contract for the 2023 tuckpointing and brick replacement project
18. Approve Bills

Public Hearing

19. Public Hearing on a Resolution To Approve an Urban Renewal Plan Amendment for the North Central Urban Renewal Area
 - The City Council of the City of Newton Iowa has created the North Central Urban Renewal Area and has approved an urban renewal plan for the Urban Renewal Area. Chapter 403 of the code of Iowa requires that, before a city approves any new urban renewal projects within an urban renewal area, a city must amend the existing urban renewal plan to describe all new projects.
 - An amendment to the plan has been prepared which consists of several property tax rebates, construction of a downtown park, reconstruction of several downtown streets and various other urban renewal area projects.
20. Resolution To Approve an Urban Renewal Plan Amendment for the North Central Urban Renewal Area
21. Public Hearing on a Resolution Approving the First Budget Amendment for Fiscal Year 23-24
 - Council designated October 2, 2023 as the public hearing date to consider the first budget amendment for fiscal year 2024. The Iowa code requires that expenditures for each of the nine city programs not exceed the budget for the respective programs and allows budgets to be amended by cities prior to May 31st each year to accommodate this requirement

- The budget amendment adjusts the current year 2023-24 budget revenues and expenditures to reflect the changes that have occurred and are expected thru June 30, 2024. Amended line items include additional revenues and expenses related to being self-insured for health benefits, Arbor Estates phase 2 construction, Jordan Well engineering and Library roof replacement expenses

22. Resolution Approving the First Budget Amendment for Fiscal Year 23-24

23. Public Hearing on a Resolution Approving the Purchase Agreement for City-owned Property at 1011 and 1015 East 9th Street North, Newton, Jasper County, Iowa

- The City acquired 1011 and 1015 East 9th Street North through the City's D&D program.
- In accordance with State of Iowa Code requirements, the city set a public hearing and solicited offers for the property.
- One offer was received from Brooks Grease Management, LLC of Tulsa, OK in a total amount of \$8,000.

24. Resolution Approving the Purchase Agreement for City-owned Property at 1011 and 1015 East 9th Street North, Newton, Jasper County, Iowa

Resolution

25. Resolution approving the lease of a mobile office for the Westwood Clubhouse Project

- As the alternate building plan is sorted out following City Council's recent rejection of all bids for the original plan, asbestos abatement in the old clubhouse is needed, along with the demolition of the existing clubhouse and site work ahead of any new proposed construction.
- Because staff intends to keep the golf course open to play during the eventual demolition and construction, temporary office accommodations are needed to run a scaled-back clubhouse operation.
- This resolution approves the lease of a portable office unit needed to operate the course on a scaled-back level.

26. Resolution Approving Extension and Amendment to the Newton Housing Initiative Single Family Home Construction Incentive Programs through December 31, 2026

- In lieu of tax abatement, the City of Newton provides a \$10,000 cash incentive to buyers of new construction homes. This program is set to sunset December 31, 2023.
- With funds remaining in the program, it is necessary to extend the sunset date to December 31, 2026.
- Additionally, the program is amended to be eligible for homes valued at \$240,000 or greater, aligning with new home

construction costs. New homes under \$240,000 are eligible for tax abatement.

27. Resolution approving a Newton Hotel-Motel Tourism Grant Program Application for \$2500 from the Jasper County Historical Museum
 - The City Council established the Newton Hotel-Motel Tourism Grant to provide an avenue to support endeavors which align with the comprehensive plan objective of establishing Newton as a compelling destination.
 - The resolution provides for a \$2,500 grant to the Jasper County Historical Museum's Tree-mendous Christmas Experience.
 - The next application round deadline is April 1, 2024.
28. Resolution Approving the Granting of a Downtown Improvement Grant for 309 1st Avenue West for Exterior Paint and Facade Rehabilitation
 - The owner of 309 1st Avenue West proposes facade improvements of new shutters and painting to the exterior of the building.
 - At their meeting on September 27th, the Downtown grant review board approved a total grant in the amount of \$4,104.93 for exterior painting and new shutters for the west, east and north facades.
29. Resolution Approving Downtown Improvement Grant Funds to 114 East 2nd Street South for Facade Rehabilitation
 - The property owner proposes a facade rehabilitation to the building at 114 East 2nd Street South, removing the crumbling clay tile facade and resurfacing the building with gray stucco.
 - At their meeting on September 27, 2023, the Downtown Grant Review Board recommended approval of a Downtown Improvement Grant in an amount not to exceed \$25,000, provided a 1:1 match is met.
30. Resolution to promote retail through a marketing campaign focused on holiday shopping and shopping local using local & regional radio, targeted streaming radio, and digital video.
 - The 2023 campaign for the City of Newton will bring a spotlight to Newton's retailers from November 6 – December 17, 2023.
 - The campaign's emphasis will be on supporting businesses locally and inviting shoppers from across the region to visit Newton.
 - The goal is to increase both local awareness of the impact 'staying local' and holiday shopping can have; and increase regional visitors and transactions from our neighboring communities at our local retail establishments.

31. Resolution approving a Newton Hotel-Motel Tourism Grant Program Application for \$2000 from Newton Main Street

- The City Council established the Newton Hotel-Motel Tourism Grant to provide an avenue to support endeavors which align with the comprehensive plan objective of establishing Newton as a compelling destination.
- The resolution provides for a \$2000 grant to the Newton Main Street's hosting of the Main Street Iowa Fall Conference.
- The next application round deadline is April 1, 2024.

32. Resolution to Approve Agreement with Chedester Properties, LLC, Jeremy Chedester and Rachel Chedester

Staff Report

33. Community Services Department Annual Update - Community Services Director Brian Laube

34. Downtown Splash Park Project Update - Community Services Director Brian Laube

Mayor/Council Comments

35. Mayor and Council Comments

Closed Session

36. To Discuss Strategy with Counsel in Matters that Are Presently in Litigation or Where Litigation is Imminent Where its Disclosure Would be Likely to Prejudice or Disadvantage the Position of the Governmental Body in that Litigation, Which Discussions are Exempt from the Open Meetings Law Pursuant to the Provision of Section 21.5(1)(c), Code of Iowa 2023

Return to Open Session

37. Return to Open Session

Adjourn

The City of Newton is pleased to provide reasonable accommodations, in compliance with the Americans with Disabilities Act, for those individuals or groups who require assistance to be able to participate in the public meeting. Should special accommodations be required, please contact the City Clerk's Office at least 48 hours in advance of the meeting, at 641-792-2787 to arrange for accommodations to be provided.

Find us online: www.newtongov.org

PROCLAMATION
OCTOBER 8-14, 2023 – FIRE PREVENTION WEEK

WHEREAS, fire prevention is a vital public service; and

WHEREAS, the dedicated Firefighters and Paramedics of Newton Fire Department provide exemplary fire suppression, fire prevention and public education to the citizens of the City of Newton and Jasper County, Iowa; and

WHEREAS, the Newton Fire Department is ready to provide fire and rescue services to those in need 24 hours a day, seven days a week; and

WHEREAS, the implementation of fire prevention and public education dramatically reduces the potential for injury and loss of life, and

WHEREAS, the fire prevention and public education system consists of firefighters, both full time and part time paid on call, the fire marshal's office, educators, administrators and others; and

WHEREAS, the members of fire department engage in countless hours of fire prevention and public education along with hundreds of hours of specialized fire training; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of fire department staff by designating Fire Prevention Week; and

NOW, THEREFORE, THE CITY COUNCIL OF NEWTON, IOWA, HEREBY PROCLAIMS:

The week of OCTOBER 8-14, 2023, as:

“FIRE PREVENTION WEEK”

With the theme,

“Cooking safety starts with YOU! Pay attention to fire prevention”

And encourages all City of Newton residents to recognize the practitioners and observe this week with appropriate programs, ceremonies, and activities.

DONE AND PROCLAIMED this 2nd day of October, 2023, in the City of Newton, Iowa.

Attest:

CITY COUNCIL OF THE CITY OF NEWTON
NEWTON, IOWA

Katrina Davis
City Clerk

Michael L. Hansen
Mayor

NEWTON CITY COUNCIL MEETING MINUTES
SEPTEMBER 18, 2023, 6:00 PM

Pledge

Pledge of Allegiance

Mayor Pro Tem Ervin asked everyone present to join in saying the Pledge of Allegiance.

Call to Order

1. Roll Call

The City Council of Newton, Iowa met in regular session at 6:00 P.M. on the above date in the Council Chambers at 101 West 4th Street South. Mayor Pro Tem Ervin presided until 6:11 p.m. when Mayor Hansen arrived and presided. Present Council Members: Hallam, Dalton, Ervin, Trotter, Wade. Absent: George.

Citizen Participation

2. Donna Whitty, representing Casey Willies, a not-for-profit, dry, soul bar which is looking for a building to open in Newton. They will also offer prevention awareness, educational classes, groups covering various topics, and an after-school youth program. Jerry Chandler, 539 W 10th St N, inquired about when citizens can ask questions and get answers. He shared his opinion on building the pickleball courts. Mayor Pro Tem Ervin stated that any questions that are presented during citizen participation staff will find answers and citizens are always welcome to contact their council representative at any time. Ervin explained the special election voting process regarding the pickleball courts.

Consent Agenda

Moved by Dalton, seconded by Wade to approve consent agenda items 3-11. AYES: Five. NAYS: None. Consent Agenda was adopted.

3. September 5, 2023 Regular City Council Meeting Minutes
4. Approve Liquor Licenses for the following: La Cabana Mexican Restaurant Inc.- LC0029523, 2617 1st Ave E, Suite 5&6, Class C Retail Alcohol License, Outdoor Service; Loves Travel Stop #361, 4400 South 22nd Avenue East, Class B Retail Alcohol License
5. Designate October 2, 2023 as a public hearing date for the 1st Budget Amendment for Fiscal year 2023-2024
6. Resolution accepting a Jasper Community Foundation Grant and approving the purchase of a ballistic shield
Resolution 2023-251 adopted.
7. Resolution awarding contract for the Newton SLF Convenience Drop-Off Expansion 2023 Project
Resolution 2023-252 adopted.
8. Resolution authorizing the purchase of two roll-off containers for the Newton Sanitary Landfill
Resolution 2023-253 adopted.
9. Resolution awarding contract for cleaning and inspection of 4 concrete water storage tanks, and 1 steel elevated water tower
Resolution 2023-254 adopted.
10. Resolution approving the purchase of a replacement tarp deployment system for the Newton Sanitary Landfill
Resolution 2023-255 adopted.
11. Approve Bills

Public Hearing

12. Public Hearing on a Resolution approving the Purchase Agreement for city-owned property, Parcel A, of Lot 3, Block B, Guthrie's Subdivision, City of Newton, Jasper County, Iowa
Mayor Pro Tem Ervin stated that this is the time and place for a Public Hearing on the above Resolution. There were no written comments. Moved by Hallam, seconded by Ervin to close the public hearing. AYES: Five. NAYS: None. The public hearing was closed.
13. Resolution approving the Purchase Agreement for city-owned property, Parcel A, of Lot 3, Block B, Guthrie's Subdivision, City of Newton, Jasper County, Iowa
Moved by Hallam, seconded by Trotter to adopt the Resolution. AYES: Five. NAYS: None. Resolution 2023-256 adopted.
14. Public Hearing on a Resolution Approving the Purchase Agreement for City-owned Property at 514 South 3rd Avenue East, Newton, Jasper County, Iowa
Mayor Hansen stated that this is the time and place for a Public Hearing on the above Resolution. There were no written comments. Moved by Hallam, seconded by Trotter to close the public hearing. AYES: Five. NAYS: None. The public hearing was closed.
15. Resolution Approving the Purchase Agreement for City-owned Property at 514 South 3rd

Avenue East, Newton, Jasper County, Iowa

Moved by Trotter, seconded by Hallam to adopt the Resolution. AYES: Five. NAYS: None.
Resolution 2023-257 adopted.

Resolution

16. Resolution Authorizing Amended Loan Agreement with Hatch Development Group, L.L.C.
Moved by Trotter, seconded by Dalton to adopt the Resolution. Jack Hatch presented the history of the Hotel Maytag development and the future of the project, including the revenue plan for paying back the IFA loan. Ervin indicated that the theater was an essential part of our community. Muckler confirmed that if the agreement passed, Hatch would be obligated to pay back the full loan. It was moved by Hallam, seconded by Ervin, to amend the agreement by adding a stipulation to bring it back and review again in 1 year. AYES: Five. NAYS: None. Motion passed. AYES: Five. NAYS: None. Resolution 2023-258 adopted.
17. Resolution awarding contract for the Arbor Estates Second Addition Construction Project
Moved by Trotter, seconded by Hallam to adopt the Resolution. AYES: Five. NAYS: None. Resolution 2023-242 adopted.

Staff Report

18. Water Pollution Control Project Updates - Jody Rhone, Utilities Director
Utilities Director, Jody Rhone presented on Water Pollution Control Projects that are going on currently. Projects were grouped together for better bid prices. Some things have been delayed due to getting electrical components from vendors. Rhone asked everyone to complete the survey that was sent out to all citizens regarding service line material.

Mayor/Council Comments

19. Mayor and Council Comments
Wade asked about the status of the new Starbucks building construction. Staff will provide an update. Hallam announced the tour for the Lederman building on Thursday evening and the Frankfest at Maytag Park starting at 5:30 p.m.

Closed Session

20. To Discuss Strategy with Counsel in Matters that Are Presently in Litigation or Where Litigation is Imminent Where its Disclosure Would be Likely to Prejudice or Disadvantage the Position of the Governmental Body in that Litigation, Which Discussions are Exempt from the Open Meetings Law Pursuant to the Provision of Section 21.5(1)(c), Code of Iowa 2023
At 7:21 p.m. it was moved by Wade, seconded by Hallam to go into closed session. AYES: Five. NAYS: None. Motion passed. Council will take a 5 minute recess to clear the chambers.

Return to Open Session

21. Return to Open Session
Council returned to open session with all previous members present.

Closed Session

22. To Discuss Strategy with Counsel in Matters that Are Presently in Litigation or Where Litigation is Imminent Where its Disclosure Would be Likely to Prejudice or Disadvantage the Position of the Governmental Body in that Litigation, Which Discussions are Exempt from the Open Meetings Law Pursuant to the Provision of Section 21.5(1)(c), Code of Iowa 2023
At 7:45 p.m. it was moved by Dalton, seconded by Trotter to go into closed session. AYES: Five. NAYS: None. Motion passed.

Return to Open Session

23. Return to Open Session
Council returned to open session with all previous members present.

Adjourn

Moved by Hallam, seconded by Trotter to adjourn the meeting at 8:04 P.M. AYES: Five. NAYS: None. Motion unanimously carried by voice vote.

NEWTON SPECIAL WORKSHOP CITY COUNCIL MEETING MINUTES
SEPTEMBER 27, 2023, 12:00 PM

Call to Order

1. Roll Call
The City Council of Newton, Iowa met in special session at 12:00 P.M. on the above date in the Council Chambers at 101 West 4th Street South. Mayor Hansen presided via telephone. Present Council Members: Hallam, Dalton, George (via telephone), Ervin, Trotter (via telephone). Absent: Wade.

Motion

2. Motion to appoint a council member to serve on the objection committee
Moved by Ervin to nominate council person Craig Trotter to represent the 3rd member of the candidate objection hearing committee due to this being his final quarter of being a council person, it is felt that he would not be involved after January 1st whereas everyone else would be involved, seconded by Dalton. AYES: Five. NAYS: None.
Motion carried.

Adjourn

Moved by Dalton, seconded by Hallam to adjourn the meeting at 12:02 P.M. Motion unanimously carried by voice vote.

Katrina Davis, City Clerk

Michael L. Hansen, Mayor

City of Newton Council Report

**Item:**

Resolution fixing the amounts to be assessed against individual private properties for the abatement of nuisance violations (Schedule No. 23-09)

Summary:

The City of Newton abated some nuisances, such as tall grass/weeds, trash, or snow. These costs remain unpaid by the property owner(s) and should be assessed to the property taxes.

Financial Impact:

Cost Recovery: \$975.00

Report Number: 2023-1030

Date:

October 2, 2023

Lead Department:

Community Services

Recommendation:

Approve

Background:

The City continues to work towards better curb appeal and improved aesthetics within the community. The City abated violations that remained non-compliant after the initial warning period. The attached schedule lists owner, parcel number, address, amount to be assessed, date work was completed, property legal description, and property valuation.

Recommendation:

City Staff recommends approval of the Resolution fixing the amounts to be assessed against individual private properties for the abatement of nuisance violations.

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION FIXING THE AMOUNTS TO BE ASSESSED AGAINST INDIVIDUAL
PRIVATE PROPERTIES FOR THE ABATEMENT OF NUISANCE VIOLATIONS
(SCHEDULE NO. 23-09)**

WHEREAS, the City of Newton has abated nuisance violations at the addresses as found in Schedule No. 23-09: Assessment for the Expenses for Nuisance Abatement; and

WHEREAS, the City of Newton has maintained a report of the abatement costs for each individual property as found in Schedule 23-09: Assessment for the Expenses for Nuisance Abatement; and

WHEREAS, the expenses have been billed to the property owners and remain unpaid.

NOW THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa, that the Schedule 23-09: Assessment for the Expenses for Nuisance Abatement is approved.

NOW THEREFORE, BE IT FURTHER RESOLVED by the City Council of Newton, Iowa, that the City Clerk is hereby directed to prepare, sign, and file in the clerk's office the Schedule 23-09: Assessment for the Expenses for Nuisance Abatement.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

Schedule 23-09: Assessment for the Expenses for Nuisance Abatement

Deed/Contract Holder	Parcel Number	Property Address	City	Net Assessed Property Value	Abatement Fee	Admin. Fee	Total Amount Assessed	Legal	Date Abated
Michael Ault	835204007	200 E 20th St N	Newton	\$177,830	\$60.00	\$75.00	\$75.00	FAIRMEADOWS ADD PHASE 2 LOT 54	8/4/2023
Vicki Carter	834205004	717 N 3rd Ave E	Newton	\$125,220	\$90.00	\$75.00	\$75.00	EAST ADD LOT H & E 1/2 LOT G SD LOT 14	7/21/2023
Manuel Hidanovic	834276022	306 E 8th St S	Newton	\$39,260	\$60.00	\$75.00	\$75.00	EASTSIDE SD W 111' 10" LOT 2	8/4/2023
Wilma Huff	827411001	830 E 6th St N	Newton	\$81,840	\$295.00	\$75.00	\$75.00	EDMUNDSON'S ADD LOT 12 BLK 20 EX S 8'	8/7/2023
Paul & Kelley Mattingly	834201010	609 N 4th Ave E	Newton	\$47,950	\$60.00	\$75.00	\$75.00	COONEY'S SD W 1/2 LOT C	7/21/2023
William Nace	1303203012	1602 E 7th St S	Newton	\$128,070	\$90.00	\$75.00	\$75.00	LISTER'S ACRES LOT 49	7/24/2023
Randy Cline	835426029	701 E 24th St S	Newton	\$85,640	\$60.00	\$75.00	\$75.00	AURORA HEIGHTS SD LOT 14 BLK O	8/11/2023
Enedina Devarela	833102012	211 W 16th St N	Newton	\$117,910	\$90.00	\$75.00	\$75.00	ILLCREST PLACE LOT 9 BLK A	8/7/2023
Jeffery Funk	828377011	506 W 14th St N	Newton	\$82,960	\$90.00	\$75.00	\$75.00	HILLCREST ADD LOT 8 BLK A	8/22/2023
Michael Gerrish	827482013	406 E 10th St N	Newton	\$150,490	\$120.00	\$75.00	\$75.00	BROWN'S SD LOT 29 BLK D	8/23/2023
Robert Spinney	826352024	601 E 13th St N	Newton	\$83,910	\$60.00	\$75.00	\$75.00	EMERSON HOUGH PLACE LOT 12 BLK B	8/22/2023
Sherry Stoner	833283010	623 S 4th Ave W	Newton	\$125,880	\$215.00	\$75.00	\$75.00	WEST NEWTON LOT G BLK D	8/21/2023
Kayla Warren	834426006	806 S 6th Ave E	Newton	\$124,440	\$120.00	\$75.00	\$75.00	LINCOLN PLACE ADD LOT 3 BLK 4 & 1/2 ALLEY ON E	8/22/2023
Total							\$975.00		

City of Newton Council Report

**Item:**

Resolution awarding contract for the 2023 Ceiling Installation Project - Community Services

Summary:

Award of contract to install insulation and ceiling panels as part of the shop remodeling project at 1700 N 4th Ave W.

Financial Impact:

\$11,400 total; with \$3,693.94 from 2023 Bond funds and the balance from a mix of funds from the Cemetery, Parks, Golf, and Airport FY24 General Fund budgets.

Report Number: 2023-837**Date:**

October 2, 2023

Lead Department:

Community Services

Recommendation:

Approve

Background:

The maintenance operations and staff of the City of Newton's Community Services Department have relocated to 1700 N 4th Ave W, which has been home to the Public Works street operations since 1988. The former offices in the east portion of the main building were converted back to shop space, and the majority of parks and cemetery maintenance staff and equipment are now based at this location instead of being stored in numerous locations around Newton.

Proposals were sought to install the insulation and ceiling panels for the expanded shop area that was previously office space. The proposals sought were for labor only, since all materials have already been purchased to complete this last needed step in the remodeling project. Only two proposals were able to be secured by staff, with said proposals being:

Schwarz Carpentry - Newton, Iowa	\$11,400.00
RabWorks - Newton, Iowa	\$42,000.00

The lowest proposal received is from Schwarz Carpentry of Newton, Iowa. To pay for this work, \$3,693.94 will be used from 2023 Bond funds and the balance from a mix of funds from the Cemetery, Parks, Golf, and Airport FY24 General Fund budgets. These four budget areas all receive varying levels of maintenance support from this new shop location, so their contributions will be based on said levels of support.

Recommendation:

City Staff recommends that Council award the project to Schwarz Carpentry of Newton, Iowa in the amount of \$11,400.00.

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION AWARDING CONTRACT FOR THE 2023 CEILING INSTALLATION
PROJECT - COMMUNITY SERVICES**

WHEREAS, the maintenance operations and staff with the City of Newton's Community Services Department have relocated to 1700 N 4th Ave W, which has been home to the Public Works street operations since 1988; and

WHEREAS, the former offices in the east portion of the main building were converted back to shop space, and a majority of parks and cemetery maintenance staff and equipment are now based at this location instead of being stored in numerous locations around Newton; and

WHEREAS, proposals were sought to install the insulation and ceiling panels for the expanded shop area that was previously office space; and

WHEREAS, the proposals sought were for labor only, since all materials have already been purchased to complete this last, needed step in the remodeling project; and

WHEREAS, only two proposals were able be secured by staff, with said proposals being:

Schwarz Carpentry - Newton, Iowa	\$11,400.00
RabWorks - Newton, Iowa	\$42,000.00

; and

WHEREAS, City Staff recommends that Council award the project to Schwarz Carpentry of Newton, Iowa in the amount of \$11,400.00.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Newton, Iowa, that the quote of Schwarz Carpentry of Newton, Iowa in the amount of eleven thousand, four hundred eleven dollars and zero cents (\$11,400.00) for the 2023 Ceiling Installation Project - Community Services is hereby accepted, the same being the lowest, responsive quote received for said project.

BE IT FURTHER RESOLVED, by the City Council of the City of Newton, Iowa, that the proposal by Schwarz Carpentry of Newton, Iowa for the 2023 Ceiling Installation Project - Community Services be signed by the Mayor on behalf of the City. The City shall utilize \$3,693.94 from 2023 Bond funds and the balance from a mix of funds from the Cemetery, Parks, Golf, and Airport FY24 General Fund budgets.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution ordering bids, approving plans, specifications, form of contract, notice to bidders, ordering clerk to publish notice, fixing a date for receiving same, for a public hearing on plans, specifications, form of contract and estimate of costs for the Water Treatment Plant Controls and Telemetry Replacement Project

Summary:

Accept plans and order bids for the Water Treatment Plant Controls and Telemetry Project

Financial Impact:

Engineer's Estimated cost \$500,000. from Water Enterprise Funds, following bid letting and anticipated award of contract by future resolution.

Report Number: 2023-1049**Date:**

October 2, 2023

Lead Department:

Utilities

Recommendation:

Approve

Background:

The Water Treatment Plant was constructed approximately 55 years ago. The controls and telemetry for the water treatment plant, water wells, water storage tanks, towers and pump stations have become outdated and software is no longer supported. The replacement of the controls and telemetry at the Water Treatment Plant was included in the Capital Improvement Plans (CIP) for FY24.

Plans, specifications and engineer's estimated cost have been prepared by Fox/Strand Engineering. The proposed bid opening for the project will occur on October 20, 2023 and the public hearing on the proposed project and resolution to accept the bids and award the work will take place at the regularly scheduled council meeting on November 6, 2023. The total estimated project cost of \$500,000 will be paid utilizing Water Enterprise Funds

Recommendation:

Approval to accept the plans, set dates, and obtain bids for the Water Treatment Plant Controls and Telemetry Project

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION ORDERING BIDS, APPROVING PLANS,
SPECIFICATIONS, FORM OF CONTRACT, NOTICE TO BIDDERS,
ORDERING CLERK TO PUBLISH NOTICE, FIXING A DATE FOR
RECEIVING SAME, FOR A PUBLIC HEARING ON PLANS,
SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS
FOR THE WATER TREATMENT PLANT CONTROLS AND TELEMETRY
REPLACEMENT PROJECT.**

WHEREAS, the Water Treatment Plant was constructed approximately 55 years ago; and

WHEREAS, the controls and telemetry for the water treatment plant, water wells, water storage tanks, towers and pump stations have become outdated and software is no longer supported; and

WHEREAS, the replacement of the controls and telemetry at the Water Treatment Plant was included in the Capital Improvement Plans (CIP) for FY24; and

WHEREAS, plans, specifications and engineer's estimated cost have been prepared by Fox/Strand Engineering; and

WHEREAS, the proposed bid opening for the project will occur on October 20, 2023 and the public hearing on the proposed project and resolution to accept the bids and award the work will take place at the regularly scheduled council meeting on November 6, 2023; and

WHEREAS, the engineer's estimated project cost of \$500,000 will be paid utilizing Water Enterprise funds for this project; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Iowa, that the City Clerk is hereby ordered to be advertised for bids for Water Treatment Plant Controls and Telemetry Replacement Project.

BE IT FURTHER RESOLVED that the detailed plans and specifications as prepared by Fox/Strand Engineering for the Water Treatment Plant Controls and Telemetry Replacement Project in the City of Newton, Iowa, and the form of contract and Notice to Bidders and Notice of Public Hearing are hereby approved, subject to hearing thereon, and are hereby ordered placed on file in the office of the Clerk for public inspection; and

That the advertising for bids will be received at the Office of Utilities Director 403 W 4th St N Suite #501 Newton, Iowa at 2:00 P.M. CDT, on October 20, 2023. Thereupon the bids will be referred to the City Council for action upon said bids at a meeting to be held at the Council Chambers, Newton, Iowa, on the 6th day of November 2023, at 6:00 P.M.

That the Council hold a public hearing on the matter of the adoption of proposed plans, specifications and form of contract for the making of said improvements, which documents are now on file in the office of the Clerk, said hearing to be held at the Council Chambers in the City Hall, Newton, Iowa, on November 6th, 2023, at 6:00 P.M., and that the City Clerk give notice of said hearing by publication once in a local legal newspaper, printed wholly in English language, not less than four (4) clear days nor more than twenty (20) days prior to the date fixed therefore.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution ordering bids, approving plans, specifications, form of contract, notice to bidders, ordering clerk to publish notice, fixing a date for receiving same, for a public hearing on plans, specifications, form of contract and estimate of costs for the WPC 1st St N Aerial Sewer Crossing Repair Project

Summary:

Accept plans, order bids and set public hearing date for the WPC 1st St N Aerial Sewer Crossing Project

Financial Impact:

Engineer's estimated cost \$127,500.00 following bid letting and anticipated award of contract by future resolution, utilizing Water Pollution Control Revenue Funds.

Report Number: 2023-1050**Date:**

October 2, 2023

Lead Department:

Utilities

Recommendation:

Approve

Background:

The sanitary sewer aerial repair is located in a remote wooded area crossing a Cherry Creek drainage tributary. This drainage area has eroded over the years leaving the footings holding the sanitary sewer exposed and in the danger of failing. The proposed project includes installing a storm sewer culvert and placing earth fill to bury the sanitary sewer pipe. This project was included in the Capital Improvement Plans (CIP) for FY23, but because of some engineering staffing shortages, this project was delayed until now.

Plans, specifications and engineer's estimated cost have been prepared by Bolton/Menk Engineering. The proposed bid opening for the project will occur on October 20, 2023 and the public hearing on the proposed project and resolution to accept the bids and award the work will take place at the regularly scheduled council meeting on November 6, 2023. The engineer's estimate for this project is \$127,500.00. Water Pollution Control Enterprise funds will be utilized for this project.

