

MINUTES PROVIDING FOR PASSAGE  
OF AN ORDINANCE ESTABLISHING  
MUSCATINE RIVERVIEW  
REINVESTMENT DISTRICT

(Ord.-Initial Consideration)

421464-42

Muscatine, Iowa

May 21, 2015

The City Council of the City of Muscatine, in Muscatine County, Iowa, met on May 21, 2015, at \_\_\_\_\_ o'clock \_\_\_\_ .m., at the \_\_\_\_\_, Muscatine, Iowa.

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

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

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

Council Member \_\_\_\_\_ an Ordinance providing for the establishment of the Muscatine Riverview Reinvestment District Pursuant to Section 15J.4 of the Code of Iowa.”

It was moved by Council Member \_\_\_\_\_ and seconded by Council Member \_\_\_\_\_ that the aforementioned ordinance be given its first consideration and that it be adopted.

The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

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

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

Whereupon, the Mayor declared the motion duly carried and declared that said ordinance had been given its initial consideration.

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There being no further business to come before the meeting, it was upon motion adjourned.

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Mayor

Attest:

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City Clerk

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE PROVIDING FOR THE ESTABLISHMENT OF THE MUSCATINE RIVERVIEW REINVESTMENT DISTRICT PURSUANT TO SECTION 15J.4 OF THE CODE OF IOWA

WHEREAS, pursuant to prior action of this City Council of the City of Muscatine, Iowa (the “City”) it was determined that the real property (the “Property”) described on Exhibit A hereto is suitable for development and should be established as the Muscatine Riverview Reinvestment District (the “Reinvestment District”) pursuant to Iowa Code Chapter 15J (the “Iowa Reinvestment Act”); and

WHEREAS, the City intends to participate in the undertaking of the Riverview Hotel Development Project (the “Project”) in the Reinvestment District consisting of the construction of a new hotel, the redevelopment of an existing building to serve as a conference/events center, and the construction of a new parking ramp and sky bridges (the “Parking Ramp and Sky Bridges Project”); and

WHEREAS, pursuant to the Iowa Reinvestment Act, the City submitted its proposed district plan (the “District Plan”) with respect to the Project and an application for approval (the “Application”) to establish the Reinvestment District to the Board of the Iowa Economic Development Authority (“IEDA”); and

WHEREAS, the District Plan and the Application were approved by IEDA on March 27, 2015; and

WHEREAS, it is now necessary to establish the Reinvestment District by ordinance in compliance with the Iowa Reinvestment Act;

BE IT ENACTED by the Council of the City of Muscatine, Iowa:

Section 1. Establishment of Muscatine Riverview Reinvestment District. In accordance with the Iowa Reinvestment Act and in consideration of the recitations set out in the preamble hereof, the Property is hereby established as a reinvestment district under the Iowa Reinvestment Act, which shall be known as the Muscatine Riverview Reinvestment District.

Section 2. Commencement Date. The Commencement Date of the Reinvestment District as established by the Board of IEDA shall be July 1, 2017.

Section 3. Manner of Financing Projects. It is the intention of the City to finance the Project with (1) funds received from private investors (55%); (2) tax increment financing (15%); (3) loans from private lenders (5.66%); and from the proceeds (the “Reinvestment District Proceeds”) received from the State of Iowa in connection with the establishment of the Reinvestment District (24.34%).

The Reinvestment District Proceeds will be used to pay the debt service requirements of credit facilities issued by the City to pay the costs of the Parking Ramp and Sky Bridges Project and the acquisition of furniture, fixtures and equipment for the Project.

It is anticipated that the Funding Uses and Funding Source for the Project are as follows:

<u>Funding Uses</u>	<u>Fund Sources</u>
Site Preparation	Loans (\$350,000)
Building Acquisition	Loans (\$1,250,000)
Building Construction (hotel)	Investors (\$21,501,811)
Building Remodeling (conference center)	Investors (\$5,214,056)
Parking Ramp	Loans (\$5,573,225)
Fixtures (FF&E)	Loans (\$1,809,891)
Sky Bridges	Loans (\$2,387,000)
All Design and Engineering Services	Loans (\$3,000,0000)

The City has entered into a Development Agreement with Riverview Hotel Development (the “Company”) pursuant to which the Company has agreed to construct a hotel and conference center in the Reinvestment District and the City has agreed to make twenty (20) annual economic development tax increment payments (the “Payments”) to the Company in the maximum amount of \$6,000,000. The Payments are subject to annual appropriation by the City Council.

Section 4. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 5. Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 6. Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law.

Passed by the Council of the City of Muscatine, Iowa, the \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

**EXHIBIT A:**

**LEGAL DESCRIPTION OF THE PROPERTY**

*Certain real property situated in the City of Muscatine, County of Muscatine, State of Iowa bearing the Muscatine County Property Tax Identification Parcel Numbers as follows:*

*1302226031, 1302226001, 1302226002, 1302226003, 1302226004, 1302226005, 1302226006, 1302226009, 1302226012, 1302226014, 1302226000, & 1302226018.*

*The area comprised of Block 11 of Original Town and the Mississippi Drive right-of-way adjoining Block 11.*