

RESOLUTION NO. _____

Resolution authorizing and combining Loan Agreements, approving the future issuance of General Obligation Corporate Purpose and Refunding Bonds and providing for the levy of taxes to pay the same

WHEREAS, the City of Muscatine (the "City"), in Muscatine County, State of Iowa, previously issued its \$5,120,000 General Obligation Corporate Purpose Bonds, Series 2008A, dated June 1, 2008 (the "2008 Bonds") a portion of which currently remains outstanding maturing on such dates and in such amounts and bearing interest at such rates as follows:

Year	Principal	Interest
	<u>Amount</u>	<u>Rate</u>
2016	\$620,000	3.50%
2017	\$645,000	3.50%
2018	\$665,000	3.50%

;and

WHEREAS, pursuant to the resolution (the "2008 Bond Resolution") authorizing the issuance of the 2008 Bonds, the City reserved the right to call the portion of the 2008 Bonds maturing in the years 2016 through 2018, inclusive (the "Callable 2008 Bonds"), for early redemption on any date on or after June 1, 2015, subject to the provisions of the 2008 Bond Resolution; and

WHEREAS, the City has heretofore proposed to enter into a General Obligation Loan Agreement (the "Essential Purpose Loan Agreement") pursuant to the provisions of Section 384.24A of the Code of Iowa and to borrow money thereunder in a principal amount not to exceed \$3,000,000 for the purpose of paying the costs, to that extent, of (1) current refunding the Callable 2008 Bonds; (2) constructing street improvements, including incidental water, sanitary sewer, sidewalk and storm water drainage infrastructure; (3) constructing improvements to the municipal airport; (4) constructing improvements to Musser Park, including playground resurfacing; (5) constructing waterway embankment improvements, including the installation of rip-rap; and (6) the demolition of dilapidated buildings (collectively, the "Essential Purpose Projects"), and has published notice of the proposed action and has held a hearing thereon on March 3, 2016; and

WHEREAS, pursuant to the provisions of Section 384.24A of the Code of Iowa, the City has also proposed to enter into a General Obligation Loan Agreement (the "Urban Renewal Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$1,400,000 for the purpose of paying the costs, to that extent, of undertaking the Municipal Art Center HVAC Improvements Project in the Consolidated Muscatine Urban Renewal Area (the "Urban Renewal Project"), and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of March 3, 2016, no petition had been filed with the City asking that the question of entering into the Urban Renewal Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, pursuant to the provisions of Section 384.24A of the Code of Iowa, the City has also proposed to enter into a General Obligation Loan Agreement (the "General Purpose Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$325,000 for the purpose of paying the costs, to that extent, of constructing improvements to the Municipal Library, City Hall, the Municipal Art Center and municipal public safety buildings (the "Municipal Buildings Project") (collectively hereinafter the Essential Purpose Project, the Urban Renewal Project, and the Municipal Buildings Project shall be referred to as the "Projects), and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of March 3, 2016, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, pursuant to Section 384.28 of the Code of Iowa, the City Council has authority to combine the Essential Purpose Loan Agreement, the Urban Renewal Loan Agreement and the General Purpose Loan Agreement into a single Loan Agreement (the "Loan Agreement"); and

WHEREAS, the City intends to enter into the Loan Agreement in the future and to issue General Obligation Corporate Purpose and Refunding Bonds (the "Bonds") in evidence of its obligations thereunder and anticipates that principal and interest will come due on the Bonds before July 1, 2017; and

WHEREAS, it is now necessary to make provision for the levy of a debt service property tax in the 2016-2017 fiscal year for the payment of such anticipated principal and interest;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Muscatine, Iowa, as follows:

Section 1. The Essential Purpose Loan Agreement, the Urban Renewal Loan Agreement and the General Purpose Loan Agreement are hereby combined into the Loan Agreement. The City Council hereby determines to enter into the Loan Agreement in the future and orders that the Bonds be issued at such time, in evidence thereof. The City Council further declares that this resolution constitutes the "additional action" required by Section 384.24A of the Code of Iowa.

Section 2. For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds as the same become due, there is hereby ordered levied on all the taxable property in the City the following direct annual tax:

For collection in the fiscal year beginning July 1, 2016,
sufficient to produce the net annual sum of \$64,000;

provided, however, that at the time the Bonds are issued, the actual tax levy amounts required to pay the principal of and interest on the Bonds in each year shall be determined based upon the interest rate or rates at which the Bonds are issued, and this resolution shall be supplemented by a resolution of the City Council to provide for such actual and necessary tax levy amounts.

Section 3. A certified copy of this resolution shall be filed with the Muscatine County Auditor and said Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Bonds hereby authorized and for no other purpose whatsoever.

Section 4. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 3, 2016.

Mayor

Attest:

City Clerk

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On motion and vote, the meeting adjourned.

Mayor

Attest:

City Clerk

ATTESTATION CERTIFICATE:

STATE OF IOWA
COUNTY OF MUSCATINE
CITY OF MUSCATINE

SS:

I, the undersigned, City Clerk of the City of Muscatine, do hereby certify that as such I have in my possession or have access to the complete corporate records of the City and of its City Council and officers and that I have carefully compared the transcript hereto attached with those corporate records and that the transcript hereto attached is a true, correct and complete copy of all the corporate records relating to a public hearing and additional action on the proposal to enter into a certain Loan Agreement and to issue General Obligation Corporate Purpose and Refunding Bonds in evidence of the City's obligation under the Loan Agreement, including authorization of a debt service property tax levy, and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time with respect thereto.

WITNESS MY HAND this _____ day of _____, 2016.

City Clerk

COUNTY FILING CERTIFICATE:

STATE OF IOWA

SS:

COUNTY OF MUSCATINE

I, the undersigned, County Auditor of Muscatine County, in the State of Iowa, do hereby certify that on the _____ day of _____, 2016, the City Clerk of the City of Muscatine filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council on March 3, 2016, entitled: "Resolution authorizing and combining Loan Agreements, approving the future issuance of General Obligation Corporate Purpose and Refunding Bonds and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2016, as provided in the resolution.

WITNESS MY HAND this _____ day of _____, 2016.

County Auditor