Recommendation:

Approval to accept the plans, set dates, and obtain bids for the WPC 1st St N Aerial Sewer Crossing Project

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION ORDERING BIDS, APPROVING PLANS,
SPECIFICATIONS, FORM OF CONTRACT, NOTICE TO BIDDERS,
ORDERING CLERK TO PUBLISH NOTICE, FIXING A DATE FOR
RECEIVING SAME, FOR A PUBLIC HEARING ON PLANS,
SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS
FOR THE WPC 1ST ST N AERIAL SEWER CROSSING REPAIR
PROJECT.**

WHEREAS, the sanitary sewer aerial repair is located in a remote wooded area crossing a Cherry Creek drainage tributary; and

WHEREAS, this drainage area has eroded over the years leaving the footings holding the sanitary sewer exposed and in the danger of failing; and

WHEREAS, this project was included in the Capital Improvement Plans (CIP) for FY23; and

WHEREAS, plans, specifications and engineer's estimated cost have been prepared by Bolton/Menk Engineering; and

WHEREAS, the proposed bid opening for the project will occur on October 20, 2023 and the public hearing on the proposed project and resolution to accept the bids and award the work will take place at the regularly scheduled council meeting on November 6, 2023; and

WHEREAS, the engineer's estimate for this project is \$127,500.00: and

WHEREAS, Water Pollution Control Enterprise funds will be utilized for this project; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Iowa, that the 1st St N aerial sewer crossing repair project in the City of Newton, Iowa is hereby ordered to be advertised for bids for construction.

BE IT FURTHER RESOLVED that the detailed plans and specifications as prepared by Bolton & Menk Engineering for 1st St N aerial sewer crossing repair project in the City of Newton, Iowa, and the form of contract and Notice to Bidders and Notice of Public Hearing, be and the same are hereby approved, subject to hearing thereon, and are hereby ordered placed on file in the office of the City Clerk for public inspection; and

That the advertising for bids will be received at the Office of Utilities Director at 403 W 4th St N Suite #501 Newton, Iowa at 10:00 A.M. CDT, on October 20, 2023. Thereupon the bids will be referred to the City Council for action upon said bids at a meeting to be held at the Council Chambers, Newton, Iowa, on the 6th day of November 2023, at 6:00 P.M.; and

That the Council hold a public hearing on the matter of the adoption of proposed plans, specifications and form of contract for the making of said improvements, which documents are now on file in the office of the City Clerk, said hearing to be held at the Council Chambers in the City Hall, Newton, Iowa, on November 6th, 2023, at 6:00 P.M., and that the City Clerk give notice of said hearing by publication once in a local legal newspaper, printed wholly in English language, not less than four (4) clear days nor more than twenty (20) days prior to the date fixed therefore.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

**CITY OF NEWTON
AERIAL SEWER CROSSING
OPINION OF PROBABLE COSTS
Tuesday, September 26, 2023**

Item No.	Description	Unit	Price	Div 1	Extension
1	CLEARING AND GRUBBING	LS	\$ 15,000.00	1.00	\$ 15,000.00
2	EXCAVATION, CLASS 10 BORROW	CY	\$ 15.00	425.00	\$ 6,375.00
3	SANITARY SEWER GRAVITY MAIN, TRENCHED, DIP, 12"	LF	\$ 400.00	50.00	\$ 20,000.00
4	REMOVAL OF SANITARY SEWER, VCP, 12"	LF	\$ 10.00	50.00	\$ 500.00
5	SANITARY SEWER PIPE ADJUSTMENT	LS	\$ 5,000.00	1.00	\$ 5,000.00
6	STORM SEWER, TRENCHED, RCP, 48"	LF	\$ 350.00	72.00	\$ 25,200.00
7	PIPE APRON, RCP, 48"	EA	\$ 5,500.00	2.00	\$ 11,000.00
8	FOOTING FOR CONCRETE PIPE APRON, RCP 48"	EA	\$ 2,000.00	2.00	\$ 4,000.00
9	SANITARY BYPASS PUMPING	LS	\$ 5,000.00	1.00	\$ 5,000.00
10	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING	AC	\$ 3,500.00	2.00	\$ 7,000.00
11	FILTER SOCK, 8"	LF	\$ 3.00	150.00	\$ 450.00
12	RIP RAP, CLASS "E"	TON	\$ 125.00	45.00	\$ 5,625.00
13	EROSION CONTROL MULCHING, HYDRO MULCHING	AC	\$ 3,000.00	0.25	\$ 750.00
14	REMOVAL AND REINSTALLATION OF EXISTING FENCE, FARM FENCE	LF	\$ 50.00	120.00	\$ 6,000.00
15	GRANULAR BACKFILL MATERIAL	TON	\$ 35.00	100.00	\$ 3,500.00
16	MOBILIZATION	LS	\$ 6,000.00	1.00	\$ 6,000.00
					\$ 121,400.00
Subtotal Construction:					\$ 121,400.00
Construction Contingencies 5%:					\$ 6,100.00
Opinion of Estimated Construction Cost:					\$ 127,500.00

GOVERNING SPECIFICATIONS

2023 EDITION OF THE "IOWA STATEWIDE URBAN SPECIFICATIONS FOR PUBLIC IMPROVEMENTS" (SUDAS) STANDARD SPECIFICATIONS AS MODIFIED BY THE CITY OF NEWTON SUPPLEMENTAL SPECIFICATIONS

IOWA DEPARTMENT OF TRANSPORTATION "STANDARD SPECIFICATIONS FOR HIGHWAY AND BRIDGE CONSTRUCTION", VERSION OCTOBER 2015 AND ALL CURRENT GENERAL SUPPLEMENTAL SPECIFICATIONS AND MATERIALS INSTRUCTIONAL MEMORANDUM SHALL GOVERN AS REFERENCED.

ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS AND ORDINANCES WILL BE COMPLIED WITH IN THE CONSTRUCTION OF THIS PROJECT.

MUTCD 2009 AS ADOPTED BY IOWA DEPARTMENT OF TRANSPORTATION.



NOTE: EXISTING UTILITY INFORMATION SHOWN ON THIS PLAN HAS BEEN PROVIDED BY THE UTILITY OWNER. THE CONTRACTOR SHALL FIELD VERIFY EXACT LOCATION PRIOR TO COMMENCING CONSTRUCTION AS REQUIRED BY STATE LAW, NOTIFY IOWA ONE CALL 1-800-292-8989

THE SUBSURFACE UTILITY INFORMATION IN THIS PLAN IS UTILITY QUALITY LEVEL D. THIS UTILITY QUALITY LEVEL WAS DETERMINED ACCORDING TO THE GUIDELINES OF CI/ASCE 38-02, ENTITLED "STANDARD GUIDELINES FOR THE COLLECTION AND DEPICTION OF EXISTING SUBSURFACE UTILITY DATA."

PROJECT DATUM

NAD83 IOWA STATE PLANES, SOUTH ZONE, US FOOT (IA83-SF)

UTILITY CONTACTS

SANITARY SEWER: NEWTON WATER POLLUTION CONTROL
CONTACT: BRAD HANSEN
CELL: 641-792-3422
EMAIL: BRADH@NEWTONGOV.ORG

STORM SEWER: NEWTON PUBLIC WORKS
CONTACT: MIKE WARD
CELL: 641-792-6622
EMAIL: MIKEW@NEWTONGOV.ORG

WATER: NEWTON WATERWORKS
CONTACT: JODY RHONE
PHONE: 641-792-6622
EMAIL: JODYR@NEWTONGOV.ORG

NATURAL GAS: BLACK HILLS ENERGY
CONTACT: CHUCK WOODS
CELL: 515-518-7483
EMAIL: CHUCK.WOODS@BLACKHILLSCORP.COM

ELECTRIC: ALLIANT ENERGY
CONTACT: DILLON WRIGHT
CELL: 641-269-2907
EMAIL: DILLONWRIGHT@ALLIANTENERGY.COM

TELEPHONE: WINDSTREAM
CONTACT: HALEY ANDERSON
CELL: 515-401-2668
EMAIL: HALEY.ANDERSON@WINDSTREAM.COM

CABLE TV: MEDIACOM
CONTACT: TIM HAWKINS
CELL: 515-991-3765
EMAIL: THAWKINS1@MEDIACOMCC.COM

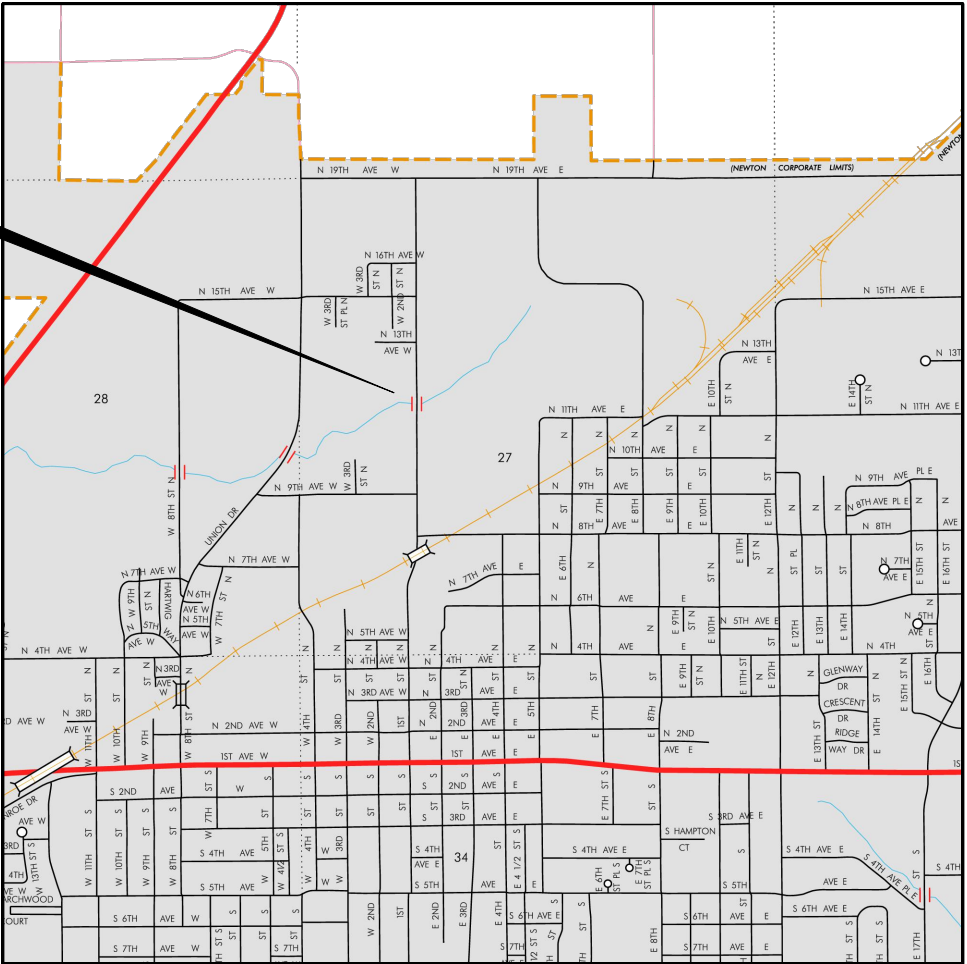
CITY OF NEWTON, IOWA

CONSTRUCTIONS PLANS FOR

AERIAL SEWER CROSSING

OCTOBER 2023

PROJECT LOCATION



MAP OF THE
CITY OF NEWTON
JASPER COUNTY, IA

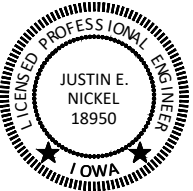
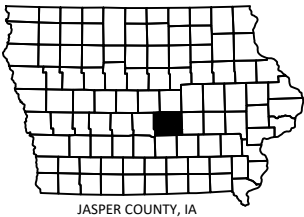
PREPARED FOR:

CITY OF NEWTON
403 W 4TH ST N
SUITE 501
NEWTON, IA 50208

PRELIMINARY
NOT FOR CONSTRUCTION,
RECORDING PURPOSES, OR
IMPLEMENTATION.

Sheet List Table

Sheet Number	Sheet Title
A.01	TITLE SHEET
A.02	LEGEND SHEET
B.01	TYPICAL DETAILS
C.01	QUANTITIES
C.01	ESTIMATE REFERENCE NOTES
D.01	MAINLINE PLAN
F.01	REMOVALS
H.01	EASEMENTS
H.02	EASEMENT
H.03	EASEMENTS
M.01	STORM PLAN AND PROFILE
M.02	SANITARY PLAN AND PROFILE



I HEREBY CERTIFY THAT THIS ENGINEERING DOCUMENT WAS PREPARED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF IOWA.

JUSTIN E. NICKEL, P.E.

REG. NO. 18950 DATE: Dec. 31, 2023

MY LICENSE RENEWAL DATE IS Dec. 31, 2023

PAGES OR SHEETS COVERED BY THIS SEAL:

ALL SHEETS



430 E GRAND AVENUE, SUITE 101
DES MOINES, IOWA 50309
Phone: (515) 259-9190
Email: DesMoines@bolton-menk.com
www.bolton-menk.com



DESIGNED	REV	DESCRIPTION	DATE
JRG/JEN			
DRAWN			
JRG			
CHECKED			
JEN			
CLIENT PROJ. NO.			
01A-125716			

CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

TITLE SHEET

SHEET

A.01

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PLAN: NEWTON AERIAL SEWER CROSSING
DATE: 07/25/2023 10:08:51 AM

EXISTING TOPOGRAPHIC SYMBOLS

	ACCESS GRATE		REGULATION STATION GAS
	AIR CONDITION UNIT		SATELLITE DISH
	ANTENNA		SIGN TRAFFIC
	AUTO SPRINKLER CONNECTION		SIGNAL CONTROL CABINET
	BARRICADE PERMANENT		SOIL BORING
	BASKETBALL POST		SIREN
	BENCH		TELEPHONE BOOTH
	BIRD FEEDER		TILE INLET
	BOLLARD		TILE OUTLET
	BUSH		TILE RISER
	CATCH BASIN RECTANGULAR CASTING		TRANSFORMER-ELECTRIC
	CATCH BASIN CIRCULAR CASTING		TREE-CONIFEROUS
	CURB STOP		TREE-DEAD
	CLEAN OUT		TREE-DECIDUOUS
	CULVERT END		TREE STUMP
	DRINKING FOUNTAIN		TRAFFIC ARM BARRIER
	DOWN SPOUT		TRAFFIC SIGNAL
	FILL PIPE		TRASH CAN
	FIRE HYDRANT		UTILITY MARKER
	FLAG POLE		VALVE
	FLARED END / APRON		VALVE POST INDICATOR
	FUEL PUMP		VALVE VAULT
	GRILL		VENT PIPE
	GUY WIRE ANCHOR		WATER SPIGOT
	HANDHOLE		WELL
	HANDICAP SPACE		WETLAND DELINEATED MARKER
	IRRIGATION SPRINKLER HEAD		WETLAND
	IRRIGATION VALVE BOX		WET WELL
	LIFT STATION CONTROL PANEL		YARD HYDRANT
	LIFT STATION		
	LIGHT ON POLE		
	LIGHT-GROUND		
	MAILBOX		
	MANHOLE-COMMUNICATION		
	MANHOLE-ELECTRIC		
	MANHOLE-GAS		
	MANHOLE-HEAT		
	MANHOLE-SANITARY SEWER		
	MANHOLE-STORM SEWER		
	MANHOLE-UTILITY		
	MANHOLE-WATER		
	METER		
	ORDER MICROPHONE		
	PARKING METER		
	PAVEMENT MARKING		
	PEDESTAL-COMMUNICATION		
	PEDESTAL-ELECTRIC		
	PEDESTRIAN PUSH BUTTON		
	PICNIC TABLE		
	POLE-UTILITY		
	POST		
	RAILROAD SIGNAL POLE		

PROPOSED TOPOGRAPHIC SYMBOLS

	CLEANOUT
	MANHOLE
	LIFT STATION
	STORM SEWER CIRCULAR CASTING
	STORM SEWER RECTANGULAR CASTING
	STORM SEWER FLARED END / APRON
	STORM SEWER OUTLET STRUCTURE
	STORM SEWER OVERFLOW STRUCTURE
	CURB BOX
	FIRE HYDRANT
	WATER VALVE
	WATER REDUCER
	WATER BEND
	WATER TEE
	WATER CROSS
	WATER SLEEVE
	WATER CAP / PLUG
	RIP RAP
	DRAINAGE FLOW
	TRAFFIC SIGNS

SURVEY SYMBOLS

	BENCH MARK LOCATION
	CONTROL POINT
	MONUMENT IRON FOUND
	CAST IRON MONUMENT

EXISTING TOPOGRAPHIC LINES

	RETAINING WALL
	FENCE
	FENCE-DECORATIVE
	GUARD RAIL
	TREE LINE
	BUSH LINE

SURVEY LINES

	CONTROLLED ACCESS BOUNDARY
	CENTERLINE
	EXISTING EASEMENT LINE
	PROPOSED EASEMENT LINE
	EXISTING LOT LINE
	PROPOSED LOT LINE
	EXISTING RIGHT-OF-WAY
	PROPOSED RIGHT-OF-WAY
	SETBACK LINE
	SECTION LINE
	QUARTER LINE
	SIXTEENTH LINE
	TEMPORARY EASEMENT

EXISTING UTILITY LINES

	FORCEMAIN
	SANITARY SEWER
	SANITARY SERVICE
	STORM SEWER
	STORM SEWER DRAIN TILE
	WATERMAIN
	WATER SERVICE

PROPOSED UTILITY LINES

	FORCEMAIN
	SANITARY SEWER
	SANITARY SERVICE
	STORM SEWER
	STORM SEWER DRAIN TILE
	WATERMAIN
	WATER SERVICE
	PIPE CASING

GRADING INFORMATION

	EXISTING CONTOUR MINOR
	EXISTING CONTOUR MAJOR
	PROPOSED CONTOUR MINOR
	PROPOSED CONTOUR MAJOR
	PROPOSED GRADING LIMITS / SLOPE LIMITS
	PROPOSED SPOT ELEVATION
	RISE:RUN (SLOPE)

HATCH PATTERNS

	BITUMINOUS
	CONCRETE
	GRAVEL

EXISTING PRIVATE UTILITY LINES

NOTE:
EXISTING UTILITY INFORMATION SHOWN ON THIS PLAN HAS BEEN PROVIDED BY THE UTILITY OWNER. THE CONTRACTOR SHALL FIELD VERIFY EXACT LOCATIONS PRIOR TO COMMENCING CONSTRUCTION AS REQUIRED BY STATE LAW. NOTIFY **IOWA ONE CALL**, 1-800-252-8989.

THE SUBSURFACE UTILITY INFORMATION IN THIS PLAN IS UTILITY QUALITY LEVEL D UNLESS OTHERWISE NOTED. THIS UTILITY LEVEL WAS DETERMINED ACCORDING TO THE GUIDELINES OF CI/ASCE 38-02, ENTITLED "STANDARD GUIDELINES FOR THE COLLECTION AND REVISION OF EXISTING SUBSURFACE UTILITY DATA"

	UNDERGROUND FIBER OPTIC
	UNDERGROUND ELECTRIC
	UNDERGROUND GAS
	UNDERGROUND COMMUNICATION
	OVERHEAD ELECTRIC
	OVERHEAD COMMUNICATION
	OVERHEAD UTILITY

SECTION AND DETAIL IDENTIFICATION

SECTION IDENTIFICATION	DETAIL IDENTIFICATION
SECTION CALL OUT AS SHOWN ON SHEETS:	DETAIL CALL OUT AS SHOWN ON SHEETS:
SECTION NUMBER DRAWING ON WHICH SECTION APPEARS *	DETAIL NUMBER DRAWING ON WHICH DETAIL IS SHOWN *
* NOTE: IF PLAN AND SECTION (OR DETAIL CALL-OUT AND DETAIL) ARE SHOWN ON THE SAME DRAWING, DRAWING NUMBER IS REPLACED BY A LINE.	

ABBREVIATIONS

A	ALGEBRAIC DIFFERENCE	GRAV	GRAVEL	RT	RIGHT
ADJ	ADJUST	GU	GUTTER	SAN	SANITARY SEWER
ALT	ALTERNATE	GV	GATE VALVE	SCH	SCHEDULE
B-B	BACK TO BACK	HDPE	HIGH DENSITY POLYETHYLENE	SERV	SERVICE
BIT	BITUMINOUS	HH	HANDHOLE	SHLD	SHOULDER
BLDG	BUILDING	HP	HIGH POINT	STA	STATION
BMP	BEST MANAGEMENT PRACTICE	HWL	HIGH WATER LEVEL	STD	STANDARD
BR	BEGIN RADIUS	HYD	HYDRANT	STM	STORM SEWER
BV	BUTTERFLY VALVE	I	INVERT	TC	TOP OF CURB
CB	CATCH BASIN	K	CURVE COEFFICIENT	TE	TEMPORARY EASEMENT
C&G	CURB AND GUTTER	L	LENGTH	TEMP	TEMPORARY
CIP	CAST IRON PIPE	LO	LOWEST OPENING	TNH	TOP NUT HYDRANT
CIPP	CURED-IN-PLACE PIPE	LP	LOW POINT	TP	TOP OF PIPE
CL	CENTER LINE	LT	LEFT	TYP	TYPICAL
CL	CLASS	MH	MANHOLE	VCP	VITRIFIED CLAY PIPE
CLVT	CULVERT	MIN	MINIMUM	VERT	VERTICAL
CMP	CORRUGATED METAL PIPE	MR	MID RADIUS	VPC	VERTICAL POINT OF CURVE
C.O.	CHANGE ORDER	NIC	NOT IN CONTRACT	VPI	VERTICAL POINT OF INTERSECTION
COMM	COMMUNICATION	NMC	NON-METALLIC CONDUIT	VPT	VERTICAL POINT OF TANGENT
CON	CONCRETE	NTS	NOT TO SCALE	WM	WATERMAIN
CSP	CORRUGATED STEEL PIPE	NWL	NORMAL WATER LEVEL		
DIA	DIAMETER	OHW	ORDINARY HIGH WATER LEVEL	AC	ACRES
DIP	DUCTILE IRON PIPE	PC	POINT OF CURVE	CF	CUBIC FEET
DWY	DRIVEWAY	PCC	POINT OF COMPOUND CURVE	CV	COMPACTED VOLUME
E	EXTERNAL CURVE DISTANCE	PE	PERMANENT EASEMENT	CY	CUBIC YARD
ELEC	ELECTRIC	PED	PEDESTRIAN, PEDESTAL	EA	EACH
ELEV	ELEVATION	PERF	PERFORATED PIPE	EV	EXCAVATED VOLUME
EOF	EMERGENCY OVERFLOW	PERM	PERMANENT	LB	POUND
ER	END RADIUS	PI	POINT OF INTERSECTION	LF	LINEAR FEET
ESMT	EASEMENT	PL	PROPERTY LINE	LS	LUMP SUM
EX	EXISTING	PRC	POINT OF REVERSE CURVE	LV	LOOSE VOLUME
FES	FLARED END SECTION	PT	POINT OF TANGENT	SF	SQUARE FEET
F-F	FACE TO FACE	PVC	POLYVINYL CHLORIDE PIPE	SV	STOCKPILE VOLUME
FF	FINISHED FLOOR	PVMT	PAVEMENT	SY	SQUARE YARD
F&I	FURNISH AND INSTALL	R	RADIUS		
FM	FORCEMAIN	R/W	RIGHT-OF-WAY		
FO	FIBER OPTIC	RCP	REINFORCED CONCRETE PIPE		
F.O.	FIELD ORDER	RET	RETAINING		
GRAN	GRANULAR	RSC	RIGID STEEL CONDUIT		



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DES MOINES, IOWA 50309
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DESIGNED	REV	DESCRIPTION	DATE
JRG/JEN			
DRAWN			
JRG			
CHECKED			
JEN			
CLIENT PROJ. NO.			
01A-125716			

CITY OF NEWTON, IOWA

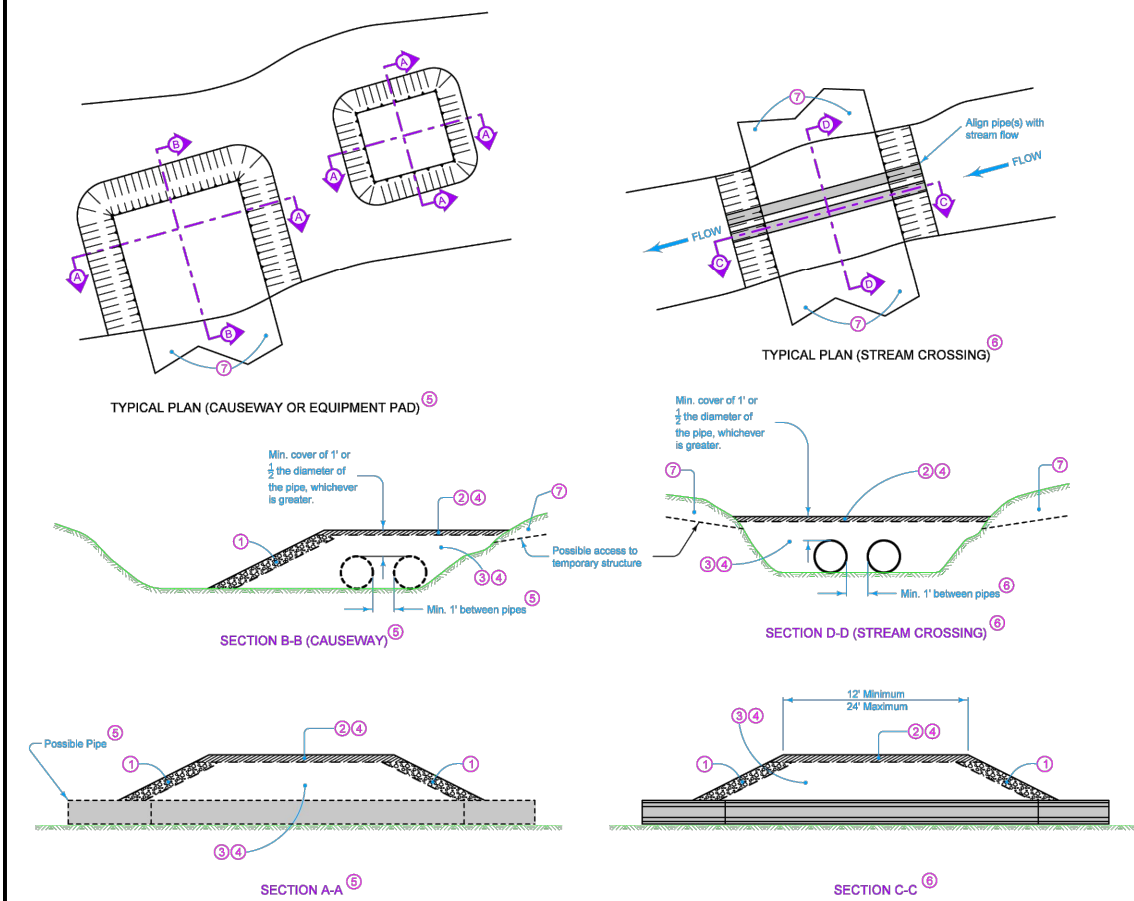
NEWTON AERIAL SEWER CROSSING

LEGEND SHEET

SHEET

A.02

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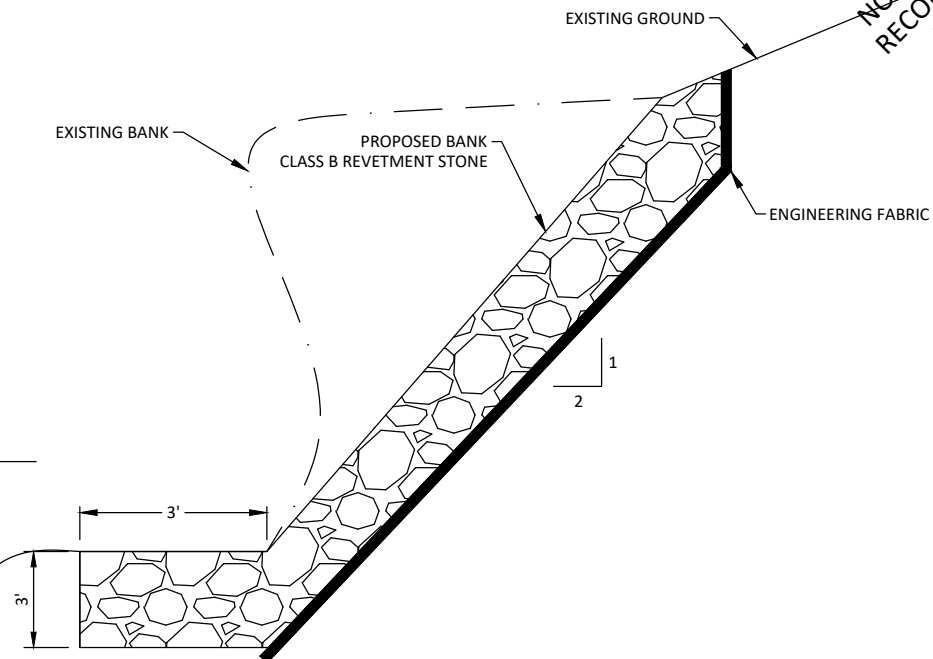


- ① Minimum 1 foot of Class D revetment, Class E revetment, or broken concrete meeting the requirements of Section 4130 of the Standard Specifications.
- ② Possible choke layer for construction traffic. Use any combination of erosion stone, granular backfill, special backfill (except with reclaimed HMA), granular surfacing material, or granular soils of AASHTO classification A-1 or A-2 with less than 5% fines passing the #200 sieve.
- ③ Use clean material with less than 5% fines passing the #200 sieve. Acceptable materials include revetment and granular materials.
- ④ When dredging is allowed by a permit, use dredged material containing 10% or less passing the #200 sieve. Prior to beginning construction according to EW-401, install erosion control measures according to EC-202. Leave these measures in place and maintain until temporary EW-401 materials have been completely removed. Installation, maintenance, and removal of these erosion control measures is incidental and will not be paid for separately.
- ⑤ Pipe required if structure spans more than half the distance between banks. Contractor determines size and number of pipe(s) unless specified otherwise in the contract documents.
- ⑥ Pipe required. Contractor determines size and number of pipe(s) unless specified otherwise in the contract documents.
- ⑦ When material needs to be cut from the bank to provide for access to construct and use a temporary stream structure, move this material to an upland location.

