

April 11, 2022

The City Council of the City of Hubbard in the State of Iowa, met in regular session, in the Council Chambers, City Hall, 323 East Maple Street, Hubbard, Iowa, at 6:00 P.M., on the above date. There were present Mayor Simmerman, in the chair, and the following named Council Members:

Randy Smuck, Chad Ball, Tracy Below, Scott Cross

Absent: Wes Kix

Vacant: \_\_\_\_\_

\* \* \* \* \*

The Mayor announced that this was the time and place for the public hearing and meeting on the matter of the proposal to approve and authorize execution of a Development Agreement by and among the City of Hubbard, J&T Logistics, Inc., and State Street Land Partnership, LLC, and that notice of the proposed action by the Council to enter into said Agreement had been published pursuant to the provisions of Section 362.3, Code of Iowa.

The Mayor then asked the Clerk whether any written objections had been filed by any City resident or property owner to the proposed action. The Clerk advised the Mayor and the Council that   0   written objections had been filed. The Mayor then called for oral objections and   0   were made. Whereupon, the Mayor declared the time for receiving oral and written objections to be closed.

**(Attach here a summary of objections received or made, if any)**

The Council then considered the proposed action and the extent of objections thereto.

Whereupon, Council Member Cross introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF HUBBARD, J&T LOGISTICS, INC., AND STATE STREET LAND PARTNERSHIP, LLC", and moved:

- that the Resolution be adopted.
- to defer action on the Resolution and the proposal to the meeting to be held at \_\_\_\_\_ .M. on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, at this place.

Council Member Smuck seconded the motion. The roll was called, and the vote was:

AYES: Smuck, Ball, Below, Cross

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION NO. 705

RESOLUTION APPROVING AND AUTHORIZING  
EXECUTION OF A DEVELOPMENT AGREEMENT BY AND  
AMONG THE CITY OF HUBBARD, J&T LOGISTICS, INC.,  
AND STATE STREET LAND PARTNERSHIP, LLC

WHEREAS, by Resolution No. 677, adopted October 11, 2021, 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 2021 Urban Renewal Plan (the "Urban Renewal Plan" or "Plan") for the 2021 Urban Renewal District (the "Urban Renewal Area" or "Area") described therein, which Plan is on file in the office of the Recorder of Hardin County; and

WHEREAS, it is desirable that properties within the Area be redeveloped as part of the overall redevelopment area covered by said Plan; and

WHEREAS, the City has received a proposal from J&T Logistics, Inc. (the "Developer") and State Street Land Partnership, LLC (the "Landowner"), in the form of a proposed Development Agreement (the "Agreement") by and between the City, the Developer, and the Landowner, pursuant to which, among other things, the Developer would agree to construct certain Minimum Improvements (as defined in the Agreement) on certain real property owned by Landowner and located within the Urban Renewal Area as defined and legally described in the Agreement (the "Development Property") and consisting of the construction of a 41,500 square foot building to be used as office space, shop space, and a warehouse, together with all related site improvements, as outlined in the proposed Agreement; and

WHEREAS, the Agreement further proposes that the City will make up to ten (10) consecutive annual payments of Economic Development Grants to Developer consisting of 50% of the Tax Increments pursuant to Section 403.19, Code of Iowa, and generated by the construction of the Minimum Improvements, the cumulative total for all such payments not to exceed the lesser of \$300,000, or the amount accrued under the formula outlined in the proposed Agreement, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement obligates to City to construct certain Public Improvements (as defined in the Agreement), consisting of a water main extension on the Development Property, under the terms and following satisfaction of the conditions set forth in the Agreement; and

WHEREAS, the Agreement also proposes that Developer, Landowner, and the City will enter into a Minimum Assessment Agreement with the County setting the minimum actual value of the Minimum Improvements for tax purposes at not less than \$4,500,000; and

WHEREAS, one of the obligations of the Developer relates to employment retention and/or creation; and

WHEREAS, Chapters 15A and 403, Code of Iowa, authorize cities to make grants for economic development in furtherance of the objectives of an urban renewal project and to

appropriate such funds and make such expenditures as may be necessary to carry out the purposes of said Chapters, and to levy taxes and assessments for such purposes; and

WHEREAS, the Council has determined that the Agreement is in the best interests of the City and the residents thereof and that the performance by the City of its obligations thereunder is a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account any or all of the factors set forth in Chapter 15A, Code of Iowa, to wit:

- a. Businesses that add diversity to or generate new opportunities for the Iowa economy should be favored over those that do not.
- b. Development policies in the dispensing of the funds should attract, retain, or expand businesses that produce exports or import substitutes, or which generate tourism-related activities.
- c. Development policies in the dispensing or use of the funds should be targeted toward businesses that generate public gains and benefits, which gains and benefits are warranted in comparison to the amount of the funds dispensed.
- d. Development policies in dispensing the funds should not be used to attract a business presently located within the state to relocate to another portion of the state unless the business is considering in good faith to relocate outside the state or unless the relocation is related to an expansion which will generate significant new job creation. Jobs created as a result of other jobs in similar Iowa businesses being displaced shall not be considered direct jobs for the purpose of dispensing funds; and

WHEREAS, pursuant to notice published as required by law, this Council has held a public meeting and hearing upon the proposal to approve and authorize execution of the Agreement and has considered the extent of objections received from residents or property owners as to said proposed Agreement; and, accordingly the following action is now considered to be in the best interests of the City and residents thereof.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF HUBBARD IN THE STATE OF IOWA:

Section 1. That the performance by the City of its obligations under the Agreement, including but not limited to making of grants to the Developer in connection with the development of the Development Property under the terms set forth in the Agreement, be and is hereby declared to be a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 15A and 403, Code of Iowa, taking into account the factors set forth therein.

Section 2. That the form and content of the Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Agreement for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as shall be approved by such officers, and that from and after the execution and delivery of the Agreement, the Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

PASSED AND APPROVED this 11<sup>th</sup> day of April, 2022.

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Mayor

ATTEST:

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City Clerk