

RESOLUTION NO _____

AUTHORIZING INTERNAL ADVANCE TO
TAX INCREMENT REVENUE FUND

(MUNICIPAL ART CENTER BOILER 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 South End Urban Renewal Area Tax Increment Revenue Fund (the "Tax Increment Fund") in connection therewith; and

WHEREAS, the City has undertaken urban renewal projects in the Urban Renewal Area consisting of paying costs of the Municipal Art Center Boiler Project in an amount not to exceed \$65,000 (the "Art Center Boiler Project");

WHEREAS, in order to cover the funding of the Art Center Boiler Project 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;

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

Section 1. It is hereby directed that an amount not to exceed Sixty-Five Thousand Dollars (\$65,000) be advanced from the Tax Increment Fund (the "Advance") in order to Fund the Art Center Boiler Project. The Advance shall be repaid to the Tax Increment 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 1 annual installment, on June 1, 2014, 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, 2012, the original 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 All resolutions or parts thereof in conflict herewith, are hereby repealed, to the extent of such conflict.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, 2012.

Mayor

Attest:

City Clerk