IOWA DOT STANDARD ROAD PLAN REVISIONS: Corrected typo in note 4. Updated the DOT logo. <i>Brian Smith</i> APPROVED BY DESIGN METHOD ENGINEER TEMPORARY STREAM CROSSING, CAUSEWAY, OR EQUIPMENT PAD	REVISION	2	10-20-15
	EW-401		SHEET 1 of 1

NORM WATER LEVEL
ELEVATION = 852.00

STREAMBED ELEVATION = 850.00



1
C.5

STREAM PROTECTION DETAIL
NTS

PRELIMINARY
NOT FOR CONSTRUCTION,
RECORDING PURPOSES, OR
IMPLEMENTATION.



430 E GRAND AVENUE, SUITE 101
DES MOINES, IOWA 50309
Phone: (515) 259-9190
Email: DesMoines@bolton-menk.com
www.bolton-menk.com



DESIGNED	REV	DESCRIPTION	DATE
JRG/JEN			
DRAWN			
JRG			
CHECKED			
JEN			
CLIENT PROJ. NO.			
01A.125716			

CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING
TYPICAL SECTIONS

SHEET
B.01

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A:\NEWVIA\1125716 General Engineering Services 2\Aerial Sewer Crossing\CAD\C3D\12571601.dwg 9/25/2023 10:09:09 AM

ESTIMATED PROJECT QUANTITIES - BASE BID					
ITEM NO.	ITEM CODE	ITEM	UNIT	DIV 1	AS BUILT QUANT.
1	2010-C	CLEARING AND GRUBBING	LS	1	
2	2010-E	EXCAVATION, CLASS 10 BORROW	CY	425	
3	4020-A-1	STORM SEWER, TRENCHED, RCP, 48"	LF	72	
4	4030-B	PIPE APRON, RCP, 48"	EA	2	
5	4030-C	FOOTING FOR CONCRETE PIPE APRON, RCP 48"	EA	2	
6	9010-B	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING	AC	2	
7	9040-D-1	FILTER SOCK, 8"	LF	150	
8	9040-J	RIP RAP, CLASS "E"	TON	45	
9	9040-Q-2	EROSION CONTROL MULCHING, HYDRO MULCHING	AC	0.25	
10	9060-D	REMOVAL AND REINSTALLATION OF EXISTING FENCE, FARM FENCE	LF	120	
11	9071-C	GRANULAR BACKFILL MATERIAL	TON	100	
12	11020-A	MOBILIZATION	LS	1	

ESTIMATE REFERENCE INFORMATION		
ITEM NO.	ITEM CODE	DESCRIPTION
1	2010-C	CLEARING AND GRUBBING
		THIS ITEM SHALL INCLUDE ALL NECESSARY TRIMMING AND CLEARING AND GRUBBING TO COMPLETE CONSTRUCTION. PROTECT ALL TREES NOT MARKED FOR REMOVAL.
2	2010-E	EXCAVATION, CLASS 10 BORROW
		ALL EXCESS MATERIAL TO BECOME THE PROPERTY OF THE CONTRACTOR AND HAULED OFFSITE. TOPSOIL SHALL BE PLACED AND SPREAD TO A MINIMUM THICKNESS OF 6" IN ALL DISTURBED TURF AREAS.
3	4020-A-1	STORM SEWER, TRENCHED, RCP, 48"
		INCLUDES FLEXIBLE GASKET JOINTS AT WATERMAIN CROSSINGS. VIDEO INSPECTION TO OCCUR PRIOR TO PAVING PER SUDAS 4060.
4	4030-B	PIPE APRON, RCP, 48"
		UNIT PRICE INCLUDES, BUT IS NOT LIMITED TO, TRENCH EXCAVATION; DEWATERING; FURNISHING AND INSTALLING PIPE; FURNISHING, PLACING, AND COMPACTING BEDDING AND BACKFILL MATERIAL; CONNECTORS; AND OTHER APPURTENANCES.
5	4030-C	FOOTING FOR CONCRETE PIPE APRON, RCP 48"
		UNIT PRICE INCLUDES, BUT IS NOT LIMITED TO, EXCAVATION; DEWATERING; REINFORCING STEEL; CONCRETE; FURNISHING AND INSTALLING APRON; FURNISHING, PLACING AND COMPACTING BEDDING AND BACKFILL MATERIAL.
6	9010-B	HYDRAULIC SEEDING, SEEDING, FERTILIZING, AND MULCHING
		UNIT PRICE INCLUDES, BUT IS NOT LIMITED TO, REMOVAL OF ROCK AND OTHER DEBRIS FROM THE AREA; REPAIRING RILLS AND WASHES; PREPARING THE SEEDBED; FURNISHING AND PLACING SEED, INCLUDING ANY TREATMENT REQUIRED; FURNISHING AND PLACING FERTILIZER AND MULCH; AND FURNISHING WATER AND OTHER CARE DURING THE CARE PERIOD, UNLESS THESE ITEMS ARE BID SEPARATELY.
7	9040-D-1	FILTER SOCK, 8"
		INCLUDES MAINTENANCE AND REMOVAL.
8	9040-J	RIP RAP, CLASS "E"
9	9040-Q-2	EROSION CONTROL MULCHING, HYDRO MULCHING
		THIS ITEM SHALL ONLY BE USED FOR TEMPORARY EROSION CONTROL OR AS DIRECTED BY ENGINEER.
10	9060-D	REMOVAL AND REINSTALLATION OF EXISTING FENCE, FARM FENCE
11	9071-C	GRANULAR BACKFILL MATERIAL
12	11020-A	MOBILIZATION
		THIS ITEM IS FOR ALL PREPARATORY WORK AND COSTS INCURRED BEFORE BEGINNING THE WORK ON THE PROJECT AND DURING THE PROJECT. THIS ITEM SHALL ALSO INCLUDE THE COSTS FOR ANY STAGED CONSTRUCTION AND EQUIPMENT SET UP TO COMPLETE THE WORK. NO CHANGE IN THE CONTRACT PRICE WILL BE MADE FOR ANY CHANGE IN STAGING OR COMBINATION THEREOF.

PRELIMINARY
NOT FOR CONSTRUCTION,
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IMPLEMENTATION.



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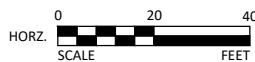
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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING
QUANTITIES & ESTIMATE REFERENCE NOTES

SHEET

C.01

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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

REMOVALS

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LEGEND



TEMP. EASEMENT



PERMANENT EASEMENT



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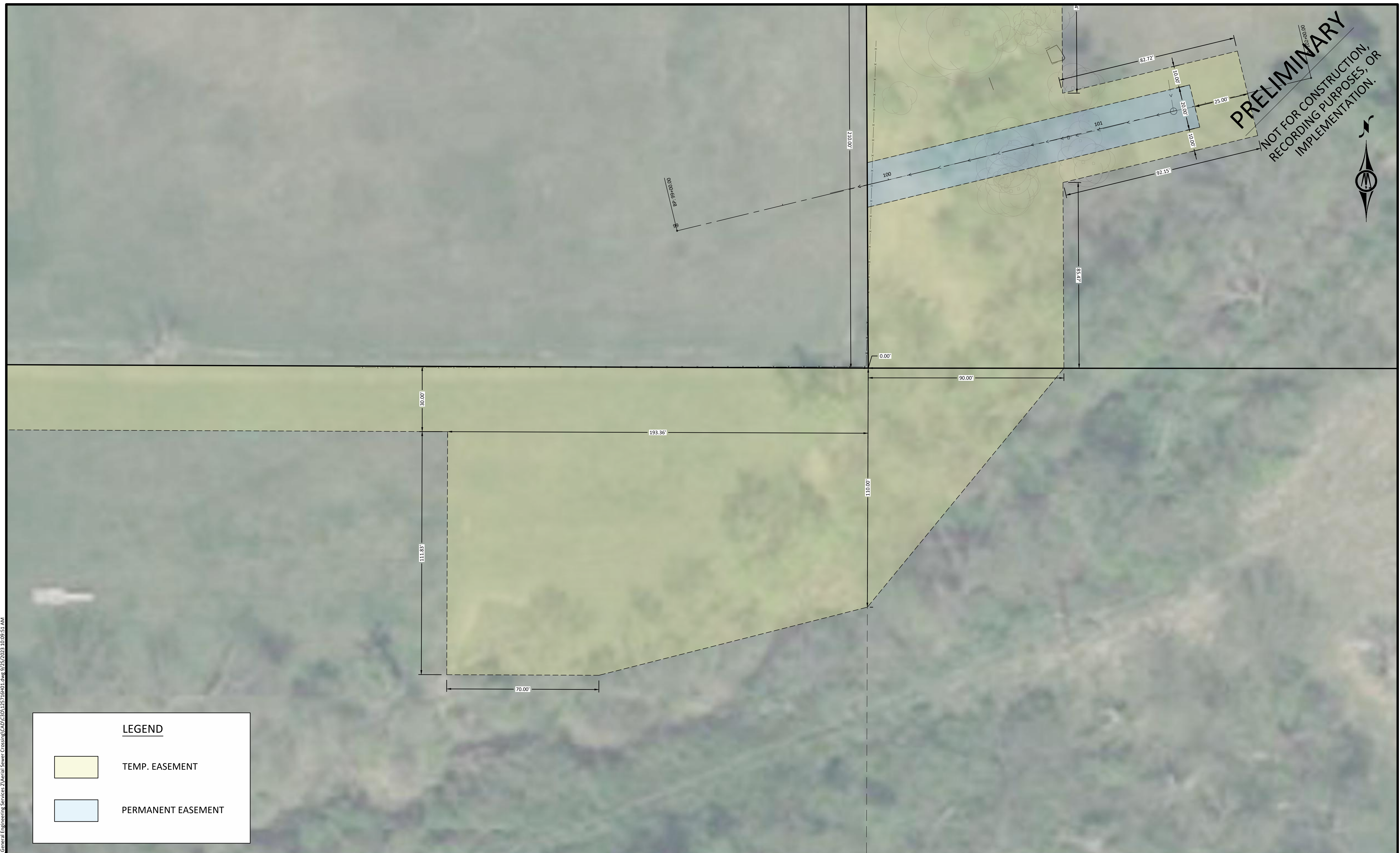
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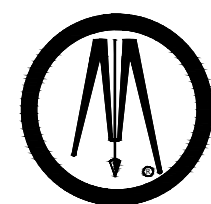
CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING
RIGHT-OF-WAY SHEETS

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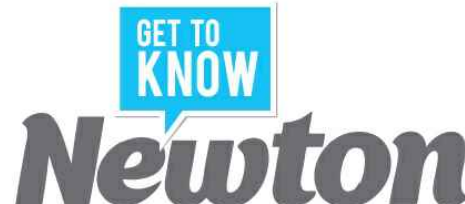
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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

EASEMENT

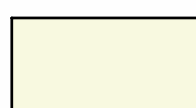
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LEGEND



TEMP. EASEMENT



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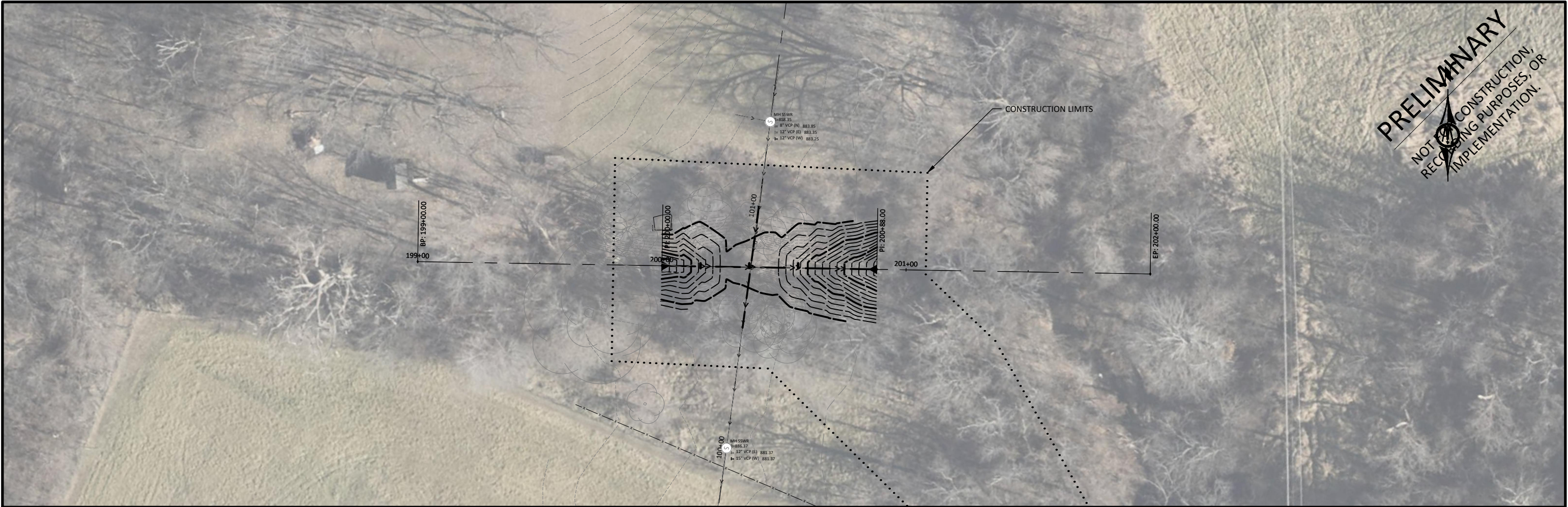
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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

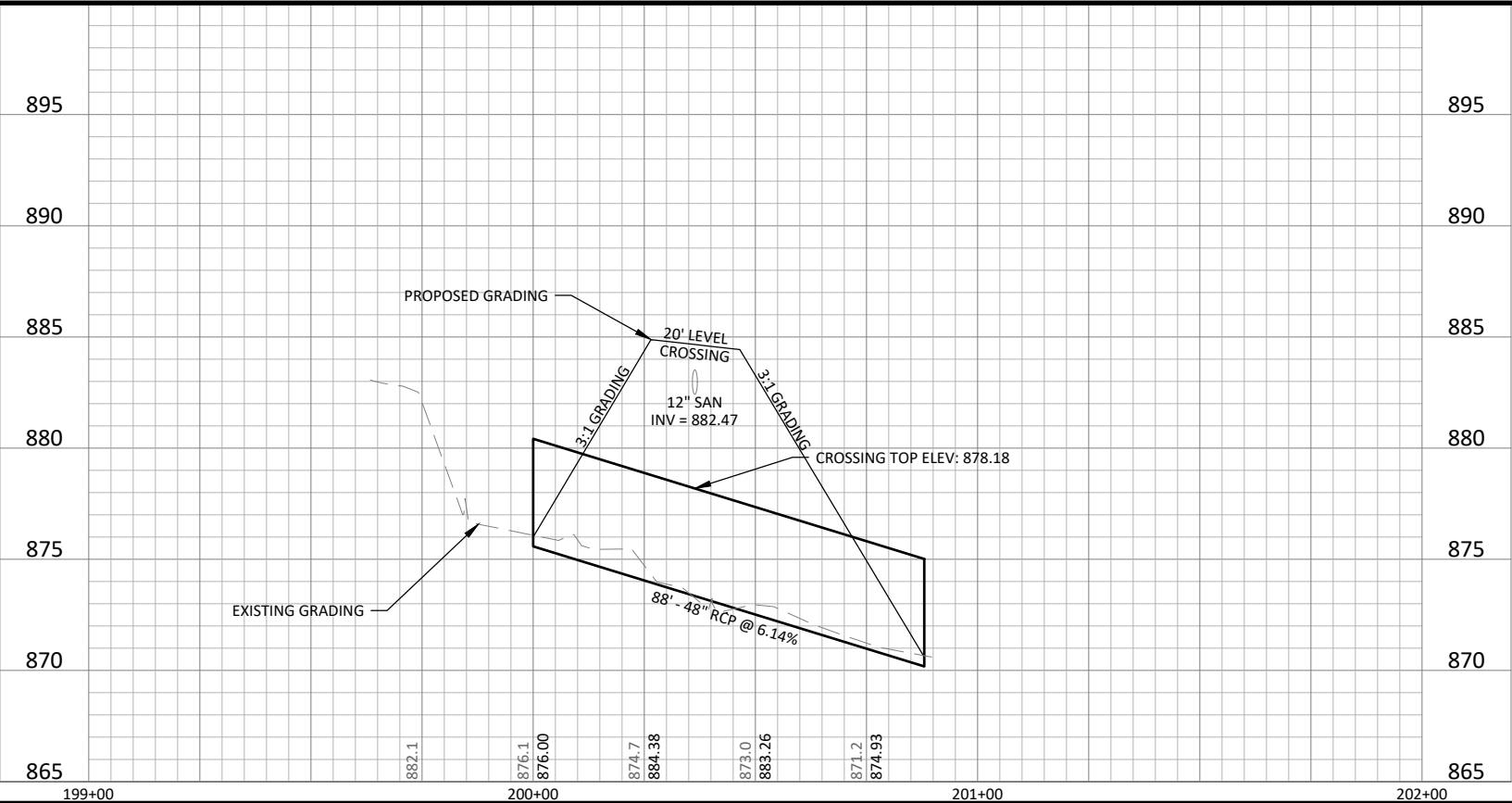
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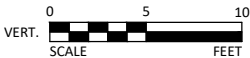
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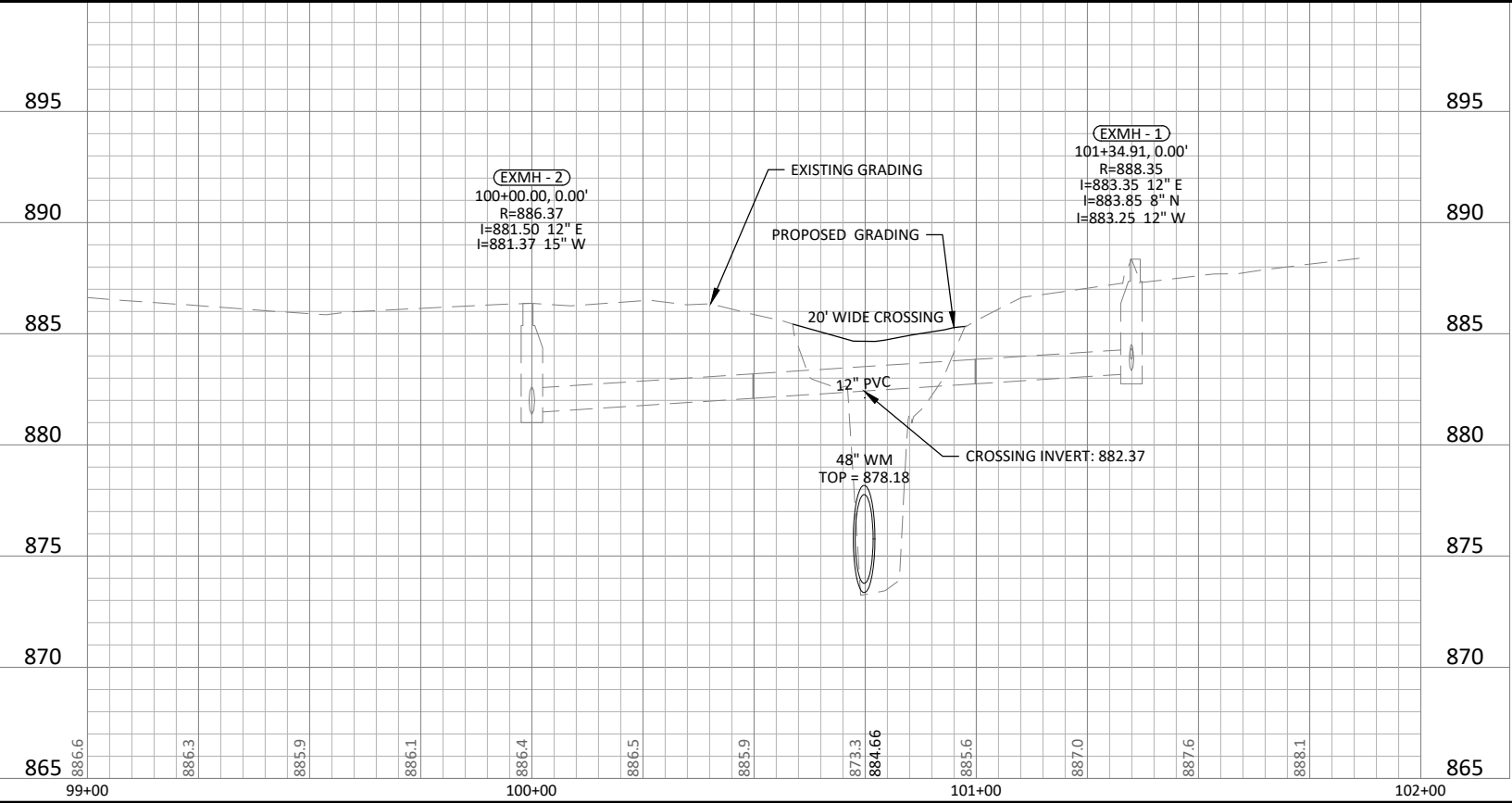
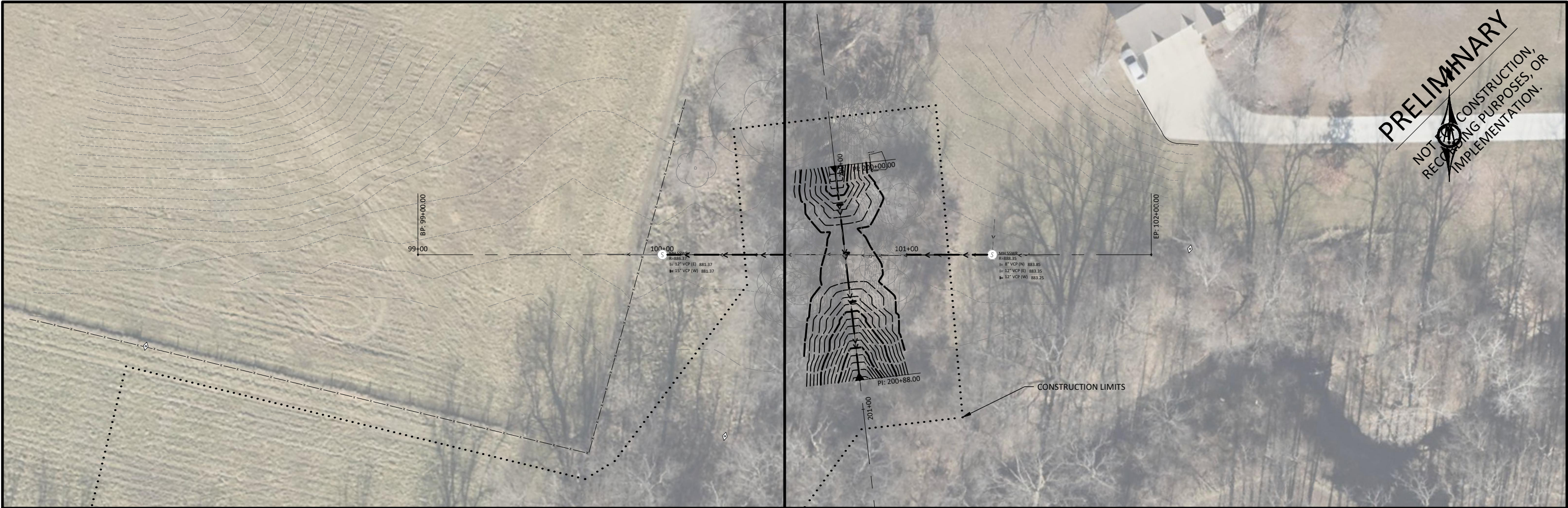
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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING

SANITARY PLAN AND PROFILE

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CITY OF NEWTON, IOWA
NEWTON AERIAL SEWER CROSSING
SANITARY PLAN AND PROFILE

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M.02

City of Newton Council Report

**Item:**

Resolution appointing the Public Works Department's Engineering Technician I as the City of Newton's Title VI Coordinator and the Americans with Disability Act Program Coordinator

Summary:

Naming a new coordinator for the City of Newton's Title VI Non-Discrimination Program and the City of Newton's Americans with Disability Act Transition Program due to a retirement.

Financial Impact:

None

Report Number: 2023-1081

Date:

October 2, 2023

Lead Department:

Community Services

Recommendation:

Approve

Background:

The City of Newton is a Local Planning Agency (LPA) and receives Federal Highway Administration money for the planning and construction of transportation systems. To be eligible to receive federal money, each LPA is required to have a Title VI Non-Discrimination Program.

The City of Newton established a Title VI Non-Discrimination Program in December 2012, per City Council Resolution 2012-139. The City also has a Title VI Non-Discrimination Policy Statement and a Standard DOT Title VI Assurances in place.

The City of Newton also established an Americans with Disability Act (ADA) Transition Plan in March 2013, per City Council Resolution 2013-046.

With the upcoming retirement of the City's current Title VI and ADA coordinator, a new staff member must be assigned these roles. This resolution will appoint the Public Works Department's Engineering Technician I, Brandon Schakel, the City of Newton's Title VI Coordinator and also as the City of Newton's Americans with Disability Act Transition Program Coordinator.

Recommendation:

Staff recommends approval of the attached resolution.

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION APPOINTING THE PUBLIC WORKS DEPARTMENT’S ENGINEERING
TECHNICIAN I AS THE CITY OF NEWTON’S TITLE VI COORDINATOR AND THE
AMERICANS WITH DISABILITY ACT PROGRAM COORDINATOR**

WHEREAS, the City of Newton is a Local Planning Agency (LPA) and receives Federal Highway Administration money for the planning and construction of transportation systems, so to be eligible to receive federal money each LPA is required to have a Title VI Non-Discrimination Program; and

WHEREAS, the City of Newton established a Title VI Non-Discrimination Program in December 2012, per City Council Resolution 2012-139; and

WHEREAS, the City of Newton also established an Americans with Disability Act (ADA) Transition Plan in March 2013, per City Council Resolution 2013-046; and

WHEREAS, with the upcoming retirement of the City’s current Title VI and ADA coordinator, a new staff member must be assigned these roles; and

WHEREAS, this resolution will appoint This resolution will appoint the Public Works Department’s Engineering Technician I, Brandon Schakel, the City of Newton’s Title VI Coordinator and also as the City of Newton’s Americans with Disability Act Transition Program Coordinator.

NOW THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa, that the Public Works Department’s Engineering Technician I, Brandon Schakel, is appointed as the City of Newton’s Title VI Coordinator and also as the City of Newton’s Americans with Disability Act Transition Program Coordinator.

NOW THEREFORE, BE IT FURTHER RESOLVED by the City Council of Newton, Iowa, that this appointee shall carry out all required annual accomplishment reporting and other duties called for as coordinator of both said programs.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution Approving a Property Tax Rebate for the Cindy Rogers-Sell Property Located at 107 1st Ave W Within the North Central Urban Renewal Area

Summary:

Resolution Approving a Property Tax Rebate for the Cindy Rogers-Sell Property Located at 107 1st Ave W Within the North Central Urban Renewal Area

Financial Impact:

\$911.00 property tax rebate from the North Central Urban Renewal TIF Fund

Report Number: 2023-1101**Date:**

October 2, 2023

Lead Department:

Administration

Recommendation:

Approve

Background:

The City of Newton entered into a development agreement in August of 2021 with Cindy Rogers-Sell on the property located at 107 1st Avenue West within the North Central Urban Renewal Area. The Agreement states that the City shall rebate 100% of all TIF property taxes paid by Cindy Rogers-Sell in Fiscal year 23/24.

Cindy Rogers-Sell has provided documentation that the 1st half of property taxes in the amount of \$1,171 have been paid to the Jasper County Treasurer for FY 2023/24 for the property and the amount of the 100% rebate from the TIF fund would be \$911.00.

