F6a

ITEM TO INCLUDE ON AGENDA

CITY OF HIAWATHA, IOWA
August 1, 2018
5:30 P.M.

Hiawatha Urban Renewal Plan

- Resolution (1) approving the minimum development requirements, competitive criteria, and procedures for disposition of certain property located within the Urban Renewal Area; (2) determining that the proposal submitted by Side by Side Own, L.L.C. and Side by Side Develop, L.L.C. satisfies the offering requirements and declaring the intent of the City to enter into a Purchase, Sale and Development Agreement by and among the City of Hiawatha, Iowa, Side by Side Own, L.L.C. and Side by Side Develop, L.L.C. in the event that no competing proposals are submitted; and (3) soliciting competing proposals.

IMPORTANT INFORMATION

1. The above agenda items should be included, along with any other agenda items, in the meeting agenda. The agenda should be posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the body holding the meeting. If no such office exists, the notice must be posted at the building in which the meeting is to be held.

2. If you do not now have a bulletin board designated as above mentioned, designate one and establish a uniform policy of posting your notices of meeting and tentative agenda.

3. Notice and tentative agenda must be posted at least 24 hours prior to the commencement of the meeting.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

August 1, 2018

The City Council of the City of Hiawatha in the State of Iowa, met in _____ session, in the Council Chambers, City Hall, 101 Emmons Street, Hiawatha, Iowa, at 5:30 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

_____

_____

Absent: _____

Council Member _____ introduced the following proposed Resolution entitled RESOLUTION (1) APPROVING THE MINIMUM DEVELOPMENT REQUIREMENTS, COMPETITIVE CRITERIA, AND PROCEDURES FOR DISPOSITION OF CERTAIN PROPERTY LOCATED WITHIN THE URBAN RENEWAL AREA; (2) DETERMINING THAT THE PROPOSAL SUBMITTED BY SIDE BY SIDE OWN, L.L.C. AND SIDE BY SIDE DEVELOP, L.L.C. SATISFIES THE OFFERING REQUIREMENTS AND DECLARING THE INTENT OF THE CITY TO ENTER INTO A PURCHASE, SALE AND DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF HIAWATHA, IOWA, SIDE BY SIDE OWN, L.L.C. AND SIDE BY SIDE DEVELOP, L.L.C., IN THE EVENT THAT NO COMPETING PROPOSALS ARE SUBMITTED; AND (3) SOLICITING COMPETING PROPOSALS and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was:

AYES: _____

_____

NAYS: _____

WHEREUPON, the Mayor declared the resolution duly adopted as follows:

RESOLUTION NO. _____

RESOLUTION (1) APPROVING THE MINIMUM DEVELOPMENT REQUIREMENTS, COMPETITIVE CRITERIA, AND PROCEDURES FOR DISPOSITION OF CERTAIN PROPERTY LOCATED WITHIN THE URBAN RENEWAL AREA; (2) DETERMINING THAT THE PROPOSAL SUBMITTED BY SIDE BY SIDE OWN, L.L.C. AND SIDE BY SIDE DEVELOP, L.L.C. SATISFIES THE OFFERING REQUIREMENTS AND DECLARING THE INTENT OF THE CITY TO ENTER INTO A PURCHASE, SALE AND DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF HIAWATHA, IOWA, SIDE BY SIDE OWN, L.L.C. AND SIDE BY SIDE DEVELOP, L.L.C. IN THE EVENT THAT NO COMPETING PROPOSALS ARE SUBMITTED; AND (3) SOLICITING COMPETING PROPOSALS.

WHEREAS, by Resolution No. 91-68, adopted June 19, 1991, and which has been amended multiple times, lastly by Amendment No. 14 by Resolution No. 18-123 on July 18, 2018, this Council found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Hiawatha Urban Renewal Plan (the "Plan" or "Urban Renewal Plan") for the Hiawatha Urban Renewal Area (the "Area" or "Urban Renewal Area") described therein, which Plan is on file in the office of the Recorder of Linn County; and

WHEREAS, Side by Side Own, L.L.C. (the "Owner"), wishes to purchase property located within the Urban Renewal Area (the "Development Property" as that term is defined in the Purchase, Sale and Development Agreement) from the City; and

WHEREAS, the Plan provides for, among other things, the disposition of properties acquired for development or redevelopment as a proposed renewal action and authorizes the development of the Development Property as described in this Resolution; and

WHEREAS, the City intends to sell the Development Property (as described in the Purchase, Sale and Development Agreement) to the Owner, the terms of such proposal being in the form of a Purchase, Sale and Development Agreement (the "Agreement") between the City, the Owner and Side by Side Develop, L.L.C. (the "Developer"); and

WHEREAS, pursuant to the Agreement, the Developer would be obligated to, among other things, construct certain Minimum Improvements (including Phase I Improvements and Phase IV Improvements) containing approximately 28,000 square feet of office space and 31,000 square feet of retail space; and in exchange the City will (i) sell the Development Property to Owner; (ii) provide Phase I Economic Development Grants (as defined in the Agreement) to the Owner in an amount not to exceed $1,525,000; and (iii) provide Phase IV Economic Development Grants (as defined in the Agreement) to the Owner in an amount not to exceed $292,000 under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, in order to comply with Iowa Code Section 403.8, the City is establishing reasonably competitive bidding procedures for the disposition of the Development Property and all developers interested in submitting a proposal to compete for the sale and redevelopment of the Development Property must submit a proposal meeting the requirements set forth herein; and

WHEREAS, to both recognize the firm proposal (in the form of the Agreement) from the Owner and Developer for the disposition and redevelopment of the Development Property already received by the City, and to give full and fair opportunity for other developers interested in submitting a proposal for the sale and redevelopment of the Development Property, this Council should by this Resolution:

1. Set the fair market value of the Development Property for uses in accordance with the Plan.

2. Approve the minimum requirements for the sale of and redevelopment of the Development Property.

3. Approve the Owner and Developer's general terms as to form of the Agreement, subject to modifications and revisions as determined appropriate by the Council.

