

RESOLUTION NO _____

AUTHORIZING INTERNAL ADVANCE
OF FUNDS FOR DESIGN SERVICES FOR THE DOWNTOWN
STREETSCAPE PROJECT

WHEREAS, the City of Muscatine, Iowa (the “City”), has established the Consolidated Muscatine Urban Renewal Area (the “Urban Renewal Area”) and has created the Urban Renewal Area Tax Increment Revenue Fund (the “Tax Increment Fund”) in connection therewith; and

WHEREAS, the City in its fiscal year 2018/2019 budget has authorized funding to initiate the design for the Downtown Streetscape Project (the “Project”) as an urban renewal project in the Urban Renewal Area, and the City will incur costs (the “Costs”) in connection with the carrying out of such design services;

WHEREAS, in order to cover the Costs and to make such Costs eligible to be recouped from future incremental property tax revenues, it is necessary to facilitate an internal advance of funds;

WHEREAS, One Hundred Thousand Dollars (\$100,000) was authorized in the fiscal year 2018/2019 budget to be advanced for this Project from the General Fund (the “Advance”);

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

Section 1. It is hereby directed that One Hundred Thousand Dollars (\$100,000) be advanced from the General Fund (the “Advance”) in order to fund the Costs. The Advance shall be repaid to the General Fund, out of future incremental property tax revenues received with respect to the Urban Renewal Area. The Advance shall not bear interest.

It is intended that the Advance, shall be repaid in two annual installments of \$40,000 on June 1, 2020 and \$60,000 on June 1, 2021, provided, however, that repayment of the Advance is subject to the determination of future City Councils that there are incremental property tax revenues available for such purpose which have been allocated to or accrued in the Tax Increment Fund relative to the Advance, and the City Council reserves the right to appropriate funds to the repayment of the Advance, or to withhold such appropriation, at its discretion.

Section 2. A copy of this Resolution shall be filed in the office of the County Auditor of Muscatine County, Iowa to evidence the Advance. Pursuant to Section 403.19 of the Code of Iowa, the City Clerk is hereby directed to certify, no later than December 1, 2018, the full amount of the Advance.

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 All resolutions or parts thereof in conflict herewith, are hereby repealed, to the extent of such conflict.

PASSED AND APPROVED this 15th day of November, 2018.

Mayor

Attest:

City Clerk