Recommendation:

Staff recommends approval of the attached Resolution approving the tax rebate payment of \$911.00 to Cindy Rogers-Sell for the 1st half of the 23/24 property taxes.

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

**RESOLUTION APPROVING A PROPERTY TAX REBATE FOR THE
CINDY ROGERS-SELL PROPERTY LOCATED AT 107 1ST AVENUE
WEST WITHIN THE NORTH CENTRAL URBAN RENEWAL AREA**

WHEREAS, the City of Newton (City) has established the North Central Urban Renewal Area; and

WHEREAS, a Development Agreement with Cindy Rogers-Sell was entered into in August of 2021 on the property located at 107 1st Avenue West within the North Central Urban Renewal Area, and

WHEREAS, said Agreement provides that the City provide to the Developer a 100% TIF Property Tax Rebate in Fiscal Year 23/24, and

WHEREAS, the Developer has paid the 1st half of property taxes for the fiscal year 2023-2024 in the total amount of \$1,171 and is eligible to receive a 100% TIF rebate of \$911.00;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa:
That, per the terms of the Development Agreement with Cindy Rogers-Sell a property tax rebate for the 1st half of fiscal year 2023-2024 property taxes in the amount of \$911.00 is hereby approved.

PASSED this 2nd day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution Setting a Date of Meeting at which it is Proposed to Approve an Amended Development Agreement with Hotel Maytag Investors, LLC, Including Annual Appropriation Tax Increment Payments

Summary:

Setting the date of a meeting to act upon a development agreement for Hotel Maytag Investors LLC.

Financial Impact:

None. Setting a public hearing.

Report Number: 2023-1102**Date:**

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

In order to act upon a development agreement amendment, it is necessary to set the date of the meeting during which a public hearing will be held on the matter.

When the City Council originally approved the Hotel Maytag Investors Development Agreement, it was with the understanding that Hotel Maytag Investors, LLC would pay the entire tax liability on the base value of \$515,370 and that anything over that base value of \$515,370 would be abated through FY31. In the timeframe that the agreement was approved, minimum assessments never increased during the duration of development agreements. One example would be the Arcosa Plant at 801 N. 19th Ave. E.. It was valued at \$8,000,000 in FY10 per a minimum assessment agreement and that value remained the assessment for the development agreement period. (Even today, that property is only assessed at \$8,004,450.) Other examples include the Speedway Property and the old Moo's BBQ site. For most commercial properties in Newton in the 15-20 year period prior to the Hotel Maytag Project, there were little to no increased assessments. So the Council never expected to receive taxes above the base of \$515,370, which the developer will still be paying under this agreement.

Pursuant to the intent of the original agreement, Hotel Maytag Investors LLC has requested an amendment to their development agreement with the City, requesting a property tax rebate for FY25 thru FY31 in addition to years FY32 thru FY34 in the present agreement. The reason for this request is due to the fact that property assessments have unanticipatedly and significantly increased for FY25 beyond the benefit of the tax abatement under the City-wide urban revitalization plan. To address this difference, the request is to provide a property tax rebate on the remainder. The not to exceed rebate amount for these additional years is proposed at \$400,000. The property tax rebate schedule would be at 100% for FY25 through FY34.

Even with this accommodation, the developer would be required to pay the taxes in full before receiving the TIF Rebate, which will not include debt service from local governmental entities. Again, the original intent was that they would not pay property taxes over the base value of \$515,370. Extending the developer a TIF rebate would be a compromise solution to address the unforeseen increase to the minimum assessment. This project is unique in the sense that the City employed tax abatement as one of the main economic development incentives for the Project. Since then, the City Council has amended the Citywide Urban Revitalization Plan to move away from abatements and towards an overall economic development incentive policy that utilizes partial TIF rebates, rather than abatements.

Recommendation:

Staff recommends approval of setting the public hearing.

A handwritten signature in black ink, appearing to read "Matt Muckler". The signature is fluid and cursive, with the first name "Matt" and last name "Muckler" clearly distinguishable.

Matt Muckler, City Administrator

RESOLUTION NO. 2023-_____

Resolution Setting a Date of Meeting at which it is Proposed to Approve an Amended Development Agreement with Hotel Maytag Investors, LLC, Including Annual Appropriation Tax Increment Payments

WHEREAS, the City of Newton, Iowa (the “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 North Central Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City 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 Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection 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 previously entered into a certain development agreement (the “Original Agreement”) with Hotel Maytag Investors, LLC (the “Developer”) in connection with the redevelopment of the former Hotel Maytag building located at 105 North 2nd Avenue East in the Urban Renewal Area; and

WHEREAS, the City and the Developer now propose to amend the Original Agreement in order to increase the amount of tax increment financing assistance to be provided to the Developer from \$360,000 to \$760,000; and

WHEREAS, it is necessary to set a date for a public hearing on an amended Development Agreement (the “Amended Agreement”) and the proposal to increase the incremental property tax payments thereunder, pursuant to Section 403.9 of the Code of Iowa;

NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Newton, Iowa, as follows:

Section 1. This City Council shall meet on October 16, 2023, at 6:00 p.m., at the City Council Chambers, in the City, at which time and place proceedings will be instituted and action taken to approve the Amended Agreement and to authorize the increased annual appropriation incremental property tax payments to the Developer.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four (4) days and not more than twenty (20) days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF AMENDED DEVELOPMENT
AGREEMENT WITH HOTEL MAYTAG INVESTORS, LLC AND
AUTHORIZATION OF INCREASED ANNUAL APPROPRIATION TAX
INCREMENT PAYMENTS

The City Council of the City of Newton, Iowa, will meet at the City Council Chambers, on October 16, 2023, at 6:00 p.m., at which time and place proceedings will be instituted and action taken to approve an amended Development Agreement (the “Amended Agreement”) between the City and Hotel Maytag Investors, LLC (the “Developer”) in connection with the redevelopment of the former Hotel Maytag building located at 105 North 2nd Avenue East in the North Central Urban Renewal Area which Amended Agreement increases the amount of incremental property tax payments to be provided to the Developer from \$360,000 to \$760,000.

As authorized by Section 403.9 of the Code of Iowa, the commitment to make annual appropriation incremental property tax payments to the Developer under the Amended Agreement will not be a general obligation of the City, but will be payable solely and only from incremental property tax revenues generated within the North Central Urban Renewal Area. All payments under the Amended Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the City Council may, at the meeting or at an adjournment thereof, take additional action to approve the Amended Agreement or may abandon the proposal.

This notice is given by order of the City Council of Newton, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Katrina Davis
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Passed and approved October 2, 2023.

Mayor

Attest:

City Clerk

• • • •

On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

ATTESTATION AND PUBLICATION CERTIFICATE:

STATE OF IOWA
JASPER COUNTY SS:
CITY OF NEWTON

I, the undersigned, City Clerk of the City of Newton, hereby certify that the foregoing is a true and correct copy of the minutes of the City Council of the City relating to the adoption of a resolution to fix a date of meeting at which it is proposed to take action to approve an amended Development Agreement.

I do further certify that the notice of hearing, to which the printed slip attached to the publisher's original affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City.

WITNESS MY HAND this ____ day of _____, 2023.

City Clerk

(Attach here the publisher's original affidavit with clipping of the notice as published.)

(PLEASE NOTE: Do not sign and date this certificate until you have checked a copy of the published notice and have verified that it was published on the date indicated in the publisher's affidavit.)

NINTH AMENDMENT TO AGREEMENT FOR PRIVATE DEVELOPMENT

By and Between

THE CITY OF NEWTON, IOWA

and

HOTEL MAYTAG INVESTORS, LLC

Dated as of _____

NINTH AMENDMENT TO AGREEMENT FOR PRIVATE DEVELOPMENT

THIS NINTH AMENDMENT TO AGREEMENT FOR PRIVATE DEVELOPMENT (this "*Eighth Amendment*") is made on or as of the ____ day of _____, 2023, by and between the **CITY OF NEWTON, IOWA**, a municipality (the "*City*"), established pursuant to the Code of Iowa of the State of Iowa and acting under the authorization of Chapter 403 of the Code of Iowa, 2023, as amended (hereinafter called "*Urban Renewal Act*") and **HOTEL MAYTAG INVESTORS, LLC**, an Iowa limited liability company, 696 18th Street, Des Moines, Iowa 50314, (the "*Developer*").

WITNESSETH:

WHEREAS, the City and the Developer are parties to that certain Agreement for Private Development dated October 2, 2017 respecting the "Hotel Maytag" located in Newton, Iowa (the "*Agreement*") as amended by that certain First Amendment to Agreement for Private Development dated October 13, 2017; and further amended by that certain Second Amendment to Agreement for Private Development dated December 19, 2017; and further amended by that certain Third Amendment to Agreement for Private Redevelopment dated April 4, 2018; and further amended by that certain Fourth Amendment to Agreement for Private Development dated May 8, 2018; and further amended by that Certain Fifth Amendment to Agreement for Private Development dated January 7, 2019; and further amended by that certain Sixth Amendment to Agreement for Private Redevelopment dated May 7, 2019; and further amended by that certain Seventh Amendment to Agreement for Private Redevelopment dated April 21, 2020; and further amended by that certain Eighth Amendment to Agreement for Private Redevelopment dated December, 2020; and further amended by that certain Ninth Amendment to Agreement for Private Redevelopment dated _____, 2023.

WHEREAS, the Developer and the City desire to modify certain provisions in the Agreement.

WHEREAS, all capitalized terms set forth herein shall have the meaning ascribed to them in the Agreement.

NOW THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

AGREEMENTS

1. Section 3.2 shall now read as follows:

Section 3.2. Economic Development Real Estate Tax Rebate.

a. Payments. In recognition of the Developer's obligations set out above, the City agrees to consider the funding of up to four (4) economic development tax increment payments (the "Payments" and individually, each a "Payment") to the Developer during the Term of this Agreement, pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that the aggregate, total amount of the Payments shall not exceed Seven Hundred Sixty Thousand Dollars (\$760,000) (the "Maximum Payment Total"), and all Payments under

this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

The Payments shall not constitute general obligations of the City, but shall be made solely and only from Tax Increments received by the City from the Jasper County Treasurer attributable to the taxable valuation of the Development Property.

This Agreement assumes that increased taxable valuation of the Development Property went on the Jasper County property tax rolls as of January 1, 2020. Accordingly, Payments will be made on June 1 in each of the fiscal years 2022 and 2025 through 2034, inclusive, or until such earlier date upon which total Payments equal to the Maximum Payment Total have been made.

b. Annual Appropriation. Each Payment shall be subject to annual appropriation by the City Council. The City Council has taken action to appropriate Tax Increments to fund the Payment coming due on June 1, 2022. Prior to December 1 of each year immediately preceding a fiscal year in which a Payment is due as set forth in Section 3.2(b) of this Agreement, beginning in the City's 2023-2024 fiscal year, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payment due in the following fiscal year, an amount (the "Appropriated Amount") of Tax Increments to be collected in the following fiscal year equal to or less than the most recently submitted Tax Increments Estimate.

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 Payment scheduled to become due in the following fiscal year, and the Developer 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 Payment in future fiscal years. A determination by the City Council to not obligate funds for any particular fiscal year's Payment shall not render this Agreement null and void, and the Developer shall make the next succeeding submission of the Tax Increments Estimate as called for in Section A.4 above, provided however that no Payment shall be made after June 1, 2034.

c. Calculation of Tax Increments Estimate. Using the worksheet attached hereto as Exhibit H, the City shall annually calculate the Tax Increments Estimate and demonstrate such estimated amount to the Developer by no later than October 15 of each year commencing October 15, 2023.

d. Payment Amounts. Each Payment shall be in an amount equal to the corresponding Appropriated Amount (for example, for the Payment due on June 1, 2025, the amount of such Payment would be determined by the Appropriated Amount determined for certification by December 1, 2023, provided, however, that no Payment shall exceed an amount which represents the Tax Increments available to the City with respect to the Development Property during the twelve (12) months immediately preceding each Payment date.

e. Certification of Payment Obligation. In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, as set forth in Section 3.2(B) above, then the City Clerk will certify by December 1 of each such year to the Jasper County Auditor an amount equal to the most recently obligated Appropriated Amount.

f. Conditions Precedent to Payments. The following items shall be conditions precedent to the City's funding of any Payments hereunder: (i) The Developer shall provide documentation to the City by May 15 of each year, commencing May 15, 2025 showing that all real property taxes have been fully and timely paid with respect to the Development Property in the twelve months immediately preceding the date of such demonstration and the amount of such taxes paid; and (ii) the Development Property shall be in operation as an apartment building and commercial facility in order to be eligible for any given rebate payment.

SIGNATURE PAGE TO EIGHTH AMENDMENT TO AGREEMENT FOR
PRIVATE DEVELOPMENT

IN WITNESS WHEREOF, the City has caused this Eighth Amendment to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Eighth Amendment to be duly executed in its name and behalf by its Owner and its Secretary/Treasurer, on or as of the day first above written.

CITY OF NEWTON, IOWA

By: _____
Michael L. Hansen, Mayor

ATTEST:

By: _____
Katrina Davis, City Clerk

DEVELOPER:

Hotel Maytag Investors, LLC

**By: Hotel Maytag Investors Managing
Member, LLC
Its: Managing Member**

**By: Hatch Development Group L.L.C.
Its: Manager**

By: _____
Name: Jack Hatch
Its: President

EXHIBIT H

Worksheet for Annual Calculation of Tax Increments Estimate

(1) Date of Preparation: October _____ 20__

(2) Assessed Valuation of Property as of January 1, 20__:

(3) Base Taxable Valuation of Property:

\$419,850.

(4) Incremental Taxable Valuation of Property (2 minus 3):

\$ _____ (the "TIF Value").

(5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the "Adjusted Levy Rate"):

\$ _____ per thousand of value.

(6) The TIF Value (4) factored by the Adjusted Levy Rate (5).

\$ _____ x \$ _____ / 1000 = \$ _____ (the "TIF Estimate")

(7) Subtract anticipated property tax credits from the TIF Estimate (6 minus 7) =

\$ _____ (the "Tax Increments Estimate")

City of Newton Council Report

**Item:**

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Mercurialis Holdings Real Estate Newton LLC, Including Annual Appropriation Tax Increment Payments

Summary:

Setting the date of a meeting to act upon a development agreement for Mercurialis Holdings Real Estate Newton, LLC

Financial Impact:

None. Setting a public hearing.

Report Number: 2023-1103

Date:

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

In order to act upon a development agreement, it is necessary to set the date of the meeting during which a public hearing will be held on the matter.

Mercurialis Holdings Real Estate Newton LLC developed the new Jimmy Johns store at 400 1st Avenue West in Newton. The property is located within the North Central TIF District. The proposed development agreement will provide a 3 year tax rebate at the following schedule:

Year 1: 75%

Year 2: 50%

Year 3: 25%

A new minimum assessment of \$298,600 will be applied to the property. Maximum rebate over the three years would not exceed \$10,000.

Recommendation:

Matt Muckler, City Administrator



September 27, 2023

Via Email

Matt Muckler
City Administrator/City Hall
Newton, IA

Re: Development Agreement (Mercurialis Holdings Real Estate Newton LLC)
Our File No. 504612-59

Dear Matt:

Attached please find copies of proceedings to enable the City Council to act on October 2nd to set October 16th as the date for a public hearing on the proposed Development Agreement with Mercurialis Holdings Real Estate Newton LLC, including the proposal for tax increment payments.

The notice of public hearing on the Development Agreement must be published once, not less than four (4) and not more than twenty (20) days prior to the City Council meeting at which the hearing will be held. The last date on which the notice can effectively be published is October 12, 2023. Please print an extra copy of the notice for delivery to the newspaper. Please insert the time and place of the hearing in both the resolution and the notice, and please email a copy of the published notice to lemke.susan@dorsey.com.

We will prepare and forward to you in time for the October 16th meeting the necessary proceedings to approve the Development Agreement.

We would appreciate receiving one fully executed copy of these proceedings as soon as they are available.

Please contact John Danos, Severie Orngard or me if you have questions.

Kind regards,

Amy Bjork

Attachments

cc: Katrina Davis
Lisa Frasier
Erin Chambers

SET DATE FOR HEARING ON
DEVELOPMENT AGREEMENT AND
TAX INCREMENT PAYMENTS

(Mercurialis Holdings Real Estate Newton
LLC)

504612-59

Newton, Iowa

October 2, 2023

A meeting of the City Council of the City of Newton, Iowa, was held at 6:00 p.m., on October 2, 2023, at the City Council Chambers, Newton, Iowa, pursuant to the rules of the Council.

The Mayor presided and the roll was called, showing members present and absent as follows:

Present: _____

Absent: _____.

Council Member _____ introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member _____; and after due consideration thereof by the City Council, the Mayor put the question upon the adoption of said resolution, and the roll being called, the following named Council Members voted:

Ayes: _____

Nays: _____.

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

RESOLUTION NO. 2023-_____

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Mercurialis Holdings Real Estate Newton LLC, Including Annual Appropriation Tax Increment Payments

WHEREAS, the City of Newton, Iowa (the “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 North Central Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City 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 Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of 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 proposes to enter into a certain development agreement (the “Development Agreement”) with Mercurialis Holdings Real Estate Newton LLC (the “Developer”) in connection with the redevelopment of an existing building for use in the business operations of a Jimmy John’s restaurant; and

WHEREAS, the Development Agreement would provide financial incentives to the Developer in the form of annual appropriation incremental property tax payments (the “Payments”) in an amount not to exceed \$10,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to Section 403.9 of the Code of Iowa;

NOW THEREFORE, It Is Resolved by the City Council of the City of Newton, Iowa, as follows:

Section 1. This City Council shall meet on October 16, 2023, at 6:00 p.m., at the City Council Chambers, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement and to authorize the Payments.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four (4) and not more than twenty (20) days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT
WITH MERCURIALIS HOLDINGS REAL ESTATE NEWTON LLC AND
AUTHORIZATION OF ANNUAL APPROPRIATION TAX INCREMENT
PAYMENTS

The City Council of the City of Newton, Iowa, will meet at the City Council Chambers, on October 16, 2023, at 6:00 p.m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and Mercurialis Holdings Real Estate Newton LLC (the “Developer”) in connection with the redevelopment of an existing building for use in the business operations of a Jimmy John’s restaurant in the North Central Urban Renewal Area, which Development Agreement provides for certain financial incentives in the form of incremental property tax payments to the Developer in a total amount not exceeding \$10,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make incremental property tax payments to the Developer under the Development Agreement will not be a general obligation of the City, but such payments will be payable solely and only from incremental property tax revenues generated within the North Central Urban Renewal Area. Some or all of the payments under the Development Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the City Council may, at the meeting or at an adjournment thereof, take additional action to approve the Development Agreement or may abandon the proposal.

This notice is given by order of the City Council of Newton, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Katrina Davis
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved October 2, 2023.

Mayor

Attest:

City Clerk

• • • •

On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
JASPER COUNTY SS:
CITY OF NEWTON

I, the undersigned, City Clerk of the City of Newton, Iowa hereby certify that the foregoing is a true and correct copy of the minutes of the Council of the City relating to the adoption of a resolution to fix a date of meeting at which it is proposed to take action to approve a Development Agreement.

I do further certify that the notice of hearing, to which the printed slip attached to the publisher's original affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City.

WITNESS MY HAND this ____ day of _____, 2023.

City Clerk

(Attach here the publisher's original affidavit with clipping of the notice as published.)

(PLEASE NOTE: Do not sign and date this certificate until you have checked a copy of the published notice and have verified that it was published on the date indicated in the publisher's affidavit.)

DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of Newton, Iowa (the “City”) and Mercurialis Holdings Real Estate Newton LL (the “Developer”) as of the ____ day of _____, 2023 (the “Commencement Date”).

WHEREAS, the City has established the North Central Urban Renewal Area (the “Urban Renewal Area”), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Developer owns certain real property which is situated in the Urban Renewal Area and is more specifically described on Exhibit A hereto (the “Property”); and

WHEREAS, the Developer has proposed to undertake the redevelopment of an existing commercial building on the Property (“the Project”) for use in the business operations of a Jimmy John’s restaurant; and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of incremental property tax payments to be used by the Developer in paying the costs of undertaking the Project; and

WHEREAS, for purposes of calculating Incremental Property Tax Revenues (as herein defined) under this Agreement and Section 403.19 of the Code of Iowa, the base valuation (the “Base Valuation”) of the Property shall be the assessed taxable valuation of the Property as of January 1, 2023; and

WHEREAS, Chapter 403 of the Code of Iowa authorizes cities to establish urban renewal areas and to undertake economic development projects; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. Project. The Developer agrees to undertake the Project on the Property. The Developer agrees that the Project will minimally include the improvements (the “Required Improvements”) as set forth on Exhibit B hereto. The Developer agrees to construct the Project, including the Required Improvements, in substantial conformance with the City’s zoning, land use, building and safety codes and regulations. The Developer further agrees to substantially complete such construction by no later than December 31, 2023.

The Developer agrees to use the completed Project in the business operations of a Jimmy John’s restaurant throughout the Term (as hereinafter defined) of this Agreement (the “Business Operations Requirement”).

Further, the Developer agrees to maintain, preserve, and keep the Property, including but not limited to the Project, useful and in good repair and working order, ordinary wear and tear

excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

2. Ownership of Property; Use of Project; Developer's Annual Report. The Developer agrees to submit an annual report (the "Annual Report") to the satisfaction of the City by no later than each October 15th during the Term (as hereinafter defined) commencing October 15, 2024, demonstrating that (i) the Business Operations Requirement is being met; and (ii) the Developer owns the Property, including the Project. The Developer agrees to provide such supporting documentation as may be requested by the City as an accompaniment to the Annual Report. The first Annual Report submitted by the Developer shall also include documentation demonstrating, to the satisfaction of the City, that the Developer has completed the Required Improvements.

3. Minimum Assessment Agreement. The Developer agrees to enter into an assessment agreement (the "Assessment Agreement"), pursuant to Section 403.6 of the Code of Iowa fixing the minimum assessed valuation of the Property, in contemplation of the improvements to be constructed thereon, at not less than Two Hundred Ninety-Eight Thousand Six Hundred Dollars (\$298,600) (the "Minimum Assessed Valuation") as of January 1, 2024 (the "First Valuation Date"). It is intended by the Developer that the Minimum Assessed Valuation shall be established on the Jasper County property tax rolls as of the First Valuation Date regardless of the then-current degree of completion or incompleteness of the Project. The Assessment Agreement shall be in substantially the form attached hereto as Exhibit C and shall remain in effect throughout the Term (as hereinafter defined) of this Agreement.

4. Property Taxes. The Developer agrees to make timely payment of all property taxes as they come due with respect to the Property with the completed Project thereon throughout the Term (as hereinafter defined) and to submit a receipt or cancelled check in evidence of each such payment.

5. No Abatement; No Property Tax Exemption. The Developer agrees that it will not seek any tax exemption or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of the Property throughout the Term (as hereinafter defined) including causing or allowing the property to be leased, sold, transferred to or otherwise used by an entity that is exempt from property taxes under the laws of the State of Iowa.

6. Property Tax Payment Certification. For purposes of this Agreement, “Annual Percentage” shall mean the annual percentage in effect from time to time as set forth in the following table:

Payment Year	Annual Percentage
First Payment Year	75%
Second Payment Year	50%
Third Payment Year	25%

The Developer agrees to certify to the City by no later than October 15 of each year, commencing October 15, 2024, an amount (the “Developer’s Estimate”) equal to 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 factored by the Annual Percentage. In submitting each such Developer’s Estimate, the Developer will complete and submit the worksheet attached hereto as Exhibit D. The City reserves the right to review and request revisions to each such Developer’s Estimate to ensure the accuracy of the figures submitted.

For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Jasper County, above and beyond the Base Valuation; and (4) deducting any property tax credits which shall be available with respect to the incremental valuation of the Property.

Upon request, the City staff shall provide reasonable assistance to the Developer in completing the worksheet required under this Section A.6.

7. Insurance.

(a) The Developer, and any successor in interest to the Developer, shall obtain and continuously maintain insurance on the Property and the completed Project and, from time to time at the request of the City, furnish proof to the City that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the Developer must obtain and continuously maintain, provided that the Developer shall obtain the insurance described in clause (i) below prior to the commencement of construction of the Project (excluding excavation and footings):

- (i) Builder’s risk insurance, written on the so-called “Builder’s Risk—Completed Value Basis,” in an amount equal to one hundred percent (100%) of the insurable value of the Project at the date of completion, and with coverage available in non-reporting form on the so-called “all risk” form of policy.
- (ii) Comprehensive general liability insurance (including operations, contingent liability, completed operations when substantially completed and contractual

liability insurance) together with an Owner's/Contractor's Policy naming the City, as an additional insured, with limits against bodily injury and property damage of not less than \$2,500,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.

- (iii) Workers compensation insurance, with statutory coverage limited to employees of the Developer.

(b) All insurance required in this Section shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State of Iowa to assume the risks covered by such policies. Unless otherwise provided in this Section, each policy must contain a provision that the insurer will not cancel nor modify the policy without giving written notice to the insured at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer, or its successors or assigns, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Section. In lieu of separate policies, the Developer or its successors or assigns, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

(c) The Developer, its successors or assigns, agrees to notify the City promptly in the case of damage exceeding \$250,000 in amount to, or destruction of the Project resulting from fire or other casualty. Furthermore, the Developer agrees to apply the proceeds from any and all casualty claims against the insurance detailed in this Section to the restoration and improvement of the Property and/or the Project.

8. Indemnification. The Developer agrees to indemnify, defend and hold harmless the City, its officers, employees and departments, from and against any and all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) arising from or in connection with any of the following, except to the extent caused by the negligent acts or omissions of the City, its officers, employees and departments:

- a) Any claim, demand, action, citation or legal proceeding arising out of or resulting from the construction of the Project.
- b) Any claim, demand, action, citation or legal proceeding arising out of or related to occurrences that the Developer is required to insure against under this Agreement in connection with the Project and/or the Property; and
- c) Any claim, demand, action, citation or legal proceeding arising out of or resulting from an act or omission of the Developer or any of its agents in its or their capacity as an employer of a person.

9. Default Provisions.

a. Events of Default. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- (i) Failure by the Developer to complete the Project pursuant to the terms and conditions of this Agreement.
- (ii) Failure by the Developer to maintain compliance with the Business Operations Requirement pursuant to the terms and conditions of this Agreement.
- (iii) Failure by the Developer to fully and timely remit payment of property taxes when due and owing.
- (iv) Failure by the Developer to enter into the Assessment Agreement.
- (v) Failure by the Developer to maintain compliance with Sections A.2, A.5, A.6, A.7, and A.8 of this Agreement.
- (vi) Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

b. Notice and Remedies. Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, the City shall then have the right to:

- (i) Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.
- (ii) Withhold the Payments provided for under Section B.1 below.

11. Legal and Administrative Costs. The Developer hereby acknowledges that the City will cover the initial payment of legal fees and administrative costs (the “Actual Admin Costs”) incurred by the City in connection with the drafting, negotiation and authorization of this Agreement, including the necessary amendment to the Urban Renewal Area. Furthermore, the Developer agrees that the City shall withhold an amount (the “Admin Withholding Amount”) equal to the lesser of (1) \$3,000 or (2) the Actual Admin Costs from the initial Payments, as hereinafter set forth in order to recover some or all of the Actual Admin Costs.

B. City’s Obligations

1. Payments. In recognition of the Developer’s obligations set out above, the City agrees to make three (3) annual economic development tax increment payments (the “Payments” and, individually each, a “Payment”) to the Developer during the Term (as hereinafter defined) pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that the aggregate, total amount of the Payments to be made under this Agreement during the Term (as hereinafter defined)

shall not exceed \$10,000 (the “Maximum Payment Total”). All Payments under this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

The Payments shall not constitute general obligations of the City, but shall be made solely and only from Incremental Property Tax Revenues received by the City from the Jasper County Treasurer attributable to the taxable valuation of the Property.

Prior to funding any Payments hereunder, the City shall retain an amount equal to the Admin Withholding Amount from the Incremental Property Tax Revenues received with respect to the Property. Once such amount has been withheld, the Payments shall be funded as described herein.

Each Payment shall not exceed an amount which represents the then-current Annual Percentage factored against the Incremental Property Tax Revenues available to the City with respect to the Property during the twelve (12) months immediately preceding each Payment date.

It is assumed that the new valuation from the Project will go on the property tax rolls as of January 1, 2024. Accordingly, the Payments will be made on June 1 of each fiscal year, beginning on June 1, 2026 and continuing to, and including, June 1, 2038, or until such earlier date upon which total Payments equal to the Maximum Payment Total have been made.

2. Annual Appropriation. Each Payment shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term (as hereinafter defined) of this Agreement, beginning in calendar year 2024, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payment 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 Developer’s Estimate.

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 Payment scheduled to become due in the following fiscal year, and the Developer will have no rights whatsoever to compel the City to make such Payment 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 Payment shall not render this Agreement null and void, and the Developer shall make the next succeeding submission of the Developer’s Estimate as called for in Section A.6 above, provided however that no Payment shall be made after June 1, 2028.