4. Set a date for receipt of competing proposals and the opening thereof; and provide for review of such proposals with recommendations to this Council in accordance with established procedures.

5. Declare that the Agreement submitted by the Owner and Developer satisfies the requirements of the offering, and that in the event no other qualified proposal is timely submitted that the City intends to accept the Agreement and enter into the Agreement.

6. Declare that any competing proposals must include the redevelopment of the Development Property with construction similar to or exceeding the standard proposed in the Agreement.

7. Approve and direct publication of a notice to advise any would-be competitors of the opportunity to compete for the sale of the Development Property on the terms and conditions set forth herein.

8. Declare that in the event another qualified proposal is timely submitted, another and future notice will be published of the intent of the City to enter into the resulting contract, as required by law.

WHEREAS, this Council believes it is in the best interest of the City and the Plan to act as expeditiously as possible to offer the Development Property for redevelopment as set out herein.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF HIAWATHA, IOWA:

1. The Development Property offered for sale and redevelopment in accordance with the terms and conditions contained in this Resolution and the Plan is legally described as follows:

Phase I Property

Parcel No. ____, P.O.S. 2262
Parcel No. 11333-76005-00000, A.P. #396 LOTS 1 & 2
Parcel No. 11333-76009-00000, A.P. #396 LOT 6
Parcel No. 11333-76004-00000, S 16RDS N 24RDS NW SE SA SEC 33 TWP 84 R 7
Parcel No. 11333-76002-00000, W ½ NE SE SW SEC 33 TWP 84 R 7
Parcel No. 11333-03012-00000, SW ¼ SE NE SW SEC 33 TWP 84 R 7
Parcel No. 11333-7601-00000, W 100' SE NE SE SW SEC 33 TWP 84 R 7

Phase IV Property

Parcel No. ____, P.O.S. 2260

2. It is hereby determined that in order to qualify for consideration for selection, each developer must submit a proposal which contains terms no less favorable to the City than those set forth in the Agreement submitted by Owner and Developer and which must include and provide for the developer's purchase of the Development Property at not less than the fair value for use in accordance with the Plan.

3. It is hereby determined, based on investigation by the City, that the proposed sale price of the Development Property of $1,950,000 as provided in the Agreement is equal to or greater than fair value when considering all of the obligations set forth in the Agreement, and is hereby approved.

4. It is hereby determined that the Agreement submitted by the Owner and Developer satisfies the requirements of this offering and is approved as to form, subject to modifications as determined appropriate by the City Council, and in the event that no other qualified proposals are timely submitted, the City intends to enter into the Agreement and sell the Development Property to the Owner on the terms proposed.

5. It is hereby determined that the Owner and Developer possess the qualifications, financial resources and legal ability necessary to purchase and redevelop the Development Property in the manner proposed by this offering and in accordance with the Plan.

6. This action of the Council shall be considered to be and does hereby constitute notice to all concerned of the intention of this Council, in the event that no other qualified proposals are timely submitted, to accept the Agreement of the Owner and Developer to sell and redevelop the Development Property, which Agreement is on file for public inspection at the office of the City Clerk, City Hall, 101 Emmons Street, Hiawatha, Iowa 52233.

7. The City Clerk is authorized and directed to secure immediate publication of this Resolution in the Cedar Rapids Gazette, a newspaper having general circulation in the community, by publication of the text of this Resolution.

8. Written proposals for the purchase of the Development Property must be received by the City Clerk at or before 12:00 P.M. (Noon) on September 3, 2018. Said proposals must be received in the City Clerk's Office, located at City Hall, 101 Emmons Street, Hiawatha, Iowa 52233. Each proposal will then be publicly opened by the Clerk or the Clerk's designee at the hour of 1:00 P.M. in the City Clerk's Office, City Hall, 101 Emmons Street, Hiawatha, Iowa 52233, on that same date. The City Clerk, or the Clerk's designee, is hereby authorized and directed to make a preliminary analysis of each such proposal for compliance with the minimum requirements established by this Council hereinabove and to advise the Council with respect thereto. Said proposals will then be presented to the City Council at 5:30 P.M. on September 5, 2018, at a public hearing to be held in the Council Chambers, City Hall, 101 Emmons Street, Hiawatha, Iowa. The Council shall judge the strength of the proposals meeting the foregoing minimum requirements by the criteria set forth above and shall make the final evaluation and selection of a proposal.

9. The method for transfer of the Development Property as set forth herein is in substantial conformance with the provisions of Section 403.8(1) and (2), Code of Iowa, requiring "fair value" and "reasonable competitive bidding procedures."

10. In the event another qualified proposal is timely submitted, another and further notice shall be published of the intent of the City of Hiawatha, Iowa to enter into the resulting contract, as required by law.

PASSED AND APPROVED this 1st day of August, 2018.

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF LINN)

I, the undersigned City Clerk of the City of Hiawatha, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of said City showing proceedings of the Council, and the same is a true and complete copy of the action taken by said Council with respect to said matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council (a copy of the face sheet of said agenda being attached hereto) pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by said law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no vacancy existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individual named therein as officers to their respective positions.

WITNESS my hand and the seal of said Council hereto affixed this _____ day of _____, 2018.

_____
City Clerk, City of Hiawatha, Iowa

(SEAL)

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