CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Establish Date of Public Hearing to Authorize the Issuance of Not to Exceed $17,200,000 General Obligation Urban Renewal Bonds or Capital Loan Notes

DATE: January 24, 2022

FINANCIAL IMPACT: Any and all underlying future debt will be backed by city's existing $1.91 per thousand debt service levy rate; there will be no change to the city's current property tax rate. The proposed bonds or notes will be sold at the appropriate time(s) – to coincide with such time(s) that construction obligations become due.

Also, because private entities will be leasing sections of the constructed improvements, and those entities will most likely be generating revenue, the future notes will be classified as taxable.

BACKGROUND: The public hearing will consider the future sale of not to exceed $17.2 million of General Obligation Urban Renewal Bonds or Capital Loan Notes to partially defray the costs of planning, undertaking and carrying out urban renewal projects under the authority of Iowa Code chapter 403 and the Urban Renewal Plan for the Economic Development Digital Enterprise Urban Renewal Area, as amended, primarily construction of a city-wide fiber conduit network. Per the Code of Iowa, the first step in the bonding process is to set a public hearing date. Staff is proposing the public hearing be held on February 21, 2022.

Following the public hearing, the Council will be asked to adopt a resolution directing that the City's current and future budgets include the proper amount of revenue needed to meet the debt service requirements of these issuances. This approval will allow the City to institute proceedings needed to issue the bonds and, although currently not necessary, possibly collect revenue through Urban Renewal Area tax revenues in amounts needed to repay the notes.

OUTSTANDING ISSUES (if any): None.

RECOMMENDATION: Adoption of Resolution instituting proceedings to hold a public hearing on February 21, 2022, to consider the issuance of $17.2 million General Obligation Urban Renewal Bonds or Capital Loan Notes.

Lead Staff Member: Tim Stiles, Finance Director

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	RTJ

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee	Finance & Administration		
Date Reviewed	January 19, 2022		
Recommendation	Yes	No	Split

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Council Member _____ introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF THE ISSUANCE OF NOT TO EXCEED $17,200,000 GENERAL OBLIGATION URBAN RENEWAL BONDS OR CAPITAL LOAN NOTES OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR ESSENTIAL CORPORATE URBAN RENEWAL PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", 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 FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF THE ISSUANCE OF NOT TO EXCEED $17,200,000 GENERAL OBLIGATION URBAN RENEWAL BONDS OR CAPITAL LOAN NOTES OF THE CITY OF WEST DES MOINES, STATE OF IOWA (FOR ESSENTIAL CORPORATE URBAN RENEWAL PURPOSES), AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

WHEREAS, this Council has 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 is in the process to approve and adopt the Economic Development Digital Enterprise Urban Renewal Plan (the "Plan") for the Economic Development Digital Enterprise Urban Renewal Area (the "Area" or "Urban Renewal Area"); and

WHEREAS, an Amendment No. 1 to the Plan has been prepared, and is slated for consideration on February 21, 2022; and

WHEREAS, it is deemed necessary and advisable that the City of West Des Moines, State of Iowa, should provide for the issuance of General Obligation Urban Renewal Bonds or Capital Loan Notes, to the amount of not to exceed $17,200,000, as authorized by Sections 384.24A and/or 384.25 and 403.12, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out essential corporate urban renewal purpose project(s) as hereinafter described; and

WHEREAS, the Bonds or Capital Loan Notes shall be payable from the Debt Service Fund; and

WHEREAS, before issuing General Obligation Urban Renewal Bonds or Capital Loan Notes, to evidence the obligation of the City thereunder, it is necessary to comply with the provisions of the Code of Iowa, as amended, and to publish a notice of the proposal and of the time and place of the meeting at which the Council proposes to take action for the issuance of said Bonds or Capital Loan Notes and to receive oral and/or written objections from any resident or property owner of the City to such action; and

WHEREAS, before the Bonds or Capital Loan Notes may be issued, it is necessary to comply with the procedural requirements of Chapters 384 and 403 of the Code of Iowa, and to publish a notice of the proposal to issue such Bonds or Capital Loan Notes and the right to petition for an election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF WEST DES MOINES, STATE OF IOWA:

Section 1. That this Council meet in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at _____ _____.M., on the 21st day of February, 2022, for the purpose of taking action on the matter of the authorization of the issuance of not to exceed $17,200,000 General Obligation Urban Renewal Bonds or Capital Loan Notes, for essential corporate urban renewal purposes, the proceeds of which will be used to provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Iowa Code chapter 403 and the Urban Renewal Plan for the Economic Development Digital Enterprise Urban Renewal Area, as amended, including construction of a city-wide conduit network.

Section 2. To the extent any of the projects or activities described in this resolution may be reasonably construed to be included in more than one classification under Subchapter III of Chapter 384 of the Code of Iowa, the Council hereby elects the "essential corporate purpose" classification and procedure with respect to each such project or activity, pursuant to Section 384.28 of the Code of Iowa.

Section 3. The Clerk is authorized and directed to proceed on behalf of the City in preparing such sale information as may appear appropriate, to distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the completion of an issuance on a basis favorable to the City and acceptable to the Council.

Section 4. That the Clerk is hereby directed to cause at least one publication to be made of a notice of the meeting, in a legal newspaper, printed wholly in the English language, published at least once weekly, and having general circulation in the City. The publication to be not less than ten clear days nor more than twenty days before the date of the public meeting on the proposed issuance.

Section 5. The notice of the proposed action to issue shall be in substantially the following form:

(To be published between February 1 and February 8, 2022 (dates inclusive))

NOTICE OF MEETING OF THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA, ON THE MATTER OF THE PROPOSED AUTHORIZATION OF THE ISSUANCE OF NOT TO EXCEED $17,200,000 GENERAL OBLIGATION URBAN RENEWAL BONDS OR CAPITAL LOAN NOTES OF THE CITY (FOR ESSENTIAL CORPORATE URBAN RENEWAL PURPOSES), AND THE HEARING ON THE ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the City Council of the City of West Des Moines, State of Iowa, will hold a public hearing on the 21st day of February, 2022, at 5:30 P.M., in the Council Chambers, City Hall, 4200 Mills Civic Parkway, West Des Moines, Iowa, at which meeting the Council proposes to take additional action for the authorization of the issuance of not to exceed $17,200,000 General Obligation Urban Renewal Bonds or Capital Loan Notes, for essential corporate urban renewal purposes, to provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Iowa Code chapter 403 and the Urban Renewal Plan for the Economic Development Digital Enterprise Urban Renewal Area, as amended, including construction of a city-wide conduit network. Principal and interest shall be payable from the Debt Service Fund.

At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds or Capital Loan Notes be submitted to the legal voters of the City, may be filed with the Clerk of the City, including the drop box at City Hall during non-business hours, in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Sections 384.24(3)(q), 384.24A, 384.25 and 403.12 of the Code of Iowa.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the issuance of the Bonds or Capital Loan Notes to evidence the obligation of the City thereunder or will abandon the proposal to issue said Bonds or Notes.

This notice is given by order of the City Council of the City of West Des Moines, State of Iowa, as provided by Chapters 384 and 403 of the Code of Iowa.

Dated this 24th day of January, 2022.

_____

City Clerk, City of West Des Moines, State of Iowa

(End of Notice)

PASSED AND APPROVED this 24th day of January, 2022.

_____

Mayor

ATTEST:

_____

City Clerk