4. Payment Amounts. Each Payment shall be in an amount equal to the corresponding Appropriated Amount (for example, for the Payment due on June 1, 2026, the amount of such Payment would be determined by the Appropriated Amount determined for certification by December 1, 2024) provided, however, that no Payment shall exceed an amount which represents the Incremental Property Tax Revenues available to the City with respect to the Property during the twelve (12) months immediately preceding each Payment date.

4. Certification of Payment Obligation. In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, as set forth in Section

B.2 above, then the City Clerk will certify by December 1 of each such year to the Jasper County Auditor an amount equal to the most recently obligated Appropriated Amount.

C. Administrative Provisions

1. Amendment and Assignment. Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party. However, the City hereby gives its permission that the Developer's rights to receive the Payments hereunder may be assigned by the Developer to a private lender, as security on a credit facility taken with respect to the Project, without further action on the part of the City.

2. Successors. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. Term. The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 1, 2028 or on such earlier date upon which the aggregate sum of Payments made to the Developer equals the Maximum Payment Total.

4. Choice of Law. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

MERCURIALIS HOLDINGS REAL
ESTATE NEWTON LLC

By: _____
Its: _____

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Certain real property situated in the City of Newton, Jasper County, State of Iowa bearing Jasper County Property Tax Parcel Identification Number 0834111007.

EXHIBIT B
REQUIRED IMPROVEMENTS

EXHIBIT C
MINIMUM ASSESSMENT AGREEMENT

**MINIMUM ASSESSMENT AGREEMENT
Recorder's Cover Sheet**

Preparer Information: (name, address and phone number)

Amy M. Bjork, Esq., Dorsey & Whitney LLP, 801 Grand Avenue, Suite 4100, Des Moines, IA 50309; Phone: 515-699-3285

Return Document To:

Erin Chambers, Community Development Director, City of Newton, Iowa, 403 W 4th St N, Suite 501, Newton, IA, 50208; Phone: 641-792-6622 Ext: 2301

City:

City of Newton, Iowa

Property Owner:

Mercurialis Holdings Real Estate Newton LLC

Legal Description:

Book & Page Reference if applicable:

MINIMUM ASSESSMENT AGREEMENT

THIS AGREEMENT, dated as of the ____ day of _____, 2023, by and among the City of Newton, Iowa (the “City”), Mercurialis Holdings Real Estate Newton LLC (the “Property Owner”), and the County Assessor of Jasper County (the “Assessor”).

WITNESSETH

WHEREAS, the Property Owner owns the real property, the legal description of which is contained in Exhibit A attached hereto (the “Property”), which is located in the North Central Urban Renewal Area in the City; and

WHEREAS, the Property Owner has undertaken the redevelopment of an existing commercial building for use in the business operations of a Jimmy John’s on the Property (the “Project”); and

WHEREAS, a development agreement (the “Development Agreement”), dated _____, 2023, has been executed between the City and the Property Owner in connection with the Property Owner’s investment in the Project on the Property; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, the City and the Property Owner desire to establish a minimum taxable value for the Property and the improvements to be constructed thereon, which shall be effective as of January 1, 2024, and from then until this Agreement is terminated pursuant to the terms herein and which is intended to reflect the minimum market value of the land and improvements;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Effective January 1, 2024, the minimum actual value which shall be assessed for the Property, taking into account the improvements to be constructed thereon, shall be Two Hundred Ninety-Eight Thousand Six Hundred Dollars (\$296,600) until termination of this Agreement.

2. The Property Owner hereby agrees that the assessed valuation (hereinafter referred to as the “Minimum Actual Value”) set forth in Section 1 above shall become and remain effective as of January 1, 2024, and throughout the term of this Agreement, regardless of the actual degree of completion or incompleteness of the Project, even if construction of the Project is not commenced by such date. Furthermore, the Property Owner acknowledges that the City has changed its position in reliance on the timeliness of such increase in valuation as set forth in the Development Agreement.

3. The Property Owner agrees to pay when due, all taxes and assessments, general or special, and all other charges whatsoever levied upon or assessed or placed against the Property, subject to any limitations set forth in the Development Agreement. The Property Owner further

agrees that until this Agreement is terminated they will not seek administrative or judicial review of the applicability, enforceability, or constitutionality of this Agreement or the obligation to be taxed based upon the Minimum Actual Value or to raise any such argument by way of defense in any proceedings, including delinquent tax proceedings.

4. This Agreement, and the minimum assessed valuation established herein, shall be effective until such time as the City's obligations to make Payments (as defined in the Development Agreement) have been satisfied in-full.

5. Nothing herein shall be deemed to waive the Property Owner's rights under Section 403.6(19) Code of Iowa, (2023) or otherwise, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value.

6. This Agreement shall be promptly recorded with the Jasper County Recorder, along with a copy of Iowa Code Section 403.6.

7. Neither the preamble nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of any other contract between the City and the Property Owner, including the Development Agreement.

[Remainder of page intentionally left blank.]

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

MERCURIALIS HOLDINGS REAL
ESTATE NEWTON LLC

By: _____
Its: _____

STATE OF IOWA)
)
COUNTY OF JASPER) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Michael Hansen and Katrina Davis, the Mayor and City Clerk, respectively, of Newton, Iowa, a municipal corporation of the State of Iowa, on behalf of the City.

Notary Public

STATE OF IOWA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____,
2023 by _____ the _____ of Mercurialis
Holdings Real Estate Newton LLC, an Iowa limited liability company.

Notary Public

EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT

CERTIFICATION BY ASSESSOR

The undersigned Assessor, being legally responsible for the assessment of the above described property upon completion of improvements to be made on it, hereby certifies that the actual value assigned to such land and improvements upon completion, shall be not less than Two Hundred Ninety-Eight Thousand Six Hundred Dollars (\$296,600) until termination of the Agreement.

County Assessor for Jasper County,
State of Iowa

Subscribed and sworn to before me this _____ day of _____, 2023.

Notary Public

LIENHOLDER'S CONSENT, IF ANY

In consideration of one dollar and other valuable consideration, the receipt of which is hereby acknowledged, and notwithstanding anything in any loan or security agreement to the contrary, the undersigned ratifies, approves, consents to and confirms the Assessment Agreement entered into between the parties, and agrees to be bound by its terms. This provision shall be binding on the parties and their respective successors and assigns.

[NAME OF LIENHOLDER]

By: _____
Signature

Date: _____

STATE OF IOWA)
) SS:
COUNTY OF JASPER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by _____ the _____ of _____.

Notary Public

[Add additional pages for each Lienholder]

[If no Lienholders exist, this consent will not be completed]

[This page should be filed with the Assessment Agreement]

Consistent with Iowa Code §403.6(19)(b), filed with this assessor certification is a copy of subsection 19 as follows:

19. a. A municipality, upon entering into a development or redevelopment agreement pursuant to section 403.8, subsection 1, or as otherwise permitted in this chapter, may enter into a written assessment agreement with the developer of taxable property in the urban renewal area which establishes a minimum actual value of the land and completed improvements to be made on the land until a specified termination date which shall not be later than the date after which the tax increment will no longer be remitted to the municipality pursuant to section 403.19, subsection, subsection 2. The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$_____.

b. This assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.

EXHIBIT D

DEVELOPER'S ESTIMATE WORKSHEET

- (1) Date of Preparation: October ____, 20__.
- (2) Assessed Taxable Valuation of Property as of January 1, 20____:
\$_____.
- (3) Base Taxable Valuation of Property:
\$_____.
- (4) Incremental Taxable Valuation of Property (2 minus 3):
\$_____ (the "TIF Value").
- (5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the "Adjusted Levy Rate"):
\$_____ per thousand of value.
- (6) The TIF Value (4) factored by the Adjusted Levy Rate (5).
\$_____ x \$_____/1000 = \$_____ (the "TIF Estimate")
- (7) TIF Estimate (\$_____) x Annual Percentage = Developer's Estimate (\$_____).

Payment Year	Annual Percentage
First Payment Year	75%
Second Payment Year	50%
Third Payment Year	25%

City of Newton Council Report

**Item:**

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Ex Nihilo LLC, Including Annual Appropriation Tax Increment Payments

Summary:

Setting the date of a meeting to act upon a development agreement for Ex Nihilo LLC

Financial Impact:

None. Setting a public hearing.

Report Number: 2023-1104**Date:**

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

In order to act upon a development agreement, it is necessary to set the date of the meeting during which a public hearing will be held on the matter.

Ex Nihilo LLC intends to rehabilitate 118 North 2nd Avenue East into a public market with twenty vendor spaces including food, retail, and services. The developer will commit to investing approximately \$1,556,500 into the development and rehabilitation project. The property is located within the North Central TIF District. The proposed development agreement will provide the following:

- 1.) Ten Year tax abatement on a sliding scale, reducing by 10% each year. Maximum rebate over the ten years not to exceed \$85,000.
- 2.) Forgivable Loan of \$75,000.

A new minimum assessment of \$475,000 will be applied to the property.

Recommendation:

Staff recommends approval.

Matt Muckler, City Administrator

RESOLUTION NO. 2023-_____

Resolution Setting a Date of Meeting at Which it is Proposed to Approve a Development Agreement with Ex Nihilo LLC, Including Annual Appropriation Tax Increment Payments

WHEREAS, the City of Newton, Iowa (the “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 North Central Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City 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 Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of 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 proposes to enter into a certain development agreement (the “Development Agreement”) with Ex Nihilo LLC (the “Developer”) in connection with the redevelopment of an existing building in the Urban Renewal Area into a public market area including food, retail, and services, as well as a public bar, commercial kitchen, classroom space, and open seating overlooking the first floor; and

WHEREAS, the Development Agreement would provide financial incentives to the Developer in the form of (i) an economic development forgivable loan (the “Forgivable Loan”) in the amount of \$75,000; and (ii) annual appropriation incremental property tax payments (the “Payments”) in an amount not to exceed \$85,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to Section 403.9 of the Code of Iowa;

NOW THEREFORE, It Is Resolved by the City Council of the City of Newton, Iowa, as follows:

Section 1. This City Council shall meet on October 16, 2023, at 6:00 p.m., at the City Council Chambers, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement and to authorize the Forgivable Loan and the Payments.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four (4) and not more than twenty (20) days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT
WITH EX NIHILO LLC AND AUTHORIZATION OF ANNUAL
APPROPRIATION TAX INCREMENT PAYMENTS

The City Council of the City of Newton, Iowa, will meet at the City Council Chambers, on October 16, 2023, at 6:00 p.m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and Ex Nihilo LLC (the “Developer”) in connection with the redevelopment of an existing building in the North Central Urban Renewal Area into a public market area including food, retail, and services, as well as a public bar, commercial kitchen, classroom space, and open seating overlooking the first floor, which Development Agreement provides for certain financial incentives to the Developer in the form of (i) an economic development forgivable loan in the amount of \$75,000; and (ii) incremental property tax payments in a total amount not exceeding \$85,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make incremental property tax payments to the Developer under the Development Agreement will not be a general obligation of the City, but such payments will be payable solely and only from incremental property tax revenues generated within the North Central Urban Renewal Area. Some or all of the payments under the Development Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the City Council may, at the meeting or at an adjournment thereof, take additional action to approve the Development Agreement or may abandon the proposal.

This notice is given by order of the City Council of Newton, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Katrina Davis
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved October 2, 2023.

Mayor

Attest:

City Clerk

• • • •

On motion and vote the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
JASPER COUNTY SS:
CITY OF NEWTON

I, the undersigned, City Clerk of the City of Newton, Iowa hereby certify that the foregoing is a true and correct copy of the minutes of the Council of the City relating to the adoption of a resolution to fix a date of meeting at which it is proposed to take action to approve a Development Agreement.

I do further certify that the notice of hearing, to which the printed slip attached to the publisher's original affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, which newspaper has a general circulation in the City.

WITNESS MY HAND this ____ day of _____, 2023.

City Clerk

(Attach here the publisher's original affidavit with clipping of the notice as published.)

(PLEASE NOTE: Do not sign and date this certificate until you have checked a copy of the published notice and have verified that it was published on the date indicated in the publisher's affidavit.)

DEVELOPMENT AGREEMENT

This Development Agreement is entered into between the City of Newton, Iowa (the “City”) and Ex Nihilo LLC (the “Developer”) as of the ____ day of _____, 2023 (the “Commencement Date”).

WHEREAS, the City has established the North Central Urban Renewal Area (the “Urban Renewal Area”), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Developer owns certain real property which is situated in the Urban Renewal Area and is more specifically described on Exhibit A hereto (the “Property”); and

WHEREAS, the Developer has proposed to undertake the redevelopment of an existing building on the Property (“the Project”) into a multiuse building including a public market with twenty vendor spaces including food, retail, and services; a public bar; commercial kitchen; classroom space; and open seating overlooking the first floor; and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development forgivable loan (the “Forgivable Loan”) and incremental property tax payments to be used by the Developer in paying the costs of undertaking the Project; and

WHEREAS, for purposes of calculating Incremental Property Tax Revenues (as herein defined) under this Agreement and Section 403.19 of the Code of Iowa, the base valuation (the “Base Valuation”) of the Property shall be the assessed taxable valuation of the Property as of January 1, 2024; and

WHEREAS, Chapter 403 of the Code of Iowa authorizes cities to establish urban renewal areas and to undertake economic development projects; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. Project. The Developer agrees to undertake the Project on the Property. The Developer agrees that the Project will minimally include the improvements (the “Required Improvements”) as set forth on Exhibit B hereto. The Developer agrees to construct the Project, including the Required Improvements, in substantial conformance with the City’s zoning, land use, building and safety codes and regulations. The Developer further agrees to substantially complete such construction by no later than _____, 2025.

The Developer agrees to use the completed Project in its business operations throughout the Term (as hereinafter defined) of this Agreement (the “Business Operations Requirement”).

Further, the Developer agrees to maintain, preserve, and keep the Property, including but not limited to the Project, useful and in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions.

2. Ownership of Property; Use of Project; Developer's Annual Report. The Developer agrees to submit an annual report (the "Annual Report") to the satisfaction of the City by no later than each June 1 during the Term (as hereinafter defined) commencing June 1, 2026, demonstrating that (i) the Business Operations Requirement is being met; and (ii) the Developer owns the Property, including the Project. The Developer agrees to provide such supporting documentation as may be requested by the City as an accompaniment to the Annual Report. The first Annual Report submitted by the Developer shall also include documentation demonstrating, to the satisfaction of the City, that the Developer has completed the Required Improvements.

3. Minimum Assessment Agreement. The Developer agrees to enter into an assessment agreement (the "Assessment Agreement"), pursuant to Section 403.6 of the Code of Iowa fixing the minimum assessed valuation of the Property, in contemplation of the improvements to be constructed thereon, at not less than Four Hundred Seventy-Five Thousand Dollars (\$475,000) (the "Minimum Assessed Valuation") as of January 1, 2026 (the "First Valuation Date"). It is intended by the Developer that the Minimum Assessed Valuation shall be established on the Jasper County property tax rolls as of the First Valuation Date regardless of the then-current degree of completion or incompleteness of the Project. The Assessment Agreement shall be in substantially the form attached hereto as Exhibit C and shall remain in effect throughout the Term (as hereinafter defined) of this Agreement.

4. Property Taxes. The Developer agrees to make timely payment of all property taxes as they come due with respect to the Property with the completed Project thereon throughout the Term (as hereinafter defined) and to submit a receipt or cancelled check in evidence of each such payment.

5. No Abatement; No Property Tax Exemption. The Developer agrees that it will not seek any tax exemption or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of the Property throughout the Term (as hereinafter defined) including causing or allowing the property to be leased, sold, transferred to or otherwise used by an entity that is exempt from property taxes under the laws of the State of Iowa.

6. Property Tax Payment Certification. For purposes of this Agreement, “Annual Percentage” shall mean the annual percentage in effect from time to time as set forth in the following table:

Payment Year	Annual Percentage	Payment Year	Annual Percentage
First Payment Year	100%	Sixth Payment Year	50%
Second Payment Year	90%	Seventh Payment Year	40%
Third Payment Year	80%	Eighth Payment Year	30%
Fourth Payment Year	70%	Ninth Payment Year	20%
Fifth Payment Year	60%	Tenth Payment Year	10%

The Developer agrees to certify to the City by no later than October 15 of each year, commencing October 15, 2026, an amount (the “Developer’s Estimate”) equal to 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 factored by the Annual Percentage. In submitting each such Developer’s Estimate, the Developer will complete and submit the worksheet attached hereto as Exhibit D.

The City reserves the right to review and request revisions to each such Developer’s Estimate to ensure the accuracy of the figures submitted. For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Jasper County, above and beyond the Base Valuation; and (4) deducting any property tax credits which shall be available with respect to the incremental valuation of the Property.

Upon request, the City staff shall provide reasonable assistance to the Developer in completing the worksheet required under this Section A.6.

7. Forgivable Loan. The Developer agrees that the City will advance the proceeds (the “Forgivable Loan Proceeds”) of the Forgivable Loan to the Developer in accordance with Section B.1 of this Agreement. The Developer’s obligation to repay the Forgivable Loan is evidenced by a promissory note (the “Promissory Note”) that has been executed by the Developer and delivered to the City. A copy of the Promissory Note shall be attached as Exhibit E hereto.

The Developer agrees to apply the Forgivable Loan Proceeds to the payment and/or reimbursement of the costs of the Required Improvements.

All principal advanced under the Forgivable Loan shall be due and owing to the City at City Hall by Noon on June 30, 2030, unless sooner forgiven in accordance with the terms of this Agreement or made subject to acceleration in accordance with Section A.10 of this Agreement.

Nothing herein shall prohibit the Developer from forfeiting the right to loan forgiveness, as set forth in Section B.1 of this Agreement by prepaying on the Forgivable Loan at any time.

8. Insurance.

(a) The Developer, and any successor in interest to the Developer, shall obtain and continuously maintain insurance on the Property and the completed Project and, from time to time at the request of the City, furnish proof to the City that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the Developer must obtain and continuously maintain, provided that the Developer shall obtain the insurance described in clause (i) below prior to the commencement of construction of the Project (excluding excavation and footings):

- (i) Builder's risk insurance, written on the so-called "Builder's Risk—Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Project at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy.
- (ii) Comprehensive general liability insurance (including operations, contingent liability, completed operations when substantially completed and contractual liability insurance) together with an Owner's/Contractor's Policy naming the City, as an additional insured, with limits against bodily injury and property damage of not less than \$2,500,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.
- (iii) Workers compensation insurance, with statutory coverage limited to employees of the Developer.

(b) All insurance required in this Section shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State of Iowa to assume the risks covered by such policies. Unless otherwise provided in this Section, each policy must contain a provision that the insurer will not cancel nor modify the policy without giving written notice to the insured at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer, or its successors or assigns, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Section. In lieu of separate policies, the Developer or its successors or assigns, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

(c) The Developer, its successors or assigns, agrees to notify the City promptly in the case of damage exceeding \$250,000 in amount to, or destruction of the Project resulting from fire or other casualty. Furthermore, the Developer agrees to apply the proceeds from any and all casualty claims against the insurance detailed in this Section to the restoration and improvement of the Property and/or the Project.

9. Indemnification. The Developer agrees to indemnify, defend and hold harmless the City, its officers, employees and departments, from and against any and all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs and

expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) arising from or in connection with any of the following, except to the extent caused by the negligent acts or omissions of the City, its officers, employees and departments:

- a) Any claim, demand, action, citation or legal proceeding arising out of or resulting from the construction of the Project.
- b) Any claim, demand, action, citation or legal proceeding arising out of or related to occurrences that the Developer is required to insure against under this Agreement in connection with the Project and/or the Property; and
- c) Any claim, demand, action, citation or legal proceeding arising out of or resulting from an act or omission of the Developer or any of its agents in its or their capacity as an employer of a person.

10. Default Provisions.

A. Events of Default. The following shall be "Events of Default" under this Agreement, and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- i. Failure by the Developer to complete the Project pursuant to the terms and conditions of this Agreement.
- ii. Failure by the Developer to maintain compliance with the Business Operations Requirement pursuant to the terms and conditions of this Agreement.
- iii. Failure by the Developer to fully and timely remit payment of property taxes when due and owing.
- iv. Failure by the Developer to enter into the Assessment Agreement.
- v. Failure by the Developer to maintain compliance with Sections A.2, A.5, A.6, A.7, A.8 and A.9 of this Agreement.
- vi. Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

B. Notice and Remedies. Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, the City shall then have the right to:

- i. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.

- ii. Accelerate the due date of the then unforgiven principal amount of the Forgivable Loan, which amount shall become due and owing within 30-days of the provision of a written notice of such acceleration from the City to the Developer. In the event of acceleration of the Forgivable Loan, the provisions with respect to loan forgiveness as set forth in section B.1 of this Agreement shall not apply.
- iii. Withhold the Payments provided for under Section B.2 below.

11. Legal and Administrative Costs. The Developer hereby acknowledges that the City will cover the initial payment of legal fees and administrative costs (the “Actual Admin Costs”) incurred by the City in connection with the drafting, negotiation and authorization of this Agreement, including the necessary amendment to the Urban Renewal Area. Furthermore, the Developer agrees that the City shall withhold an amount (the “Admin Withholding Amount”) equal to the lesser of (1) \$7,000 or (2) the Actual Admin Costs from the initial Payments, as hereinafter set forth in order to recover some or all of the Actual Admin Costs.

B. City’s Obligations

1. Forgivable Loan; Loan Forgiveness. The City hereby agrees to advance the Forgivable Loan Proceeds to the Developer in an amount equal to \$75,000 within thirty (30) days of the Commencement Date of this Agreement.

Upon receipt of a satisfactory Annual Report from the Developer demonstrating that the Developer is in compliance with required elements set forth in Section A.2 of this Agreement, the City shall forgive \$15,000 of the principal amount of the Forgivable Loan. If the Developer fails to submit an Annual Report as required in Section A.2 above in any given fiscal year, then no principal of the Forgivable Loan will be forgiven in such fiscal year.

2. Payments. In recognition of the Developer’s obligations set out above, the City agrees to make ten (10) annual economic development tax increment payments (the “Payments” and, individually each, a “Payment”) to the Developer during the Term (as hereinafter defined) pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that the aggregate, total amount of the Payments to be made under this Agreement during the Term (as hereinafter defined) shall not exceed \$85,000 (the “Maximum Payment Total”). All Payments under this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

The Payments shall not constitute general obligations of the City, but shall be made solely and only from Incremental Property Tax Revenues received by the City from the Jasper County Treasurer attributable to the taxable valuation of the Property.

Prior to funding any Payments hereunder, the City shall retain an amount equal to the Admin Withholding Amount from the Incremental Property Tax Revenues received with respect to the Property. Once such amount has been withheld, the Payments shall be funded as described herein.

Each Payment shall not exceed an amount which represents the amount of Incremental Property Tax Revenues available to the City with respect to the Property during the twelve (12) months immediately preceding each Payment date.

It is assumed that the new valuation from the Project will go on the property tax rolls as of January 1, 2026. Accordingly, the Payments will be made on June 1 of each fiscal year, beginning on June 1, 2028 and continuing to, and including, June 1, 2037, or until such earlier date upon which total Payments equal to the Maximum Payment Total have been made.

3. Annual Appropriation. Each Payment shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term (as hereinafter defined) of this Agreement, beginning in calendar year 2026, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payment 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 Developer’s Estimate.

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 Payment scheduled to become due in the following fiscal year, and the Developer will have no rights whatsoever to compel the City to make such Payment 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 Payment shall not render this Agreement null and void, and the Developer shall make the next succeeding submission of the Developer’s Estimate as called for in Section A.6 above, provided however that no Payment shall be made after June 1, 2037.

4. Payment Amounts. Each Payment shall be in an amount equal to the corresponding Appropriated Amount (for example, for the Payment due on June 1, 2028, the amount of such Payment would be determined by the Appropriated Amount determined for certification by December 1, 2026) provided, however, that no Payment shall exceed an amount which represents the Incremental Property Tax Revenues available to the City with respect to the Property during the twelve (12) months immediately preceding each Payment date.

5. Certification of Payment Obligation. In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, as set forth in Section B.3 above, then the City Clerk will certify by December 1 of each such year to the Jasper County Auditor an amount equal to the most recently obligated Appropriated Amount.

C. Administrative Provisions

1. Amendment and Assignment. Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party. However, the City hereby gives its permission that the Developer’s rights to receive the Payments hereunder may be assigned by the Developer to a private lender, as security on a credit facility taken with respect to the Project, without further action on the part of the City.

2. Successors. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. Term. The term (the “Term”) of this Agreement shall commence on the Commencement Date and end on June 1, 2037 or on such earlier date upon which the aggregate sum of Payments made to the Developer equals the Maximum Payment Total.

4. Choice of Law. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

EX NIHILO LLC

By: _____
Its: _____

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Certain real property situated at 118 N. 2nd Avenue E in the City of Newton, Jasper County, State of Iowa and bearing Jasper County Property Tax Parcel Identification Number 0834134013

EXHIBIT B
REQUIRED IMPROVEMENTS

EXHIBIT C
MINIMUM ASSESSMENT AGREEMENT

MINIMUM ASSESSMENT AGREEMENT
Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

Amy M. Bjork, Esq., Dorsey & Whitney LLP, 801 Grand Avenue, Suite 4100, Des Moines, IA 50309; Phone: 515-699-3285

Return Document To:

Erin Chambers, Community Development Director, City of Newton, Iowa, 403 W 4th St N, Suite 501, Newton, IA, 50208; Phone: 641-792-6622 Ext: 2301

City:

City of Newton, Iowa

Property Owner:

Ex Nihilo LLC

Legal Description:

Book & Page Reference if applicable:

MINIMUM ASSESSMENT AGREEMENT

THIS AGREEMENT, dated as of the ____ day of _____, 2023, by and among the City of Newton, Iowa (the “City”), Ex Nihilo LLC (the “Property Owner”), and the County Assessor of Jasper County (the “Assessor”).

WITNESSETH

WHEREAS, the Property Owner owns the real property, the legal description of which is contained in Exhibit A attached hereto (the “Property”), which is located in the North Central Urban Renewal Area in the City; and

WHEREAS, the Property Owner has undertaken the redevelopment of an existing building on the Property (“the Project”) for use in the business operations of a public market facility; and

WHEREAS, a development agreement (the “Development Agreement”), dated _____, 2023, has been executed between the City and the Property Owner in connection with the Property Owner’s investment in and business operations on the Property; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, the City and the Property Owner desire to establish a minimum taxable value for the Property and the improvements to be constructed thereon, which shall be effective as of January 1, 2026, and from then until this Agreement is terminated pursuant to the terms herein and which is intended to reflect the minimum market value of the land and improvements;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Effective January 1, 2026, the minimum actual value which shall be assessed for the Property, taking into account the improvements to be constructed thereon, shall be Four Hundred Seventy-Five Thousand Dollars (\$475,000) until termination of this Agreement.

2. The Property Owner hereby agrees that the assessed valuation (hereinafter referred to as the “Minimum Actual Value”) set forth in Section 1 above shall become and remain effective as of January 1, 2026, and throughout the term of this Agreement, regardless of the actual degree of completion or incompleteness of the Project, even if construction of the Project is not commenced by such date. Furthermore, the Property Owner acknowledges that the City has changed its position in reliance on the timeliness of such increase in valuation as set forth in the Development Agreement.

3. The Property Owner agrees to pay when due, all taxes and assessments, general or special, and all other charges whatsoever levied upon or assessed or placed against the Property, subject to any limitations set forth in the Development Agreement. The Property Owner further agrees that until this Agreement is terminated they will not seek administrative or judicial review of the applicability, enforceability, or constitutionality of this Agreement or the obligation to be

taxed based upon the Minimum Actual Value or to raise any such argument by way of defense in any proceedings, including delinquent tax proceedings.

4. This Agreement, and the minimum assessed valuation established herein, shall be effective until such time as the City's obligations to make Payments (as defined in the Development Agreement) have been satisfied in-full.

5. Nothing herein shall be deemed to waive the Property Owner's rights under Section 403.6(19) Code of Iowa, (2023) or otherwise, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value.

6. This Agreement shall be promptly recorded with the Jasper County Recorder, along with a copy of Iowa Code Section 403.6.

7. Neither the preamble nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of any other contract between the City and the Property Owner, including the Development Agreement.

[Remainder of page intentionally left blank.]

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

CITY OF NEWTON, IOWA

By: _____
Mayor

Attest:

City Clerk

EX NIHILO, LLC

STATE OF IOWA)
)
COUNTY OF JASPER) SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Michael Hansen and Katrina Davis, the Mayor and City Clerk, respectively, of Newton, Iowa, a municipal corporation of the State of Iowa, on behalf of the City.

Notary Public

STATE OF IOWA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____,
2023 by _____ the _____ of Ex Nihilo LLC, an
Iowa limited liability company.

