Fla

ITEM TO INCLUDE ON AGENDA

CITY OF HIAWATHA, IOWA
January 16, 2019
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.

January 16, 2019

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 Developer (as defined in the Agreement) in an amount not to exceed $605,000; (iii) provide Phase IV Economic Development Grants (as defined in the Agreement) to the Developer (as defined in the Agreement) in an amount not to exceed $285,000; and (iv) and construct certain Public Improvements (as defined in the Agreement) 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

A PORTION OF THE SOUTH 16 RODS OF THE NORTH 24 RODS OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4

AND

PARCEL "A" AND PARCEL "B" OF PLAT OF SURVEY NO. 2262 AS RECORDED IN PLAT BOOK 10156 AT PAGE 473 OF THE LINN COUNTY RECORDER'S OFFICE

AND

LOTS 1, 2, AND 6 OF AUDITOR'S PLAT NO. 396 AS RECORDED IN PLAT BOOK 9 AT PAGE 114 OF THE LINN COUNTY RECORDER'S OFFICE

ALL LOCATED IN SECTION 33, TOWNSHIP 84 NORTH, RANGE 7 WEST, OF THE FIFTH PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING at the Southernmost Corner of The Plat of Survey No. 2262 in accordance with the plat thereof recorded in Plat Book 10156, at page 473 in the records of the Linn County Recorder's Office; Thence N41°53'07"W, 182.22 feet; Thence N41°12'08"W, 46.32 feet; Thence N48°51'15"E, 42.26 feet; Thence N40°54'28"W, 45.00 feet; Thence N48°51'16"E, 49.14 feet; Thence Northeasterly 223.18 feet along a 340.00 foot radius curve, concave Northwesterly, whose 219.20 foot chord bears N30°03'06"E to a point on the East Right of Way line of Robins Road; Thence N00°19'54"W, a distance of 91.01 feet along said East line; Thence N89°20'51"E, a distance of 634.31 feet to a point on the East line of the Northwest Quarter of the Southeast Quarter of the Southwest Quarter of said Section 33; Thence S00°08'08"E, a distance of 203.49 feet along said East line to the Northeast Corner of Auditor's Plat No. 396 in accordance with the plat thereof recorded in Plat Book 9, at Page 114 in the records of the Linn County Recorder's Office; Thence continuing S00°08'08"E along the East Line of said Auditor's Plat No. 396, a distance of 112.01 feet to the Southeast Corner of Lot 6 of said Auditor's Plat No. 396; Thence S89°17'45"W, along the South line of said

Lot 6, a distance of 181.81 feet to the Southwest corner of of said Lot 6; Thence N00°02'21"E, along the West line of said Lot 6, a distance of 112.01 feet to the Northwest corner of said Lot 6; Thence S89°17'45"W, along the North line of Lots 5, 4, and 3 of said Auditor's Parcel No. 396, a distance of 272.20 feet to the Northeast corner of Lot 2 of said Auditor's Parcel No. 396; Thence S00°18'05"W, along the East line of Lot 2 of said Auditor's Parcel No. 396, a distance of 112.02 feet to the Southeast corner of said Lot 2; Thence S89°17'45"W, along the South line of Lots 2 and 1 of said Auditor's Parcel No. 396, a distance of 178.54 feet to the Southwest corner of Lot 1 of said Auditor's Parcel No. 396; Thence S00°23'28"E, along the East line of Parcel 'B' of Plat of Survey No. 2262 in accordance with the plat thereof recorded in Plat Book 10156, at page 473 in the records of the Linn County Recorder's Office, a distance of 229.36 feet to the POINT OF BEGINNING. Said Parcel "A" contains 202,864 square feet (4.66 acres), and is subject to easements and restrictions of record.

AND

A PORTION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4

AND

PART OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4

AND

WEST 100' OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4

ALL LOCATED IN SECTION 33, TOWNSHIP 84 NORTH, RANGE 7 WEST, OF THE FIFTH PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING at the Northwest Corner of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian; Thence N00°22'27"W, along the West Line of the Southwest 1/4 of the Southeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 329.66 feet; Thence N89°21'03"E, along the North Line of the Southwest 1/4 of the Southeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 332.82 feet; Thence S00°21'10"E, along the East Line of the Southwest 1/4 of the Southeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 329.47 feet to the

Northeast Corner of the West 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian; Thence S00°18'03"E, along the Ease line of the West 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 329.58 feet to the Northwest Corner of the West 100.00 feet of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian; Thence N88°45'55"E, along the North line of the West 100.00 feet of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 99.96 feet to the Northeast Corner of said West 100.00 feet; Thence S00°17'44"E, along the East line of the said West 100.00 feet of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 33, Township 84 North, Range 7 West, of the Fifth Principal Meridian, a distance of 330.44 feet to a point on the North line of Hartl's First Addition in accordance with the plat thereof recorded in Plat Book 5, at page 302 in the records of the Linn County Recorder's Office; Thence S89°16'55"W, along the North Line of said Hartl's First Addition, a distance of 367.39 feet; Thence N00°08'08"W, 527.19 feet; Thence S89°20'51"W, a distance of 67.03 to the Northeast corner of the Plat of Survey as recorded in Plat Book 1961 at Page 208 in the records of the Linn County Recorder's Office, Thence N00°10'53"W, along the East line of said Plat of Survey, a distance of 132.09 feet to the POINT OF BEGINNING. Said Parcel "B" contains 327,189 square feet (7.51 acres), and is subject to easements and restrictions of record.

Phase IV Property

Part of Lot 1, Auditor's Plat No. 322, Linn County, Iowa, described as follows:

Beginning at the Northwest corner of Lot 1, Auditor's Plat No. 322, Linn County, Iowa; Thence N88°49'37"E along the North line of said Lot 1 a distance of 29.42 feet; Thence S41°22'50"E a distance of 107.85 feet; Thence S48°32'21"W a distance of 44.98 feet; Thence S41°36'29"E a distance of 44.79 feet; Thence Southwesterly 172.68 feet along the arc of a 260.00 foot radius curve concaved Northerly (chord bears S69°51'24"W a distance of 169.52 feet); Thence S88°52'59"W to a West line of said Lot 1 a distance of 83.94 feet; Thence N03°52'31"W along said West line to the Southwest corner of Lot 9 of said Auditor's Plat a distance of 80.52 feet; Thence N88°50'03"E along the South line of said Lot 9 and South line of Lot 10 of said Auditor's Plat to the Southeast Corner of said Lot 10 a distance of 158.89 feet; Thence N03°22'36"W along a West line of said Lot 1 to said Northwest corner and the Point of Beginning a distance of 120.25 feet. Said parcel contains 0.57 acres and is subject to easements and restrictions of record.

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 Deputy 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 Deputy City Clerk at or before 12:00 P.M. (Noon) on March 1, 2019. 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 Deputy City Clerk or the Deputy City 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 Deputy City Clerk, or the Deputy City 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 March 6, 2019, 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 16th day of January, 2019.

_____
Mayor

ATTEST:

_____
Deputy City Clerk

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF LINN)

I, the undersigned Deputy 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 _____, 2019.

_____
Deputy City Clerk, City of Hiawatha, Iowa

(SEAL)

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