



City Hall, 215 Sycamore St.  
Muscatine, IA 52761-3840  
(563) 262-4141  
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COMMUNITY DEVELOPMENT

MEMORANDUM

Planning,  
Zoning,  
Building Safety,  
Construction Inspection Services,  
Public Health,  
Housing Inspections,  
Code Enforcement

**To:** Mayor and City Council Members

**Cc:** Gregg Mandsager, City Administrator

**From:** Steven Boka, Director of Community Development

**Date:** January 14, 2014

**Re:** Resolution to Set Public Hearing – Development Agreement & Tax Increment Payments – H.J. Heinz

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**INTRODUCTION:** Previously, the City Council adopted a Consolidated Urban Renewal Area and adopted an Urban Renewal Plan as provided in the Code of Iowa. All subsequent changes to the Area or Plan, as adopted, require a further action by the City Council in the form of an amendment(s).

**BACKGROUND:** By previous action, the City Council established a public hearing and provided for public notice regarding an amendment to the Consolidated Urban Renewal Area. The next step in the process requires the City Council to set a public hearing and provide public notice regarding their intent to consider a Development Agreement in support of H. J. Heinz Company's expansion of their manufacturing facilities, operation and workforce.

**RECOMMENDATION/RATIONALE:** It is recommended that the City Council take action approving the attached resolution setting a public hearing on the proposed Development Agreement with H. J. Heinz, including annual appropriations tax increment payments not to exceed \$880,000.00.

**BACKUP INFORMATION:**

1. Resolution
2. Public Notice
3. Attachments

SET DATE FOR HEARING ON  
DEVELOPMENT AGREEMENT AND  
TAX INCREMENT PAYMENTS

(H.J. Heinz Company)

421464-39

Muscatine, Iowa

January 16, 2014

A meeting of the City Council of the City of Muscatine, Iowa, was held at \_\_\_\_\_  
o'clock \_\_\_\_m., on January 16, 2014, at the \_\_\_\_\_, Muscatine, 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. \_\_\_\_\_

Resolution setting a date of meeting at which it is proposed to approve a Development Agreement with H.J. Heinz Company, including annual appropriation tax increment payments not to exceed \$880,000

WHEREAS, the City of Muscatine, 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 Consolidated Muscatine 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 proposes to enter into a certain development agreement (the "Development Agreement") with H.J. Heinz Company (the "Company") in connection with the Company's expansion of its manufacturing facilities, operations and workforce in the Urban Renewal Area; and

WHEREAS, the Development Agreement would provide financial incentives to the Company in the form of annual appropriation incremental property tax payments in an amount not to exceed \$880,000 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 Muscatine, Iowa, as follows:

Section 1. This City Council shall meet on February 20, 2014, at 7:00 o'clock p.m., at the City Hall 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 annual appropriation incremental property tax 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 days and not more than twenty 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 H.J.  
HEINZ COMPANY AND AUTHORIZATION OF ANNUAL APPROPRIATION TAX  
INCREMENT PAYMENTS**

The City Council of the City of Muscatine, Iowa, will meet at the City Hall Council Chambers, on February 20, 2014, at 7:00 o'clock p.m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and H.J. Heinz Company (the "Company"), in connection with the expansion of the Company's manufacturing facilities, operations and workforce in the Consolidated Muscatine Urban Renewal Area, which Agreement provides for certain financial incentives in the form of annual appropriation incremental property tax payments to the Company in an amount not to exceed \$880,000 under the authority of Section 403.9(1) of the Code of Iowa.

The Agreement to make incremental property tax payments will not be a general obligation of the City, but will be payable solely and only from incremental property tax revenues generated within the Consolidated Muscatine 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 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 Muscatine, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Gregg Mandsager  
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 January 16, 2014.

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Mayor

Attest:

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City Clerk

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On motion and vote the meeting adjourned.

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Mayor

Attest:

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City Clerk

STATE OF IOWA  
COUNTY OF MUSCATINE           SS:  
CITY OF MUSCATINE

I, the undersigned, City Clerk of the aforementioned City, 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 \_\_\_\_\_, 2014.

\_\_\_\_\_  
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.)**