Notary Public

EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT

[INSERT LEGAL DESCRIPTION]

CERTIFICATION BY ASSESSOR

The undersigned Assessor, being legally responsible for the assessment of the above described property upon completion of improvements to be made on it, hereby certifies that the actual value assigned to such land and improvements upon completion, shall be not less than Four Hundred Seventy-Five Thousand Dollars (\$475,000) until termination of the Agreement.

County Assessor for Jasper County,
State of Iowa

Subscribed and sworn to before me this _____ day of _____, 2023.

Notary Public

LIENHOLDER'S CONSENT, IF ANY

In consideration of one dollar and other valuable consideration, the receipt of which is hereby acknowledged, and notwithstanding anything in any loan or security agreement to the contrary, the undersigned ratifies, approves, consents to and confirms the Assessment Agreement entered into between the parties, and agrees to be bound by its terms. This provision shall be binding on the parties and their respective successors and assigns.

[NAME OF LIENHOLDER]

By: _____
Signature

Date: _____

STATE OF IOWA)
) SS:
COUNTY OF JASPER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023 by _____ the _____ of _____.

Notary Public

[Add additional pages for each Lienholder]

[If no Lienholders exist, this consent will not be completed]

[This page should be filed with the Assessment Agreement]

Consistent with Iowa Code §403.6(19)(b), filed with this assessor certification is a copy of subsection 19 as follows:

19. a. A municipality, upon entering into a development or redevelopment agreement pursuant to section 403.8, subsection 1, or as otherwise permitted in this chapter, may enter into a written assessment agreement with the developer of taxable property in the urban renewal area which establishes a minimum actual value of the land and completed improvements to be made on the land until a specified termination date which shall not be later than the date after which the tax increment will no longer be remitted to the municipality pursuant to section 403.19, subsection, subsection 2. The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$_____.

b. This assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.

EXHIBIT D

DEVELOPER’S ESTIMATE WORKSHEET

- (1) Date of Preparation: October ____, 20__.
- (2) Assessed Taxable Valuation of Property as of January 1, 20____:
- \$_____.
- (3) Base Taxable Valuation of Property (January 1, 2024):
- \$_____.
- (4) Incremental Taxable Valuation of Property (2 minus 3):
- \$_____ (the “TIF Value”).
- (5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the “Adjusted Levy Rate”):
- \$_____ per thousand of value.
- (6) The TIF Value (4) factored by the Adjusted Levy Rate (5).
- \$_____ x \$_____/1000 = \$_____ (the “TIF Estimate”)
- (7) TIF Estimate (\$_____) x Annual Percentage = Developer’s Estimate (\$_____).

Payment Year	Annual Percentage	Payment Year	Annual Percentage
First Payment Year	100%	Sixth Payment Year	50%
Second Payment Year	90%	Seventh Payment Year	40%
Third Payment Year	80%	Eighth Payment Year	30%
Fourth Payment Year	70%	Ninth Payment Year	20%
Fifth Payment Year	60%	Tenth Payment Year	10%

EXHIBIT E
PROMISSORY NOTE

MAXIMUM PRINCIPAL AMOUNT: \$75,000

Dated: _____, 2023

Maturity Date: June 30, 2030

Ex Nihilo LLC (the “Borrower”) for value received, promises to pay, to the City of Newton, Iowa (the “City”), its successors or assigns, the principal sum of Seventy-Five Thousand Dollars (\$75,000), in lawful money of the United States of America, on June 30, 2030.

The City has made a forgivable loan to the Borrower in the principal amount of Seventy-Five Thousand Dollars (\$75,000) (the “Forgivable Loan”) under this Promissory Note (the “Note”) and under a certain Development Agreement (the “Agreement”) between the City and the Borrower dated _____, 2023, and reference is hereby made to the Agreement for a more complete description of the rights and obligations of the parties hereof.

The Forgivable Loan shall be forgiven by the City in accordance with the terms set forth in the Agreement, and all amounts forgiven shall be recorded on the Schedule of Forgiveness hereon.

Payment of principal of the Forgivable Loan shall be made to the City of Newton at the Office of the City Clerk, City Hall, 101 W. 4th Street South, Newton, Iowa 50208 by Noon on June 30, 2026, unless sooner forgiven in accordance with the Agreement.

The Borrower reserves the right to prepay principal of this Note, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default under the Agreement which has not been cured in accordance with the terms of the Agreement, including the failure to make repay principal of the Forgivable Loan under the terms of the Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney’s fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor.

This Note is secured, and its maturity is subject to acceleration in each case upon the terms provided in the Agreement.

The validity, construction and enforceability of this Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

EX NIHILO LLC

By: _____
Its: _____

SCHEDULE OF FORGIVENESS

<u>Date of Forgiveness</u>	<u>Amount Forgiven</u>	<u>Signature of City Clerk</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

City of Newton Council Report

**Item:**

Resolution awarding contract for the 2023 tuckpointing and brick replacement project

Summary:

Award contract for tuckpointing, brick replacement, and control joint repairs for six City-owned buildings.

Financial Impact:

\$21,070.00 from Wastewater Enterprise Funds and \$5,332.00 from Fire General Funds

Report Number: 2023-1105**Date:**

October 2, 2023

Lead Department:

Public Works

Recommendation:

Approve

Background:

Six existing city buildings, including water treatment plant buildings and city hall, are experiencing grout and brick wear, which is typical for the age of the building and, if not addressed, will cause more significant issues. This project includes miscellaneous tuckpointing, brick replacement, and control joint repairs. The engineer's estimate for this project was \$24,406.00

The following submitted quotes were received and opened on Sep 2, 2023:

Company	Bid Price
N.C Construction & Masonry	\$26,402.00

The apparent low bidder is N.C Construction & Masonry of Newton, IA, in the amount of \$26,402.00. The completion date of the project is November 30, 2023.

Recommendation:

Staff recommends awarding the project to N.C Construction & Masonry of Newton, IA, a locally owned business with the lowest responsive, responsible bid of \$26,402.00 to be paid from wastewater enterprise funds and fire general funds.

Matt Muckler, City Administrator

RESOLUTION NO. 2023-_____

**RESOLUTION AWARDING CONTRACT FOR THE
2023 TUCKPOINTING AND BRICK REPLACEMENT PROJECT**

WHEREAS, six existing city buildings, including water treatment plant buildings and city hall, are experiencing grout and brick wear, which is typical for the age of the building and, if not addressed, will cause more significant issues; and

WHEREAS, this project includes miscellaneous tuckpointing, brick replacement, and control joint repairs; and

WHEREAS, sealed quotes were received and opened on September 2, 2023; and

WHEREAS, City staff recommends that the City of Newton award a contract to N.C Construction & Masonry Newton, IA, a locally owned business with the lowest responsive, responsible quote received in the amount of \$26,402.00 to be paid from the 2023 Wastewater and General funds.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Newton, Iowa, that the bid of N.C Construction & Masonry of Newton, IA, in the amount of Twenty-Six Thousand Four hundred and Two Dollars and Zero Cents (\$26,402.00) for the 2023 Tuckpointing and Brick Replacement Project, all as described in the plans and specifications, is hereby accepted, the same being the lowest bid received for said project.

BE IT FURTHER RESOLVED, by the City Council of the City of Newton, Iowa, that the Contract and Bond executed by N.C Construction & Masonry of Newton, IA, for the 2023 Tuckpointing and Brick Replacement Project, to be paid from available wastewater enterprise funds and fire general funds, as described by the plans and specifications filed in the office of the City Clerk, said contract to be signed by the Mayor and City Clerk on behalf of the City, be and the same are hereby approved.

PASSED this _____ day of September, 2023.

APPROVED this _____ day of September, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Disbursements 10-03-23

Vendor	Department	Description	Amount
2 Girls with Tools	Fire	Supplies	\$ 213.50
Acushnet Company	Golf	Merchandise	\$ 1,738.84
Adams, Tammy Mileah & Raven	Utility Billing	Refund	\$ 147.90
Ag-Grow Plus Lawn Care	Airport	Supplies	\$ 123.60
Air Products and Chemicals Inc	Water Treatment Plant	Supplies	\$ 2,903.86
Airgas USA LLC	Fire	Supplies	\$ 146.90
Alliant Energy/IPL	All	Utilities	\$ 4,104.47
Allied Oil & Supply Company	Landfill/Snow Removal/Streets	Supplies	\$ 592.80
Amazon Capital Services	All	Supplies	\$ 2,541.70
American Legal Publishing Corp.	Administration	Service	\$ 99.75
Applied Industries Technologies	Water Pollution Control	Supplies	\$ 261.97
Barney's Services Inc	Water Pollution Control	Service	\$ 286.58
Beck's	Community Beautification	Supplies	\$ 448.00
Bernal, Lisa	Golf	Reimbursement	\$ 19.95
Bolton & Menk Inc	All	Service	\$ 17,927.50
Bound Tree Medical LLC	Fire	Supplies	\$ 982.23
Brick Gentry P.C.	Legal Services	Service	\$ 14,710.00
Brown, Karen	Fire	Reimbursement	\$ 115.00
Brownells Inc	Police	Supplies	\$ 219.47
Burbach Aquatics Inc	Maytag Pool	Service	\$ 143,913.11
Cap Construction & Aggregate Products	Water Treatment Plant	Supplies	\$ 700.10
Capital One	Fire/Landfill/Library	Supplies	\$ 1,899.12
Chem-Sult Inc	Water Treatment Plant	Supplies	\$ 1,375.00
Cintas	All	Service	\$ 567.94
Clapsaddle-Garber Assoc	Airport	Service	\$ 8,164.42
Clearview Roofing Systems	Fire	Reimbursement	\$ 50.00
Cline Tool	Water Distribution	Service	\$ 150.06
Cole, Chris	Landfill	Reimbursement	\$ 20.00
Compass Business Solutions	Utility Billing	Supplies	\$ 2,344.26
Computer Resource Specialists	Admin/Water Treatment & Dist	Service	\$ 7,242.84
Continental Research	Water Pollution Control	Supplies	\$ 281.40
Convergint Technologies LLC	Utility Billing	Service	\$ 28.26
Core & Main	Water Distribution	Supplies	\$ 787.26
D & K Products	Cemetery/Golf	Supplies	\$ 1,595.00
D&W Tree Service	Parks	Service	\$ 1,150.00
Dannen, Ryan	Housing Demo/Parks	Service	\$ 1,665.00
Davis, Katrina	Administration	Reimbursement	\$ 81.14
Debruyne, Michael	Water Distribution	Reimbursement	\$ 32.29
Dell Marketing L.P.	Engineering	Supplies	\$ 685.80
Digium Cloud Services LLC	Fire	Service	\$ 406.00
DMACC - Ankeny Campus	All	Rent	\$ 1,895.75
Dodd Trash Hauling & Recycling	Solid Waste	Service	\$ 69,596.89
Earl May Nursery & Garden	Parks	Supplies	\$ 64.95

FBI-LEEDA	Police	Training	\$ 795.00
Forbes Office Solutions	All	Supplies	\$ 2,445.77
Forck, Matt	Water Pollution Control	Reimbursement	\$ 50.00
FOX Strand	WPC/Water Treatment Plant	Services	\$ 17,899.00
Galls LLC	Fire/Police	Supplies	\$ 370.19
Garcia, Jose	Police	Training	\$ 87.41
Grainger Inc	Water Pollution Control	Supplies	\$ 749.73
Grant, Brittany & Josh	Utility Billing	Refund	\$ 49.59
Gregg Young Auto Center	Police	Service	\$ 2,919.19
Hawkins Water Treatment	Water Treatment/WPC	Supplies	\$ 7,755.40
Heisdorffer, Michele	Finance	Reimbursement	\$ 30.48
Home Depot Pro	Landfill	Supplies	\$ 132.44
Housby Heavy Equipment LLC	Landfill	Supplies	\$ 497.13
Howe Excavating	D&D Program	Service	\$ 16,150.00
Hy-Vee Inc	Fire	Supplies	\$ 45.36
I & S Group Inc	Westwood Clubhouse	Service	\$ 6,949.84
IMWCA	All	Insurance	\$ 14,596.66
Inland Truck Parts Co	Snow Removal/Storm Water/Street	Supplies	\$ 4,146.65
Iowa Dept of Natural Resources	Water Treatment Plant	Services	\$ 115.00
Iowa Law Enforcement Academy	Police	Training	\$ 6,875.00
Iowa Pump Works	Water Pollution Control	Services	\$ 2,277.00
Jasper County Abstract	Parks	Service	\$ 865.00
Jasper County Recorder	Housing Demo/Planning & Zoning	Services	\$ 24.00
JETCO Inc	WPC/Water Treatment Plant	Services	\$ 2,955.50
Johnson Aviation	Airport	Service	\$ 3,515.11
Johnson Controls Security Solutions	Water Treatment Plant	Services	\$ 629.27
Keltek Incorporated	Fire	Service	\$ 784.05
Kiesler's Police Supply	Police	Supplies	\$ 377.00
Kinetic Edge Physical Therapy	Water Treatment Plant	Service	\$ 229.00
Knox Company	Fire	Service	\$ 3,065.00
Language Line Services	Police	Service	\$ 21.00
Liberty Tire Services LLC	Landfill	Service	\$ 150.00
Lyman, Rick	Police	Service	\$ 729.06
Mahaska Bottling Co	Golf	Concessions	\$ 601.66
Manatts - D.M.	Parks/Street/Storm Water	Supplies	\$ 12,332.24
Mediacom	Golf	Utilities	\$ 379.56
Mid Country Machinery	Landfill	Service	\$ 922,061.55
Midwest Critical Power LLC	Water Pollution Control	Services	\$ 854.80
Mississippi Lime Company	Water Treatment Plant	Supplies	\$ 20,192.05
MTI Distributing Inc	Golf/Parks	Supplies	\$ 780.54
Municipal Supply Inc	Water Distribution	Supplies	\$ 714.70
NAPA Auto Parts	All	Supplies	\$ 1,916.75
News Printing Company	Cemetery/Parks/Police	Publication	\$ 351.38
Newton Clinic	Police	Service	\$ 13.39
Newton Development Corp	1st Ave East TIF	Funding	\$ 19,250.00
Newton Housing Development Corp.	Fairmeadows N TIF	Funding	\$ 10,000.00
O'Halloran International	City Garage	Supplies	\$ 2,008.17
O'Reilly Auto Parts	Golf	Supplies	\$ 69.12

Performance Sign & Design	Police	Supplies	\$ 2,875.00
Phelps Uniform Specialists	City Center/Fire	Service	\$ 113.25
Pitney Bowes	Finance/Utility Billing	Service	\$ 180.00
Ray, Randy	Police	Service	\$ 135.00
Regal Clean LLC	City Center	Service	\$ 3,159.78
Riggs Printing Inc	Fire/Water Distribution	Supplies	\$ 1,017.25
Schwarz, Shane	Water Pollution Control	Reimbursement	\$ 50.00
Shaver, Amber & Larry	Utility Billing	Refund	\$ 65.43
Shinkle, Andrew	Police	Reimbursement	\$ 56.54
Shuck-Britson Inc	Street	Service	\$ 1,078.00
Sign Pro	Police	Supplies	\$ 240.00
Spahn & Rose Lumber Co	All	Supplies	\$ 320.87
Springer Professional Home Services	Golf/Maytag Pool	Service	\$ 191.40
Star Equipment	Water Distribution	Supplies	\$ 91.94
State Hygienic Laboratories	Water Treatment Plant	Service	\$ 21.00
Store for Homes Furniture	Fire	Supplies	\$ 1,541.00
Streichers	Police	Supplies	\$ 3,985.99
Sullivan Auto Body	Tort Liability	Service	\$ 7,356.50
Thatcher Auto Center	Golf	Supplies	\$ 700.00
The CTK Group	Police	Training	\$ 500.00
The Paper Corporation	All	Supplies	\$ 1,649.12
The Police and Sheriffs Press	Police	Supplies	\$ 17.60
Theisen's	All	Supplies	\$ 1,308.28
Town & Country Wholesale Co	Golf	Concessions	\$ 1,001.83
Truck Equipment	Snow Removal	Supplies	\$ 2,870.43
True Pitch Inc	Parks	Supplies	\$ 821.20
True Value Hardware	All	Supplies	\$ 211.25
Two Rivers Cooperative	Water Pollution Control	Supplies	\$ 2,677.56
USPS	Water Distribution	Service	\$ 2,281.04
Utility Equipment Co	Landfill/Water Distribution	Supplies	\$ 987.40
Van Wall Equipment	Landfill/Parks/WPC	Supplies	\$ 4,002.21
Vedusco, Elliott Wartick & Desiree	Utility Billing	Refund	\$ 33.74
Verizon Wireless	Disaster Services	Utilities	\$ 35.01
Vessco Inc	Water Treatment Plant	Supplies	\$ 152.88
Warnick Mechanical	City Center	Service	\$ 444.00
Waste Solutions of Iowa	Parks	Service	\$ 432.00
Wex Bank	Water Distribution	Supplies	\$ 1,561.65
Windstream Communications LLC	Fire/Water Treatment Plant	Services	\$ 543.84
Winheim, Bethany	Utility Billing	Refund	\$ 57.51
Witzenburg, Kjerstan	Utility Billing	Refund	\$ 120.00
Z Marie's	Executive	Service	\$ 1,010.00
Ziegler Inc	Water Treatment Plant	Service	\$ 7,015.46
Zoll	Fire	Supplies	\$ 60.35
Zonar Systems	Snow Removal/Street Cleaning	Service	\$ 1,409.04

Grand Total:

\$ 1,436,469.70

Pre-Authorized Payments

Black Hills Energy	All	Utilities	\$ 870.61
Doll Distributing LLC	Golf	Concessions	\$ 921.40
Iowa Beverage Systems	Golf	Concessions	\$ 355.60
Johnson Brothers of Iowa	Golf	Concessions	\$ 607.20
Mediacom	Administration/Golf	Utilities	\$ 466.85
Windstream	All	Utilities	\$ 2,777.43
US Cellular	All	Utilities	\$ 256.85
Total:			\$ 6,255.94

City of Newton Council Report

**Item:**

Public Hearing on a Resolution To Approve an Urban Renewal Plan Amendment for the North Central Urban Renewal Area

Summary:

Approval of a Plan Amendment for the North Central Urban Renewal Area

Financial Impact:

No Financial Impact, Amends to Urban Renewal Plan for future projects and expenditures

Report Number: 2023-1092

Date:

October 2, 2023

Lead Department:

Administration

Recommendation:

Approve

Background:

The City Council of the City of Newton Iowa has created the North Central Urban Renewal Area and has approved an urban renewal plan for the Urban Renewal Area. Chapter 403 of the code of Iowa requires that, before a city approves any new urban renewal projects within an urban renewal area, a city must amend the existing urban renewal plan to describe all new projects.

An amendment to the plan has been prepared which consists of several property tax rebates, construction of a downtown park, reconstruction of several downtown streets and various other urban renewal area projects. This resolution approves updates to the current Urban Renewal Plan.

Recommendation:

Staff recommends approval of the Resolution to amend the North Central Urban Renewal Plan.

Matt Muckler, City Administrator

RESOLUTION NO. 2023-_____

Resolution to Approve Urban Renewal Plan Amendment for the North Central Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the “Urban Renewal Law”), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the rehabilitation, conservation, redevelopment, development or a combination thereof, of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, this City Council of the City of Newton, Iowa (the “City”), by prior resolution established the North Central 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, an amendment (the “Amendment”) to the Plan has been prepared which (1) updates the description of the City’s Hotel Maytag Project previously approved by the City Council in the October 2, 2017 Amendment to the Plan; (2) updates the description of the City’s Economic Development Local Business Support Program previously approved by the City Council in the July 6, 2021 Amendment to the Plan; and (3) authorizes the undertaking of new urban renewal projects in the Urban Renewal Area consisting of (a) using tax increment financing to pay the costs of constructing street improvements; (b) using tax increment financing to pay the costs of constructing a park in the City’s downtown; (c) providing tax increment financing support to Ex Nihilo LLC in connection with the redevelopment of an existing building into a public market area including food, retail, and services, as well as a public bar, commercial kitchen, classroom space, and open seating overlooking the first floor; and (d) providing tax increment financing support to Mercurialis Holdings Real Estate – Newton, LLC in connection with the redevelopment of an existing building for use in the business operations of a Jimmy John’s restaurant; and

WHEREAS, notice of a public hearing by the City Council on the proposed Amendment was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on October 2, 2023; and

WHEREAS, copies of the Amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to Jasper County and the Newton Community School District; the consultation meeting was held on September 11, 2023; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Newton, Iowa, as follows:

Section 1. The Amendment, attached hereto and made a part hereof, is hereby in all respects approved.

Section 2. It is hereby determined by this City Council as follows:

A. The projects proposed under the Amendment conform to the general plan for the development of the City;

B. The projects proposed under the Amendment are necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives; and

C. Proposed blight alleviation and prevention projects described in the Amendment are necessary to restore the property situated in the Urban Renewal Area to its highest and best use and to prevent the spread of blighted conditions in the Urban Renewal Area; and

D. It is not anticipated that families will be displaced as a result of the City's undertakings under the Amendment. Should such issues arise with future projects, then the City will ensure that a feasible method exists to carry out any relocations without undue hardship to the displaced and into safe, decent, affordable and sanitary housing.

Section 3. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved October 2, 2023.

Mayor

Attest:

City Clerk

(Attach copy of the urban renewal plan amendment to this resolution.)

• • • •

Upon motion and vote, the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
JASPER COUNTY
CITY OF NEWTON

SS:

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Newton, Iowa and that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the City Council preliminary to and in connection with approving the urban renewal plan amendment for the North Central Urban Renewal Area in the City of Newton, Iowa.

WITNESS MY HAND this ____ day of _____, 2023.

City Clerk

CITY OF NEWTON, IOWA

URBAN RENEWAL PLAN AMENDMENT
NORTH CENTRAL URBAN RENEWAL AREA

October, 2023

The Urban Renewal Plan (the “Plan”) for the North Central Urban Renewal Area (the “Urban Renewal Area”) for the City of Newton, Iowa (the “City”) is being amended for the purposes of (1) updating the description of the Hotel Maytag Project; (2) updating the description of the Economic Development Local Business Support Program; and (3) identifying new urban renewal projects to be undertaken within the Urban Renewal Area.

1) Update Description of the Hotel Maytag Project. The City approved the Hotel Maytag Project in the October 2, 2017 Amendment to the Plan, and it is now necessary to update the description of the Hotel Maytag Project as follows:

Name of Project: Hotel Maytag Project

Date of Council Approval of Project: October 2, 2017, and updated October 2, 2023

Redevelopment Project

Description of the Project and Project Location: The City has entered into an Agreement for Private Development with Hotel Maytag Investors, LLC (the “Developer”) related to the redevelopment of the former Hotel Maytag (the “Redevelopment Project”) building located at 105 North 2nd Avenue East, with the following legal description:

Lots “A,” “B,” and Four in Block Fifteen, City of Newton, Jasper County, Iowa, as shown in Plat Book B, at Page 214 in the Office of the Recorder, Jasper County (the “Redevelopment Property”).

Description of Use of TIF: The City has entered into a development agreement (the “Agreement”) with the Developer with respect to the Redevelopment Project. Pursuant to the Agreement, the City has agreed to provide a series of annual appropriation economic development payments (the “Payments”) to the Developer in an amount not to exceed \$760,000 (increased from \$360,000 as approved in the October, 2017 Amendment to the Urban Renewal Plan). The Payments will be funded with the incremental property tax revenues to be derived from the Redevelopment Property.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$8,000.

It is anticipated that the City's total commitment of incremental property tax revenues with respect to the Redevelopment Project will not exceed \$760,000, plus the Admin Fees.

Workforce Housing Project

Description of the Project and Project Location: As part of the Redevelopment Project, Hatch Development Group, L.L.C. ("Hatch Development Group") has undertaken the conversion of a portion of the former Hotel Maytag building to include workforce housing units (the "Workforce Housing Project").

Description of Use of TIF: The City has received a low-interest loan (the "IFA Loan") from the Iowa Finance Authority-Workforce Housing Loan Program. The City has entered into a loan agreement (the "Loan Agreement") with Hatch Development Group pursuant to which the City agreed to disburse the proceeds of the IFA Loan to Hatch Development Group to assist in paying the costs of the Workforce Housing Project. Under the Loan Agreement, Hatch Development Group agreed to remit payment to the City to enable the City to make timely payment of installments of principal of and interest on the IFA Loan. The City now proposes to enter into an amended Loan Agreement (the "Amended Loan Agreement") pursuant to which the City will agree to provide financial assistance to Hatch Development Group in making its required payments under the Loan Agreement.

Such financial assistance, in an amount not to exceed \$450,000, will be funded with either borrowed funds and/or an internal advance of funds on-hand. In any case, the City's obligations, plus any interest expense incurred by the City thereon, may be repaid with incremental property tax revenues to be derived from the Urban Renewal Area.

2) Update Description of the Economic Development Local Business Support Program. The City approved the Economic Development Local Business Support Program in the July 6, 2021 Amendment to the Plan, and it is now necessary to update the description of the Economic Development Local Business Support Program, as follows:

Name of Project: Economic Development Local Business Support Program

Date of Council Approval of Project: July 6, 2021 and updated on October 2, 2023

Description of Loan 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 Economic Development Local Business Support Program is designed to provide public support to the development and improvement of local businesses in the Urban Renewal Area. The City will provide fiscal support to the Program through the provision of economic development forgivable loans and/or grants (the "Financial Incentives") to local businesses.

The Financial Incentives will be targeted to assist local business owners with (i) façade improvement projects; (ii) building or land acquisition costs; (iii) capital improvements; (iv) job creation or training; (v) accessibility improvements; (vi) utility upgrades; (vii) site development; (viii) other projects approved by the City staff. The City staff will develop

appropriate materials, including agreements and applications, for the administration of the 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, plus any interest expense incurred by the City on such 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 Economic Development Local Business Support Program will not exceed \$600,000 over the course of the City's 2024 through 2028 fiscal years.

3) 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: Downtown Street Improvements Project

Date of Council Approval of Project: October 2, 2023

Description of Project and Project Site: The Downtown Street Improvements Project will include (i) street resurfacing; (ii) the construction of curb and gutter, sewer system, water system, sidewalk, and lighting improvements; and (iii) the incidental utility, landscaping, site clearance and cleanup work related thereto on and along the following segments of street in the City:

200-300 Blocks of N 2nd Avenue W;

100 Block of E 2nd Street N;

100 Block of E 3rd Street N; and

100 Block of N 2nd Ave E.

It is expected that the completed Downtown Street Improvements Project will cause increased and improved ability of the City to provide adequate transportation infrastructure for the promotion of economic development in the City.

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 Downtown Street Improvements Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Downtown Street 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 derived from the

Urban Renewal Area. It is anticipated that the City's use of incremental property tax revenues for the Downtown Street Improvements Project will not exceed \$1,600,000, plus any interest expense incurred on the Obligations.

B.

Name of Project: Downtown Park Project

Date of Council Approval of Project: October 2, 2023

Description of the Project and Project Site: The Downtown Park Project will consist of the construction of a new city park on certain real property located at 224 W 3rd Street N in the City to serve the Newton community. The Downtown Park Project will include the installation of a spray water feature.

It is anticipated that the completed Downtown Park Project will have a positive impact on commerce and economic development in the Urban Renewal Area through the provision of enhanced recreational amenities.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Downtown Park Project with either 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 Downtown Park Project will not exceed \$250,000, plus any interest expense incurred by the City on the Obligations.

C.

Name of Project: Ex Nihilo LLC Public Market Project

Date of Council Approval of the Project: October 2, 2023

Description of the Project and Project Site: Ex Nihilo LLC (the "Developer") has proposed to undertake the redevelopment (the "Public Market Project") of an existing building on certain real property situated at 118 N 2nd Avenue E (the "Public Market Property") in the Urban Renewal Area, such redevelopment to include a public market with twenty vendor spaces including food, retail, and services, as well as a public bar, commercial kitchen, classroom space, and open seating overlooking the first floor. The Public Market Project will alleviate certain blighted conditions in the Urban Renewal Area and encourage future economic development therein.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete and maintain the Public Market Project.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$8,000.

Description of Use of TIF: The City intends to enter into a development agreement (the “Agreement”) with the Developer with respect to the Public Market Project and to provide (i) annual appropriation economic development payments (the “Payments”) and (ii) an economic development forgivable loan (the “Forgivable Loan”) to the Developer thereunder.

The Payments, in an amount not to exceed \$85,000, will be funded with incremental property tax revenues to be derived from the Public Market Property.

The Forgivable Loan, in an amount not to exceed \$75,000, will be funded with either borrowed funds and/or an internal advance of 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 total commitment of incremental property tax revenues with respect to the Public Market Project including the Payments, the Forgivable Loan, and the Admin Fees will not exceed \$168,000, plus any interest expense incurred by the City on the Obligations.

D.

Name of Project: Mercurialis Holdings Real Estate Newton LLC Redevelopment Project

Date of Council Approval of the Project: October 2, 2023

Description of the Project and Project Site: Mercurialis Holdings Real Estate Newton LLC (the “Company”) has proposed to undertake the redevelopment (the “Jimmy John’s Project”) of an existing building on certain real property situated at 401 1st Ave W (the “Mercurialis Property”) in the Urban Renewal Area for use in the business operations of a Jimmy John’s restaurant. The Jimmy John’s Project will alleviate certain blighted conditions in the Urban Renewal Area and encourage future economic development therein.

It has been requested that the City provide tax increment financing assistance to the Company in support of the efforts to complete and maintain the Jimmy John’s Project.

The costs incurred by the City in providing tax increment financing assistance to the Company will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$8,000.

Description of Use of TIF: The City intends to enter into a development agreement (the “Agreement”) with the Company with respect to the Jimmy John’s Project and to provide annual appropriation economic development payments (the “Payments”) to the Company thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Mercurialis Property. It is anticipated that the City’s total commitment

of incremental property tax revenues with respect to the Jimmy John's Project will not exceed \$10,000, plus the Admin Fees.

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>\$54,640,409</u>
Outstanding general obligation debt of the City:	<u>\$31,838,753</u>
Proposed maximum indebtedness to be incurred in connection with this October, 2023 Amendment:	<u>\$ 3,494,000*</u>

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

City of Newton Council Report

**Item:**

Public Hearing on a Resolution Approving the First Budget Amendment for Fiscal Year 23-24

Summary:

Iowa Code requires that the City not exceed the budgeted expenditures for each of nine programs, so adjustments are made to reflect changes that have occurred throughout the fiscal year

Financial Impact:

No new financial impact as proposed amendments reflect City Council actions during past and current fiscal year regarding self-insurance and capital projects

Report Number: 2023-1094

Date:

October 2, 2023

Lead Department:

Administration

Recommendation:

Approve

Background:

At the September 18, 2023 City Council meeting, the Council designated October 2, 2023 as the public hearing date to consider the first 2023-24 budget amendment for the City of Newton. Notice of the hearing was published in the *Newton Daily News*, in compliance with State requirements on Friday, September 22, 2023. The Iowa Code requires that expenditures for each of the nine general City programs not exceed the budget for the respective programs and allows budgets to be amended by cities prior to May 31st each year to accommodate this requirement.

The attached budget amendment adjusts the current year 2023-24 budgeted revenues and expenditures to reflect the changes that have occurred and are expected thru June 30, 2024. Amended line items include additional revenues and expenses related to being self-insured for health benefits, Arbor Estates phase 2 construction, Jordan Well engineering and Library roof replacement expenses.

The detailed account numbers for the amendments for each program are found in the pages following the attached Resolution. The amendments do not impact the current property tax levy.

Recommendation:

It is recommended the City Council adopt the attached Resolution approving the first 2023-24 budget amendment for the City of Newton.

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

**RESOLUTION APPROVING THE FIRST BUDGET AMENDMENT FOR
FISCAL YEAR 2023-24**

WHEREAS, Iowa Code requires that the City not exceed the budgeted expenditures for each of nine programs and allows cities to amend local budgets to accommodate this requirement; and

WHEREAS, a budget amendment for FY24 has been prepared to conform to the Iowa Code requirement to not exceed a budgeted amount in each of the State’s nine programs and was published in the Newton Daily News on September 22, 2023 in accordance with State requirements;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Iowa, that the first amendment to the City of Newton’s 2023-24 Budget is hereby approved.

PASSED this 2nd day of October, 2023

APPROVED this _____ day of October, 2023

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

NOTICE OF PUBLIC HEARING - AMENDMENT OF CURRENT BUDGET				
City of NEWTON				
Fiscal Year July 1, 2023 - June 30, 2024				
The City of NEWTON will conduct a public hearing for the purpose of amending the current budget for fiscal year ending June 30, 2024				
Meeting Date/Time: 10/2/2023 06:00 PM		Contact: Lisa Frasier		Phone: (641) 791-0808
Meeting Location: City Hall Council Chambers				
There will be no increase in taxes. Any residents or taxpayers will be heard for or against the proposed amendment at the time and place specified above. A detailed statement of: additional receipts, cash balances on hand at the close of the preceding fiscal year, and proposed disbursements, both past and anticipated, will be available at the hearing. Budget amendments are subject to protest. If protest petition requirements are met, the State Appeal Board will hold a local hearing. For more information, consult https://dom.iowa.gov/local-gov-appeals .				
REVENUES & OTHER FINANCING SOURCES		Total Budget as Certified or Last Amended	Current Amendment	Total Budget After Current Amendment
Taxes Levied on Property	1	9,178,782	0	9,178,782
Less: Uncollected Delinquent Taxes - Levy Year	2	0	0	0
Net Current Property Tax	3	9,178,782	0	9,178,782
Delinquent Property Tax Revenue	4	0	0	0
TIF Revenues	5	2,908,123	0	2,908,123
Other City Taxes	6	2,489,764	0	2,489,764
Licenses & Permits	7	274,775	0	274,775
Use of Money & Property	8	272,420	0	272,420
Intergovernmental	9	3,075,996	100,000	3,175,996
Charges for Service	10	12,130,125	0	12,130,125
Special Assessments	11	18,500	0	18,500
Miscellaneous	12	762,555	1,800,000	2,562,555
Other Financing Sources	13	6,530,400	2,700,000	9,230,400
Transfers In	14	4,348,272	0	4,348,272
Total Revenues & Other Sources	15	41,989,712	4,600,000	46,589,712
EXPENDITURES & OTHER FINANCING USES				
Public Safety	16	8,434,206	0	8,434,206
Public Works	17	3,692,175	0	3,692,175
Health and Social Services	18	0	0	0
Culture and Recreation	19	2,533,280	493,500	3,026,780
Community and Economic Development	20	1,490,986	0	1,490,986
General Government	21	1,526,263	1,600,000	3,126,263
Debt Service	22	4,404,948	0	4,404,948
Capital Projects	23	6,675,997	2,800,000	9,475,997
Total Government Activities Expenditures	24	28,757,855	4,893,500	33,651,355
Business Type/Enterprise	25	18,110,582	600,000	18,710,582
Total Gov Activities & Business Expenditures	26	46,868,437	5,493,500	52,361,937
Transfers Out	27	4,348,272	0	4,348,272
Total Expenditures/Transfers Out	28	51,216,709	5,493,500	56,710,209
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out	29	-9,226,997	-893,500	-10,120,497
Beginning Fund Balance July 1, 2023	30	30,974,510	0	30,974,510
Ending Fund Balance June 30, 2024	31	21,747,513	-893,500	20,854,013
Explanation of Changes: Additional expenses include: Self Insurance Expenses / Arbor Estates Phase 2 construction / Golf Clubhouse / Pickleball courts / Library Roof Additional revenues include: Bond proceeds / Wellmark grant / Self Insurance premiums				

2023-2024 City of Newton 1st Budget Amendment October 2, 2023 Revenues

Intergovernmental				
		Budget	Amendment	Adjusted Budget
309-4030-2-47050	Donations Pickleball Courts	\$ -	\$ 100,000	\$ 100,000
Miscellaneous				
		Budget	Amendment	Adjusted Budget
115-6020-2-47216	Self Insurance Payments	\$ -	\$ 1,800,000	\$ 1,800,000
Other Financing Sources				
		Budget	Amendment	Adjusted Budget
200-3011-4-48200	Bond Proceeds	\$ -	\$ 2,200,000	\$ 2,200,000
600-8086-4-48200	Bond Proceeds	\$ -	\$ 500,000	\$ 500,000
Grand Total all Revenue Amendments October 2, 2023			\$ 4,600,000	

2023-24 City of Newton Budget Amendment October 2, 2023 Expenditures

Program 4 Culture & Recreation Budget Amendments				
	Library	Budget	Amendment	Adjusted Budget
001-1050-67370	Deihl Estate Expenditures (Library Roof)	\$ -	\$ 493,500	\$ 493,500
TOTAL Program 1:			\$ 493,500	

Program 6 General Government Budget Amendments				
	Tort Liability	Budget	Amendment	Adjusted Budget
115-6020-61525	Self Insurance Medical Claims & Fees	\$ -	\$ 1,600,000	\$ 1,600,000
TOTAL Program 6:			\$ 1,600,000	

Program 8 Capital Projects Expenditures Budget Amendments				
	Capital Project Fund	Budget	Amendment	Adjusted Budget
305-5171-64405	Construction Arbor Estates Phase 2	\$ -	\$ 2,800,000	\$ 2,800,000
TOTAL Program 8:			\$ 2,800,000	

Program 9 Business Type Activies				
	Water Department	Budget	Amendment	Adjusted Budget
600-8080-67503	Water Department / Jordan Well	\$ -	\$ 600,000	\$ 600,000
TOTAL Program 9:			\$ 600,000	

Grand Total all Expenditure Amendments			\$ 5,493,500	
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City of Newton Council Report

**Item:**

Public Hearing on a Resolution Approving the Purchase Agreement for City-owned Property at 1011 and 1015 East 9th Street North, Newton, Jasper County, Iowa

Summary:

The City acquired 1011 and 1015 East 9th Street North through the City's D&D program. One offer was received from Brooks Grease Management, LLC of Tulsa, OK in a total amount of \$8,000.

Financial Impact:

Return \$8,000 to D&D program

Report Number: 2023-1098

Date:

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

The City acquired 1011 and 1015 East 9th Street North through the D&D program. The City has owned 1011 E 9th Street North since 2017 and 1015 East 9th Street North since 2021.

In accordance with State of Iowa code requirements, the City set a public hearing and solicited offers from interested parties for the property. Public notice was published in the Newton Daily News. Additionally, the public notice appeared in the "News Flash" section of the City website.

Only one offer was received. Brooks Grease Management, LLC, of Tulsa Oklahoma offered \$8,000 for the two properties. Brooks Grease Management, LLC is also in the process of acquiring other property within the same block. At this time, the company does not have plans for construction of the property and, initially, intends to utilize it as parking in the immediate future.

Brooks Grease Management, LLC is a grease trap service company that has been in business since 1957. They currently operate in multiple states and are looking to expand into Central Iowa. Their website is: www.brooksgreaseservice.com

Sale of the property removes maintenance responsibility costs from the city and provides an opportunity for a new business to come to the community.

Recommendation:

Staff recommends approval.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

RESOLUTION APPROVING THE PURCHASE AGREEMENT FOR CITY-OWNED PROPERTY AT 1011 AND 1015 EAST 9TH STREET NORTH, NEWTON, JASPER COUNTY, IOWA

WHEREAS, Brooks Grease Management, LLC, 3104 N. Erie Ave, Tulsa, Oklahoma, has submitted an offer to purchase real property, certain land owned by the City of Newton, Iowa, located at 1011 and 1015 East 9th Street North, legally described as:

EDMUNDSON’S ADDITION, LOT 5, BLOCK 4 AND THE EAST ½ OF THE NORTH-SOUTH ALLEY ADJACENT AND TO THE WEST, CITY OF NEWTON, JASPER COUNTY, IOWA; AND EDMUNDSON’S ADDITION, LOT 4, BLOCK 4 AND THE EAST ½ OF THE NORTH-SOUTH ALLEY ADJACENT AND TO THE WEST, CITY OF NEWTON, JASPER COUNTY, IOWA.

WHEREAS, said real estate is not needed for public purposes, and

WHEREAS, Iowa Code Chapter 364.7 requires cities to set a public hearing before selling or disposing of real estate, and,

WHEREAS, the City has set such a hearing, given the required public notice, and held the public hearing; and

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

That the attached Purchase Agreement for property at 1011 and 1015 East 9th Street North be approved and accepted, subject to the restrictions in the agreement and that the signatures of the Mayor and City Clerk are obtained for the agreement.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

(Seal)

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

PURCHASE AGREEMENT

This Purchase Agreement (hereinafter "Agreement") for sale of property owned by the City of Newton at **1011 East 9th Street North and 1015 East 9th Street North**, is made on or as of the 2nd day of October, 2023, by and between the City of Newton, Iowa (hereinafter "City"), and Brooks Grease Management, LLC, 3104 N. Erie Ave., Tulsa, OK, (hereinafter "Buyer")

Street Address, City, State, Zip Code

and in consideration of the premises and the mutual obligations of the parties hereto, each of them does and hereby covenant and agree with the other as follows:

SECTION 1. PURCHASE PRICE. Subject to all the terms, covenants and conditions of this Agreement, the City will sell the Property to the Purchaser for, and the Purchaser will purchase the Property from the City and pay therefore, the amount of **Eight-Thousand** Dollars (\$8,000.00) (hereinafter "Purchase Price"). The cash payment representing the full Purchase Price shall be delivered to the City simultaneously with the delivery of the deed conveying the Property to the Purchaser.

SECTION 2. TAXES. The City will prorate to the Buyer the taxes incurred under City ownership until the time of closing. All regular taxes due and payable after closing shall be the responsibility of the Developer.

SECTION 3. SPECIAL ASSESSMENTS. The City shall pay all special assessments which are a lien on the date of acceptance of this offer. None are known at this time.

SECTION 4. DESCRIPTION OF PROPERTY. All that certain parcel of land (hereinafter "Property") described as follows:

1011 AND 1015 EAST 9TH STREET NORTH: EDMUNDSON'S ADDITION, LOT 5, BLOCK 4 AND THE EAST ½ OF THE NORTH-SOUTH ALLEY ADJACENT AND TO THE WEST, CITY OF NEWTON, JASPER COUNTY, IOWA; AND EDMUNDSON'S ADDITION, LOT 4, BLOCK 4 AND THE EAST ½ OF THE NORTH-SOUTH ALLEY ADJACENT AND TO THE WEST, CITY OF NEWTON, JASPER COUNTY, IOWA.

SECTION 5. CONVEYANCE OF PROPERTY.

a) Form of Deed. The City shall convey title to the Property to the Purchaser by Warranty Deed. Such conveyance and title shall be subject to all conditions, covenants and restrictions contained in this Agreement.

b) Time and Place for Closing and Delivery of Deed. The City shall deliver the Deed and possession of the Property to the Buyer no later than 90 days from the date of approval by the Newton City Council or on such other date as the parties hereto may mutually agree in writing (hereinafter "Closing Date"). Conveyance shall be made at the office of the City of Newton's legal counsel, Caldwell, Brierly, Chalupa PLLC, 211 1st Avenue West, Newton, Iowa 50208, at which time and place Buyer shall accept such conveyance and pay to the City the Purchase Price.

c.) Abstract of Title. The Seller shall provide an abstract of Title to the Purchaser for property subject to this agreement. It will be the Seller's responsibility to have abstract(s) updated. The abstract(s) shall become the property of the Purchaser at the time of the delivery of the deed.

SECTION 6. REMEDIES. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement or any of its terms or conditions by either party, the party alleged to be in default or breach shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach within sixty (60) days after receipt of such notice. In such case, if action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach.

In the event that the City does not tender conveyance or possession of the Property in the manner and condition, and by the date, provided in this Agreement, and any such failure shall not be cured within thirty (30) days after the date of written demand by the Purchaser, then this Agreement shall, at the option of the Purchaser, be terminated by written notice thereof to the City, and neither the City nor the Purchaser shall have any further rights against or liability to the other under this Agreement. All deposits, if any, shall be returned to the Purchaser.

SECTION 7. NOTICES AND DEMANDS. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and:

a) In the case of the Buyer, is addressed or delivered personally to the Buyer at the address stated in preamble to this Agreement; and,

(b) In the case of the City, is addressed or delivered personally to the City Administrator, 101 West 4th Street South, Newton, IA 50208, or at such other address with respect to either party as that party may from time to time designate in writing and forward to the other as provided in this Section.

SECTION 8. LIMITATION ON WARRANTIES. The City makes no warranties with regard to the condition of the Property or the structure located thereon, including, without limitation, (i) environmental matters; (ii) geological conditions; (iii) drainage issues, conditions or problems; (iv) soil conditions; (v) the zoning or other land use restrictions; (vi) the availability of utilities to the property; (vii) usage of adjoining property; (viii) access to the property; (ix) the value of the property; (x) the presence of hazardous materials in or on the property; (xi) the existence or non-existence of underground storage tanks on the property; (xii) the potential for further development of the property; or (xiii) the merchantability of the property of fitness of the property for any particular purpose, unless otherwise provided herein. The Purchaser expressly acknowledges and agrees that the City, and their officials, officers, employees, or agents have not made any representations or warranties concerning the Property or Project of any kind, including but not limited to, the rental or resale value of the Property, the economic or market conditions affecting the Project, or that the Property is suitable for the Project. The Purchaser takes title the Property "AS IS."

SECTION 9. CITY COUNCIL APPROVAL. This Agreement is subject to the approval of the Newton City Council after notice to the public and a hearing on the terms of this Agreement as required by the laws of the State of Iowa.

SECTION 10. ANTI-MERGER PROVISION. The parties specifically agree that all representations, warranties, agreement, responsibilities, obligations and comments specified herein shall survive the execution, delivery and recording of the deed required by Section 5(a) hereof, shall remain in full force and effective thereafter, and shall not be merged in or extinguished by such execution, delivery and recording of the deed.

SECTION 11. REZONING. This Agreement is contingent to rezoning of the property to I-L: Light Industrial by recommendation of the Planning and Zoning Commission and final approval by the Newton City Council.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Purchaser has caused this Agreement to be duly executed in its name, on or as of the day first above written.

(SEAL)

CITY OF NEWTON, IOWA

By: _____
Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

PURCHASER:

By: _____

Tony Flippe
Brooks Grease Management, LLC

3104 N. Erie Ave.

Street Address

Tulsa, OK 74115

City, State, Zip Code

City of Newton Council Report

**Item:**

Resolution approving the lease of a mobile office for the Westwood Clubhouse Project

Summary:

Approve lease of portable office unit to operate scaled-back golf clubhouse functions during asbestos abatement, demolition, and construction of a new golf clubhouse.

Financial Impact:

Estimated \$8,464.20 from 2023 Park Bond proceeds and private donations.

Report Number: 2023-968**Date:**

October 2, 2023

Lead Department:

Community Services

Recommendation:

Approve

Background:

On September 13, 2022, Newton residents approved a park bond referendum, which included the construction of a new clubhouse at the Westwood Golf Course. This led to plans being prepared and bids received on August 17, 2023 for said clubhouse project. Due to high bid prices received, said bids were then rejected by City Council per Resolution 2023-245 on September 5, 2023. City staff reacted immediately by working on an alternate plan to construct a more affordable clubhouse which satisfies the language of the bond referendum, while still meeting the needs of the golf course.

As the alternate building plan is sorted out, asbestos abatement in the old clubhouse is needed, along with the demolition of said clubhouse and site work ahead of any new proposed construction. To allow for this first step to occur, golf operations must vacate the old clubhouse. Because staff intends to keep the golf course open to play during the eventual demolition and construction, temporary office accommodations are needed to run a scaled-back clubhouse operation.

Staff sought quotes for the 12-month lease of a temporary ground-level 40' office unit, with the following two proposals being received:

- | | |
|-------------------------------|------------|
| • Mobile Mini – Des Moines | \$8,464.20 |
| • United Rentals – Des Moines | \$8,980.00 |

The proposals are both a one-month minimum lease, followed by a month-to-month rental, which allows for greater flexibility to fit this project. Proposals were requested for a 12-month duration, so as to compare each other on the same timeframe, since their billing cycles vary slightly. With approval of this resolution, an office unit can be delivered in under a week, allowing time for staff to vacate the current building and get temporary electrical work done ahead of releasing the old clubhouse to an abatement contractor. The rental charges for this unit will be paid from a mix of 2023 Park Bond proceeds and private donations.

Recommendation:

City Staff recommends that Council approve this resolution authorizing the Community Services Director to enter into a rental agreement with Mobile Mini for the above-noted mobile office unit at an average monthly rate of \$705.35.

A handwritten signature in black ink, appearing to read "Matt Muckler". The signature is fluid and cursive, with the first name "Matt" and last name "Muckler" clearly distinguishable.

Matt Muckler, City Administrator

RESOLUTION 2023- _____

**RESOLUTION APPROVING THE LEASE OF A MOBILE OFFICE FOR THE
WESTWOOD CLUBHOUSE PROJECT**

WHEREAS, on September 13, 2022 Newton residents approved a park bond referendum, which included the construction of a new clubhouse at the Westwood Golf Course; and

WHEREAS, this led to plans being prepared and bids received on August 17, 2023 for said clubhouse project; and

WHEREAS, due to high bid prices received, said bids were then rejected by City Council per Resolution 2023-245 on September 5, 2023; and

WHEREAS, City staff reacted immediately by working on an alternate plan to construct a more affordable clubhouse which satisfies the language of the bond referendum, while still meeting the needs of the golf course; and

WHEREAS, as the alternate building plan is sorted out, the asbestos abatement in the old clubhouse is needed, along with the demolition of said clubhouse and site work ahead of any new proposed construction; and

WHEREAS, because staff intends to keep the golf course open to play during the eventual demolition and construction, temporary office accommodations are needed to run a scaled-back clubhouse operation; and

WHEREAS, Staff sought quotes for the 12-month lease of a temporary ground-level 40' office unit, with the following two proposals being received:

- Mobile Mini – Des Moines \$8,464.20
- United Rentals – Des Moines \$8,980.00

; and

WHEREAS, the proposals both are a one-month minimum lease, followed by a month-to-month rental which allows for greater flexibility to fit this project; and

WHEREAS, with approval of this resolution, an office unit can be delivered in under a week allowing time for staff to vacate the current building and get temporary electrical work done ahead of releasing the old clubhouse to an abatement contractor; and

WHEREAS, City Staff recommends that Council approve this resolution authorizing the Community Services Director to enter into a rental agreement with Mobile Mini for the above noted mobile office unit at an average monthly rate of \$705.35.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Newton, Iowa, that this resolution authorizing the Community Services Director to enter into a rental agreement with Mobile Mini for a temporary ground-level 40' office unit needed during the Westwood Clubhouse Project is hereby approved.

BE IT FURTHER RESOLVED, by the City Council of the City of Newton, Iowa, that the rental fees for said office unit shall be paid from 2023 Park Bond proceeds and private donations.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

City of Newton Council Report

**Item:**

Resolution Approving Extension and Amendment to the Newton Housing Initiative Single Family Home Construction Incentive Programs through December 31, 2026

Summary:

The Housing Initiative was approved by Council in 2014. Since then, the City has offered a cash incentive in lieu of tax abatement for the construction of new single family homes. This action amends the program and extends the expiration date to December 31, 2026

Financial Impact:

No Change. Existing Funds Set Aside for This Purpose.

Report Number: 2023-1034

Date:

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

In 2014, City Council approved the Newton Housing Initiative, an attempt to aggressively jump start home construction in the community. The City Council has adopted incentives for new-single family, owner occupied, home construction in Newton which include \$10,000 payment to buyers of newly built single family homes, in lieu of tax abatement.

The existing program that has been in place expires on December 31, 2023. Funding still remains for the program. One amendment is suggested as part of this action:

Home Buyer Incentive- Minimum Valuation. For the \$10,000 incentive, the minimum valuation for eligible homes has been adjusted upward from \$190,000 to \$240,000. Homes with a valuation under \$240,000 and are owner-occupied will be eligible for tax abatement per the City-wide Urban Revitalization Plan.

Note: This valuation increase aligns with increases in construction costs and submitted valuations on building permits. More affordable homes that are built in the community are eligible for the tax abatement incentive.

Effective Date. The amendments for the program are effective January 1, 2024.

Staff has communicated the amendments to our housing partner organization, NHDC.

If the existing funding is exhausted before December 31, 2026, then a decision by the City Council will be needed regarding whether additional funding is provided to the program, whether tax abatement is provided to new home construction instead, or whether no incentives are provided at all. At this time, however, staff anticipates current funding to last until the end of 2026.

Recommendation:

Staff recommends approval.

A handwritten signature in black ink, appearing to read "Matt Muckler". The signature is fluid and cursive, with the first name "Matt" and last name "Muckler" clearly distinguishable.

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

**RESOLUTION APPROVING EXTENSION AND AMENDMENT TO THE NEWTON
HOUSING INITIATIVE SINGLE FAMILY HOME CONSTRUCTION INCENTIVE
PROGRAMS THROUGH DECEMBER 31, 2026**

WHEREAS, the City Council approved the Housing Initiative in 2014 and subsequently extended the incentive programs for construction of single-family homes in Newton through December 31, 2020 and again through December 31, 2023, and

WHEREAS, the second goal of the 2014 Housing Initiative is to “create momentum for housing development within the community”, utilizing cash incentives to foster construction of new single-family homes; and

WHEREAS, the utilization of property tax abatement as an incentive for construction of single-family homes prior to 2014 was not successful in generating new home starts; and

WHEREAS, an extension of an amended Single Family Home Construction Incentive is necessary to continue momentum created through the Housing Initiative since 2014; and

WHEREAS, funding already allocated for this purpose through the Housing Initiative Bond and the 2017A Bond provide for the funding of the extension of an amended program;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa: That the Newton Housing Initiative Single-Family Residential Incentive Program as described in Attachment A., is hereby approved with an effective date upon approval of this resolution.

PASSED this 2nd day of October, 2023

APPROVED this _____ day of October, 2023

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

Newton Housing Initiative

Single Family Residential Incentive Program

Effective Through December 31, 2026

*A major goal of the “Newton Housing Initiative” is **to create momentum for housing development within the community**. The purpose of this Goal is to develop and ensure a stable and growing population by having housing readily available for all income groups specifically working to attract younger families and young professionals.*

In order to implement this goal, a program to incentivize the construction of single-family, owner-occupied, residences has been developed. It consists of the following:

Home Buyer Incentive:

1. For a single-family, owner-occupied as primary residence, home beginning construction in the City of Newton on or after January 1, 2024, a \$10,000 cash incentive will be provided to the buyer/s of the home valued at least at \$240,000, subject to the following rules:
 - a. The incentive is provided at the time and place of closing on the permanent financing of the home.
 - b. The value of the improvements (exclusive of land value) must be evidenced by an appraisal or assessment.
 - c. The construction of the home must be fully complete, as evidenced by the issuance of a Certificate of Occupancy by the City of Newton. A radon remediation system shall be installed in the new home.
 - d. Rental properties are not eligible for the Home Buyer Incentive.
 - e. New single-family, owner occupied as primary residence, home construction with value (as determined in “b” of this section) under \$240,000.00 may be eligible for tax abatement in accordance with the current City-Wide Urban Revitalization Plan. Please refer to the most recently adopted City-wide Urban Revitalization Plan to determine tax abatement availability.
2. The residential property tax abatement for single-family new home construction, as authorized by City-Wide Urban Revitalization Plan, is not available to new homes that qualify for the home buyer incentive. Residential property tax abatement for future projects or additions is not available for properties which received the home buyer incentive for a period of 5 years after the incentive is provided.

City of Newton Council Report

**Item:**

Resolution approving a Newton Hotel-Motel Tourism Grant Program Application for \$2500 from the Jasper County Historical Museum

Summary:

The Jasper County Historical Museum has submitted a request for a grant from the Newton Hotel-Motel Tourism Grant Program. The resolution approves the granting of funds for the event, which aligns with the goals of the program and the comprehensive plans.

Financial Impact:

\$2500 from budget Hotel-Motel Tax funds set aside for the program.

Report Number: 2023-1051**Date:**

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

The City Council approved the Newton Hotel-Motel Tourism Grant Program on December 5, 2022 (Resolution 2022-349). The Newton Hotel-Motel Tourism Grant Program is intended to encourage the development, continuation and promotion of projects, events and other initiatives that attract visitors from outside of Newton, especially those who are likely to spend the night in local hotels or motels.

The Jasper County Historical Museum's Tree-mendous Christmas Experience is an event that sees the museum decorated with over 200+ displays during the holiday season. The event helps provide funding for the museum so they can maintain the county's history as well as encourage tourism to the City of Newton. In 2022, the event drew visitors from 36 towns and 10 counties, as well as out-of-state visitors. These visitors also spend time in the community eating out, buying gas, shopping downtown and enjoying other community events.

The group is seeking other donations and sponsorships in addition to this grant. They have asked for a grant of \$2500, which is below the 25% threshold set forth by the program rules.

Recommendation:

Staff recommends approval of this resolution.

Matt Muckler, City Administrator

RESOLUTION NO. 2023- _____

RESOLUTION APPROVING A NEWTON HOTEL-MOTEL TOURISM GRANT
PROGRAM APPLICATION FOR \$2500 FROM THE JASPER COUNTY HISTORICAL
MUSEUM

WHEREAS, the City’s comprehensive plan, *Envision Newton 2042*, contains a vision statement that invites visitors, businesses and residents to experience Newton’s authentic, small-town charm and big city amenities, and

WHEREAS, the City Council established the Newton Hotel-Motel Tourism Grant Program in December 2022,

WHEREAS, through Hotel-Motel Tax funding, the City will consider grants of up to a maximum of \$2,500 to support the development, continuation and promotion of projects, events and other initiatives that attract visitors from outside of Newton, and

WHEREAS, the Jasper County Historical Museum has submitted an application for a \$2500 grant to support their Tree-mendous Christmas Experience, and

WHEREAS, the total grant amount requested does not exceed the 25% threshold set out by the program rules,

NOW, THEREFORE BE IT RESOLVED, by the City Council of Newton, Iowa that a Hotel-Motel Tourism Grant in an amount not to exceed \$2500 be provided to the Jasper County Historical Museum for the Tree-mendous Christmas Experience in accordance with the established program rules.

PASSED this _____ day of October 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk



Newton Hotel-Motel Tourism Grant Program Grant Request Application Form

Applications will be reviewed quarterly and must be submitted by April 1 and October 1 for consideration at the next City Council meeting.

Organization: Jasper County Historical Museum
Address: 1700 S 15th Ave W.
Contact Person: Barb Carroll
Phone Number: 641-792-9118
Email Address: admin@jaspercountymuseum.com

1. Project Summary

Please provide a short description of project, including date(s) of event if applicable):

Tree-mendous Christmas Experience!
Please see flyer.

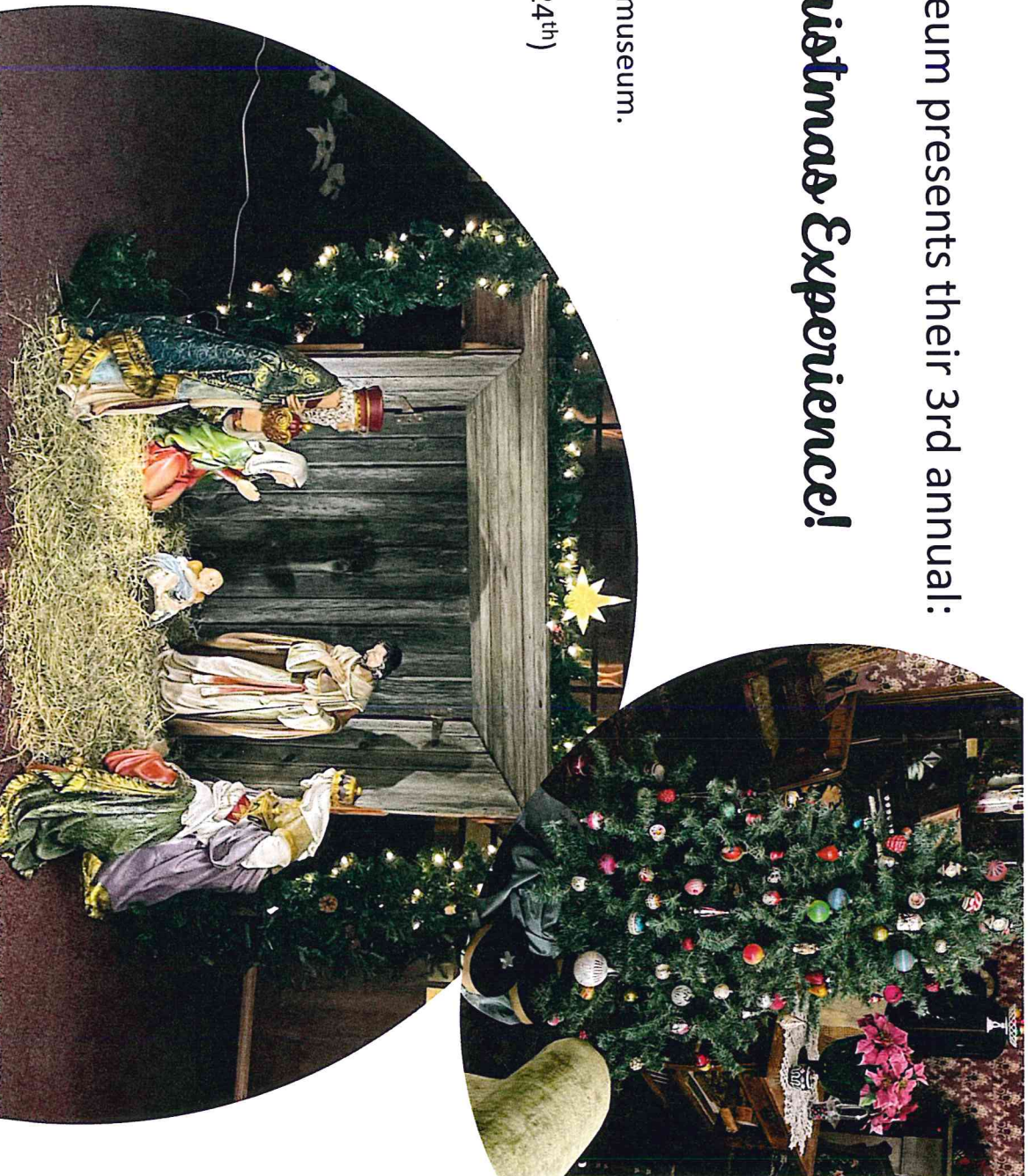
Jasper County Historical Museum presents their 3rd annual:

Tree-mendous Christmas Experience!

- Same venue, new look each year!
- Over 200 decorated trees throughout the museum.
- Every Saturday and Sunday from December 2 – December 31 (closed Dec. 24th)
 - Saturday: 1pm – 8pm
 - Sunday: 1pm – 4pm
 - Open Dec. 25 from 1pm – 4pm
- For group visit options, call the museum.
- Free will donations accepted.

Jasper County Historical Museum
1700 S. 15th Ave. W., Newton

641-792-9118



2. Economic Impact on Newton

Please describe the economic impact (hotel stays, meals, gasoline purchases, etc.) and how you will encourage buying local among participants.

Our primary goal is to support our not-for-profit Museum to keep it alive and vibrant. This event helps to provide funding so we can maintain our county's history. We will be asking for free will donations at this year's event whereas in the past we have had an admission fee. The past two years the City of Newton has sponsored our event and we appreciate its support. We encourage tourism to the City of Newton and share in the goal of the Hotel-Motel tourism program. Thank you for considering our application.

3. Total Estimated Expenses by Category

Materials		\$ 5800.
Advertising (which local outlets):	donated	\$
Other Publicity/Marketing:	donated	\$
Printing:		\$ 700.
Equipment/ Space Rental :		\$ 3000.
Honoraria or Fees:		\$ —
Food You Will Purchase for the Event (not food sales)		\$ —
Hotel/Motel Expenses (if your group will be paying for rooms):		\$ —
Other		\$ 2200.
Total		\$ 11700.

4. Income From Other Sources

Individual/Organization Name:	Sponsors	\$ 20000.
Individual/Organization Name:		\$
Individual/Organization Name:		\$
Admission/Participation Fees (if any):		\$ 3000.
Other Grants		\$
Donations + memorials		\$ 3500.
Total		\$ 26500.

5. Amount Being Requested from the Newton Hotel-Motel Grant Program: \$ 2500.00

6. Funding

How do you plan to secure other funding (outline sources and approaches if not already noted in your income section):

We have a Christmas committee that secures funds by contacting businesses and donors asking for support for the Jasper County Museum. We depend upon volunteers from throughout the county and their thousands of volunteer hours. The Jasper County Museum receives no public funding from cities or the county to keep it operational; donations are our sustainer.

7. Other Information

Share any other relevant information about your event that you think we should know:

Our "Tree-mendous Christmas Experience!" draws people to Newton to see a once-in-a-lifetime special event. In 2022 we drew people from 36 towns and 10 counties as well as out of state visitors. While in Newton visitors will stimulate the economy by eating out, buying gas, shopping downtown, and enjoying other city events like the Christmas lights in Maytag Park. Our visitors also spread the word to come to Newton and "Get To Know Newton" and all it has to offer. Each sponsor receives a 16 by 16 sign with the name of their business as a promotion for them and are recognized in the Jasper Journal publication. Also, there is economic impact from all the supplies purchased in Newton and all the restaurants that feed all the volunteers before, during, and after the event.

<u>Barb Carroll</u>	<u>9-14-23</u>
Signature of Organization Representative	Date
<u>Barb Carroll</u>	<u>Treasurer</u>
Printed Name	Title

For Internal Use:			
Date Rcvd: <u>9/18/23</u>	Prior Mtg: <u>✓</u>	Up Cncil Mtg: <u>10/2</u>	Pckt Due Date: <u>9/26</u>

City of Newton Council Report

**Item:**

Resolution Approving the Granting of a Downtown Improvement Grant for 309 1st Avenue West for Exterior Paint and Façade Rehabilitation

Summary:

At their meeting on September 27th, the Downtown grant review board approved a total grant in the amount of \$4,104.93 for exterior painting and new shutters for the west, east and north façades.

Financial Impact:

\$4,104.93 of Bonded Downtown Improvement Funds

Report Number: 2023-1096**Date:**

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

The residence is considered a contributing resource to the Newton Downtown Historic District. The house was home to two of Newton's doctors, Dr. C.C. Smead in the 1910s and Dr. Leslie L. Smead in the late 1930s to the 1950s. The house also been used as a law office and a tea room.

The property has received Downtown Improvement Grants already for a new sign, siding repair, and rear entrance/deck. A downtown housing grant was also previously approved to convert the structure into a live-work residence/business. Each grant program area has maximum allowances, which are tracked by staff and considered by the Downtown Grant Board when making their recommendation. The chart below tracks the Downtown Improvement Grant program:

Proposed Project	Project Area	Applicant Estimate	Eligible Costs	1:1 Match Amount	Maximum Allowed	Previous Award	Recommended Grant
Exterior Painting	Paint	1,757.28	1,652.82	826.41	1,500.00	0.00	826.41
North Side Façade- Shutters	Façade Rehab	2,957.92	2,957.92	1,478.96	5,000.00	0.00	1,478.96
West Side Façade- Shutters	Façade Rehab	1,438.04	1,438.04	719.02	5,000.00	775.67	719.02
East Side Façade- Shutters	Façade Rehab	2,161.07	2,161.07	1,080.54	5,000.00	0.00	1,080.54
							4,104.93

At their meeting on September 27, 2023, the Downtown Grant Review Board unanimously voted to approve a facade grant for painting and facade improvements in a total amount of \$4,104.93.

Recommendation:

Staff recommends approval

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

**RESOLUTION APPROVING THE GRANTING OF A
DOWNTOWN IMPROVEMENT GRANT FOR 309 1ST AVENUE
WEST FOR EXTERIOR PAINT AND FAÇADE REHABILITATION**

WHEREAS, *Envision Newton 2042* recognizes the role of the Downtown as the heart of the community and recommends a focus on curb appeal and community aesthetics; and

WHEREAS, the Newton City Council has established the Downtown Improvement Grant Program; and

WHEREAS, Carl Hentsch, Betty J's Mercantile, submitted an application requesting grant funds for 309 1st Avenue West for assistance in the painting and façade rehabilitation program areas; and

WHEREAS, the Downtown Grant Review Board, reviewed the proposal at their meeting on September 27, 2023; and

NOW THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa, that the Downtown Improvement Grant Funds be provided to Carl Hentsch, for signage and façade rehabilitation, as a reimbursement grant, in an amount not to exceed a total amount of \$4,104.93, provided a 1:1 match is met;

BE IT FURTHER RESOLVED by the City Council of Newton, Iowa:
That the City shall obtain the signatures on the Downtown Improvement Grant Program Agreement.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

ATTEST:

Michael L. Hansen, Mayor

Katrina Davis, City Clerk



**Downtown Façade Grant Program Agreement
Between City of Newton and Carl Hentsch**

This Agreement made and entered into this _____ day of _____ 2023 by and between the City of Newton, Iowa, hereinafter called "City" and Carl Hentsch hereinafter called "Applicant."

WHEREAS, the Applicant submitted an application to receive Downtown Improvement Grant funds for property located at 309 1st AVE West; and

WHEREAS, the Downtown Grant Review Board and Newton City Council reviewed and approved the application;

NOW, THEREFORE BE IT UNDERSTOOD AND AGREED:

- 1.) The Applicant will receive **up to \$4,104.93** in grant funds for exterior painting and façade improvements for shutters on the North, East, and West facades, provided a 1:1 match is met separately, for each program area and does not exceed the maximum allowed for each program area per the adopted program requirements.

- a. Funding breakdown as follows:

Proposed Project	Project Area	Applicant Estimate	Eligible Costs	1:1 Match Amount	Maximum Allowed	Previous Award	Recommended Grant
Exterior Painting	Paint	1,757.28	1,652.82	826.41	1,500.00	0.00	826.41
North Side Façade- Shutters	Façade Rehab	2,957.92	2,957.92	1,478.96	5,000.00	0.00	1,478.96
West Side Façade- Shutters	Façade Rehab	1,438.04	1,438.04	719.02	5,000.00	775.67	719.02
East Side Façade- Shutters	Façade Rehab	2,161.07	2,161.07	1,080.54	5,000.00	0.00	1,080.54
							4,104.93

- 2.) The City of Newton will provide the grant funding as a reimbursement of completed work.

- a. Copies of all receipts and proof of payment for the project(s), with a summary page of said expenses, shall be submitted to the City of Newton, Community Development Department, 403 West 4th Street North, Suite 501, Newton, Iowa

50208 or via email to erinc@newtongov.org for administrative verification of expenditures and applicant match.

- b. All proposed work shall comply with applicable City Codes, including but not limited to, zoning and building codes.
 - c. All proposed work shall align with the approved Newton Downtown Historic District Design Guidelines.
- 3.) The applicant will match provide a 1:1 match to the grant funds for each specific program area.
- 4.) Required sign, building, plumbing, mechanical or other permits will be obtained and work will be completed by licensed contractors when required. Permit fees are not eligible costs for reimbursement.
- 5.) The City will make timely payment of grant funds upon completion of the project and verification of project expenses.

Applicant:

Carl Hentsch

Date

For City of Newton:

Michael L. Hansen, Mayor

Date

City of Newton Council Report

**Item:**

Resolution Approving Downtown Improvement Grant Funds to 114 East 2nd Street South for Facade Rehabilitation

Summary:

The property owner proposes a facade rehabilitation to the building at 114 East 2nd Street South, removing the crumbling clay tile facade and resurfacing the building with gray stucco. The Downtown Grant Board recommends approval.

Financial Impact:

\$25,000 of Downtown Improvement Grants

Report Number: 2023-1097

Date:

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

The applicant proposes a facade rehabilitation of the multi-tenant building at 114 East 2nd Street South (across the street and to the north of the post office). The subject building has a significant visual impact to Newton's Downtown area with its prominent location along South 2nd Avenue East and near the Post Office.

The applicant proposes removal of the crumbling clay tiles, which are simply a facade and are not structural. Then, following any necessary repair work, a gray stucco finish will be applied to the building's exterior, providing a look similar to the NCSD Administration Building on 1st Avenue West. The work will provide a refreshed and professional look to the building. This is the first phase of a grander, contemplated property renovation. The total work costs for all four building sides are \$57,000. The grant program allows \$2,000 for facade removal and \$5,000 for facade rehabilitation per side. At their meeting on September 27, 2023, the Downtown Grant Review Board recommended approval of a total grant in an amount of \$25,000, provided a 1:1 match is met.

Recommendation:

Staff recommends approval

Matt Muckler, City Administrator

RESOLUTION NO. 2023 – _____

**RESOLUTION APPROVING DOWNTOWN IMPROVEMENT
GRANT FUNDS TO 114 EAST 2ND STREET SOUTH FOR
FACADE REHABILITATION**

WHEREAS, *Envision Newton 2042* recognizes the role of the Downtown as the heart of the community and recommends a focus on curb appeal and community aesthetics; and

WHEREAS, the Newton City Council has established the Downtown Improvement Grant Program; and

WHEREAS, Josh Ryther, 212 South 2nd LLC, submitted an application requesting grant funds for 114 East 2nd Street South for assistance in the facade removal and facade rehabilitation program areas; and

WHEREAS, the Downtown Grant Review Board, reviewed the proposal at their meeting on September 27, 2023; and

NOW THEREFORE, BE IT RESOLVED by the City Council of Newton, Iowa, that the Downtown Improvement Grant Funds be provided to Josh Ryther, 212 South 2nd LLC, for facade removal and facade rehabilitation, as a reimbursement grant, in an amount not to exceed a total amount of \$25,000, provided a 1:1 match is met;

BE IT FURTHER RESOLVED by the City Council of Newton, Iowa:
That the City shall obtain the signatures on the Downtown Improvement Grant Program Agreement.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk



**Downtown Façade Grant Program Agreement
Between City of Newton and Josh Ryther, 212 South 2nd LLC**

This Agreement made and entered into this _____ day of _____ 2023 by and between the City of Newton, Iowa, hereinafter called "City" and Josh Ryther, 212 South 2nd LLC hereinafter called "Applicant."

WHEREAS, the Applicant submitted an application to receive Downtown Improvement Grant funds for property located at 114 East 2nd Street South; and

WHEREAS, the Downtown Grant Review Board and Newton City Council reviewed and approved the application;

NOW, THEREFORE BE IT UNDERSTOOD AND AGREED:

- 1.) The Applicant will receive **up to \$25,000.00** in grant funds for façade removal and façade rehabilitation for stucco work, provided a 1:1 match is met separately, for each program area and does not exceed the maximum allowed for each program area per the adopted program requirements.
- 2.) The City of Newton will provide the grant funding as a reimbursement of completed work.
 - a. Copies of all receipts and proof of payment for the project(s), with a summary page of said expenses, shall be submitted to the City of Newton, Community Development Department, 403 West 4th Street North, Suite 501, Newton, Iowa 50208 or via email to erinc@newtongov.org for administrative verification of expenditures and applicant match.
 - b. All proposed work shall comply with applicable City Codes, including but not limited to, zoning and building codes.

- c. All proposed work shall align with the approved Newton Downtown Historic District Design Guidelines.
- 3.) The applicant will match provide a 1:1 match to the grant funds for each specific program area.
- 4.) Required sign, building, plumbing, mechanical or other permits will be obtained and work will be completed by licensed contractors when required. Permit fees are not eligible costs for reimbursement.
- 5.) The City will make timely payment of grant funds upon completion of the project and verification of project expenses.

Applicant:

Josh Ryther
212 South 2nd LLC

Date

For City of Newton:

Michael L. Hansen, Mayor

Date

City of Newton Council Report



Item:

Resolution to promote retail through a marketing campaign focused on holiday shopping and shopping local using local & regional radio, targeted streaming radio, and digital video.

Summary:

The City of Newton will lead a comprehensive marketing strategy to promote both regional appeal of holiday shopping and the importance of shopping local.

Report Number: 2023-1109

Date:

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Financial Impact:

\$7,500 + up to \$500 in ancillary / voice talent costs for a total budget not to exceed \$8,000

Background:

The 2023 campaign for the City of Newton will bring a spotlight to Newton's retailers from November 6 – December 17, 2023. The campaign's emphasis will be on supporting businesses locally and inviting shoppers from across the region to visit Newton. The goal is to increase both local awareness of the impact 'staying local' and holiday shopping can have; and increase regional visitors and transactions from our neighboring communities at our local retail establishments. There are four core elements to the plan:

- **LOCAL RADIO** - Utilize KCOB and KRTI with a combination of :30 radio commercials targeted towards the impact of local shopping, including a 'before you click' centric message encouraging listeners to consider Newton retailers before shopping online.
- **REGIONAL RADIO** - For 2023, we'll do a mix of Star 102.5 + EZ FM 104.1. To stretch budget and reach, we will employ a vertical strategy, airing our :30 commercials Friday – Sunday only, reaching listeners when they're most likely to shop and visit Newton.
- **PANDORA + SPOTIFY** - Our :30 commercials messages will reach the streaming audiences via direct placement with Pandora and Spotify. Impacted audiences will be targeted at zip code level to ensure we are reaching the desired audience.
- **DIGITAL VIDEO** - Once again, we will feature our wonderful holiday video on targeted OTT and Digital Video services, zip code-level targeted, to show the wonder of Newton during the holidays. The footage features residents, the courthouse, and lots of holiday shopping!

Recommendation:

Staff recommends approval of this resolution.

A handwritten signature in black ink, appearing to read "Matt Muckler".

Matt Muckler, City Administrator

RESOLUTION NO. 2023– _____

RESOLUTION TO PROMOTE RETAIL THROUGH A MARKETING CAMPAIGN FOCUSED ON HOLIDAY SHOPPING AND SHOPPING LOCAL USING LOCAL & REGIONAL RADIO, TARGETED STREAMING RADIO, AND DIGITAL VIDEO.

WHEREAS, on February 17, 2014, Newton City Council adopted “Get to Know Newton” as the official City of Newton brand, and

WHEREAS, the City’s Envision Newton 2042 Comprehensive Plan contains a vision statement that invites visitors, businesses and residents to experience Newton’s authentic, small-town charm and big city amenities, and

WHEREAS, the City’s Envision Newton 2042 Comprehensive Plan calls for the City to continue to build the community brand and reinforce the community’s identity;

WHEREAS, the Community Marketing Manager has been tasked with promoting the Newton brand, attractions, economic development, and community as a whole, and

WHEREAS, Liebl Marketing Group is a full-service marketing and media agency in serving the needs of middle-marketing businesses in all aspects of marketing, branding, and advertising needs,

WHEREAS, the Community Marketing Manager works closely with Liebl Marketing Group for media buying, radio commercial production, video production, and strategic advertising ideation,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Iowa, that the City of Newton hereby authorizes City Staff to spend \$7,500 + up to \$500 in ancillary / voice talent costs for a total not to exceed \$8,000 in budgeted marketing expenses to promote retail through a Shop Local marketing campaign using local radio, regional radio, streaming radio and digital video.

PASSED this _____ day of October, 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk

A smiling woman with long brown hair, wearing a red knit beanie, a red knit scarf, and a grey and white patterned sweater, is holding up a brown paper shopping bag and a blue paper shopping bag. She is looking upwards and to the right. The background is a soft-focus bokeh of warm, golden-yellow lights.

GET TO
KNOW

Newton

SHOP ♥ EAT ♥ SPEND ♥ ENJOY **LOCAL**

2023 HOLIDAY SHOPPING CAMPAIGN

The City of Newton will lead a comprehensive marketing strategy to promote both regional appeal of holiday shopping and importance of shopping local.



LOCAL RADIO

Utilize KCOB and KRTI with a combination of :30 radio commercials targeted towards impact of local shopping, including a 'before you click' centric message encouraging listeners to consider Newton retailers before shopping on-line.

\$1,200 BUDGET | 11.6 – 12.17

REGIONAL RADIO

For 2023, we'll recommended a mix of **Star 102.5 + EZ FM 104.1**. To stretch budget and reach, we will employ a vertical strategy, airing our :30 commercials Friday – Sunday only, reaching listeners when they're most likely to shop and visit Newton

\$3,600 BUDGET | 11.17 – 12.17

PANDORA + SPOTIFY

Our :30 commercials messages will reach the streaming audiences via direct placement with Pandora and Spotify. Impacted audiences will be targeted at zip code level to ensure we are reaching desired audience

\$700 BUDGET | 11.6 – 12.10

DIGITAL VIDEO

Once again, we will feature our wonderful holiday video on targeted OTT and Digital Video services, zip code-level targeted, to show the wonder of Newton during the holidays. The footage features residents, the courthouse, and *lots* of holiday shopping!

\$2,000 BUDGET | 11.13 – 12.10

TOTAL MEDIA BUDGET:

\$7,500 + up to \$500 in ancillary / voice talent costs for a total budget not to exceed \$8,000

City of Newton Council Report

**Item:**

Resolution approving a Newton Hotel-Motel Tourism Grant Program Application for \$2000 from Newton Main Street

Summary:

Newton Main Street has submitted a request for a grant from the Newton Hotel-Motel Tourism Grant Program. The resolution approves the granting of funds for the event, which aligns with the goals of the program and the comprehensive plans.

Financial Impact:

\$2000 from budget Hotel-Motel Tax funds set aside for the program.

Report Number: 2023-1113**Date:**

October 2, 2023

Lead Department:

Community Development

Recommendation:

Approve

Background:

The City Council approved the Newton Hotel-Motel Tourism Grant Program on December 5, 2022 (Resolution 2022-349). The Newton Hotel-Motel Tourism Grant Program is intended to encourage the development, continuation and promotion of projects, events and other initiatives that attract visitors from outside of Newton, especially those who are likely to spend the night in local hotels or motels.

Newton Main Street is hosting the statewide Main Street Iowa Fall conference in Newton on October 3rd and 4th. The directors and the team will be staying overnight, attending classes, touring, shopping and eating throughout the Main Street district. The conference will have a direct impact on Hotel/Motel Taxes through their hotel stays as well as local businesses (as the directors will be shopping, eating and staying in Newton).

The group is seeking other donations and in-kind donations in addition to this grant. They have asked for a grant of \$2000, which is below the 25% threshold set forth by the program rules.

Recommendation:

Staff recommends approval of this resolution.

Matt Muckler, City Administrator

RESOLUTION NO. 2023- _____

**RESOLUTION APPROVING A NEWTON HOTEL-MOTEL TOURISM GRANT
PROGRAM APPLICATION FOR \$2000 FROM NEWTON MAIN STREET**

WHEREAS, the City’s comprehensive plan, *Envision Newton 2042*, contains a vision statement that invites visitors, businesses and residents to experience Newton’s authentic, small-town charm and big city amenities, and

WHEREAS, the City Council established the Newton Hotel-Motel Tourism Grant Program in December 2022,

WHEREAS, through Hotel-Motel Tax funding, the City will consider grants of up to a maximum of \$2,500 to support the development, continuation and promotion of projects, events and other initiatives that attract visitors from outside of Newton, and

WHEREAS, Newton Main Street has submitted an application for a \$2000 grant to support the Main Street Iowa Fall Conference being hosted in Newton, and

WHEREAS, the total grant amount requested does not exceed the 25% threshold set out by the program rules,

NOW, THEREFORE BE IT RESOLVED, by the City Council of Newton, Iowa that a Hotel-Motel Tourism Grant in an amount not to exceed \$2000 be provided to Newton Main Street for hosting the Main Street Iowa Fall Conference in accordance with the established program rules.

PASSED this _____ day of October 2023.

APPROVED this _____ day of October, 2023.

Michael L. Hansen, Mayor

ATTEST:

Katrina Davis, City Clerk



Newton Hotel-Motel Tourism Grant Program Grant Request Application Form

Applications will be reviewed quarterly and must be submitted by April 1 and October 1 for consideration at the next City Council meeting.

Organization: Newton Main Street
Address: 403 W 4th St N STE 509
Contact Person: Erin Yeager
Phone Number: 641-791-9617
Email Address: newtonmainstreet@gmail.com

1. Project Summary

Please provide a short description of project, including date(s) of event if applicable):

Main Street Iowa will be hosting their fall conference here in Newton on Oct 3rd and 4th. The directors and their team will start arriving in Newton on Oct 2nd. They will be staying at the Best Western Hotel in the Main Street district. We will have classes at the DMACC conference center on Tues and Wed. We have two different tours planned for our district. We have evening activities planned for the directors. We will be using businesses in the district to provide meals for lunch and dinner as well as snacks throughout the day. The directors will be provided a map of the district with and downtown shopping dollars to spend in the businesses that are participating.

2. Economic Impact on Newton

Please describe the economic impact (hotel stays, meals, gasoline purchases, etc.) and how you will encourage buying local among participants.

There is over 70 people registered to attend this conference. The average that one director will spend while they are here for the conference is \$200-\$400 dollars with food, gas, hotel and purchase. If each director spends a total of \$200 that is the impact of \$14,000 that was not expected that day. As you all know Main Street directors love to support local, they will have time to check out our stores and spend money, they all love to shop and support another district.

3. Total Estimated Expenses by Category

Materials	\$1000.00
Advertising (which local outlets):	\$
Other Publicity/Marketing:	\$1125.00
Printing:	\$700.00
Equipment/Space Rental:	\$1000.00
Honoraria or Fees:	\$
Food You Will Purchase for the Event (not food sales)	\$4500.00
Hotel/Motel Expenses (if your group will be paying for rooms):	\$
Other	\$
Total	\$8325

4. Income From Other Sources

Individual/Organization Name: Newton Main Street	\$4000.00
Individual/Organization Name: Newton Main Street	\$
Individual/Organization Name: Newton Main Street	\$
Admission/Participation Fees (if any):	\$
Other Grants	\$
Donations	\$500.00
Total	\$4500.00

5. Amount Being Requested from the Newton Hotel-Motel Grant Program: \$ 2000

6. Funding

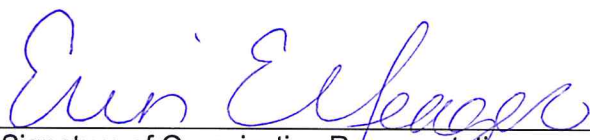
How do you plan to secure other funding (outline sources and approaches if not already noted in your income section):

We will be asking for in-kind donation to help with some of the food, marketing product.

7. Other Information

Share any other relevant information about your event that you think we should know:

This event is a great showcase for Newton. There are over 70 people coming from all over Iowa to spend two days here learning, exploring, eating and sleeping in the community. We will have 6 state reps from the Main Street Iowa team, 2 reps from IEDA team, and 65 plus members from Main Street programs across Iowa.



Signature of Organization Representative

Erin Yeager

Printed Name

9/27/23

Date

Director

Title

For Internal Use:			
Date Rcvd: 9/27/23	Prior Mtg: ✓	Up Cncil Mtg: 10/2/23	Pckt Due Date: 9/27/23