



Document 2021 537

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LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

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WINTERSET BELLAMYS ADDN PLAT 2 W2 LOT 5

Development Agreement

Type of Document

PREPARER INFORMATION: (name, address, phone number)

City of Winterset
124 W Court Ave
Winterset IA 50273
(515)462-1422

TAXPAYER INFORMATION: (name and mailing address)

N/A

E ✓ RETURN DOCUMENT TO: (name and mailing address)

City of Winterset
124 W Court Ave
Winterset IA 50273
(515)462-1422

GRANTOR: (name)

City of Winterset

GRANTEE: (name)

Agriland FS Inc.

LEGAL DESCRIPTION: (if applicable)

See page: 10

Document or instrument of associated documents previously recorded:

(if applicable)

DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is entered into between the City of Winterset, Iowa (the "City") and Agriland FS, Inc. (the "Company") as of the 4th day of January, 2021 (the "Commencement Date").

WHEREAS, the City has established the Winterset Urban Renewal Area (the "Urban Renewal Area"), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Company owns certain real property which is situated in the City, lies within the Urban Renewal Area and is more specifically described on Exhibit A hereto (the "Property"); and

WHEREAS, the Company has undertaken the construction of new buildings including office space and a new workshop (the "Project") on the Property for use in the Company's business operations; and

WHEREAS, the Company has requested that the City provide financial assistance in the form of incremental property tax payments to be used by the Company in paying the costs of constructing and maintaining the Project; and

WHEREAS, the taxable base valuation of the Property for purposes of calculations on Incremental Property Tax Revenues (as hereinafter defined) under this Agreement and Section 403.19 of the Code of Iowa is \$1,319,300 (both taxing parcels) (the "Base Valuation"); and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Company's Covenants

1. **Project Construction and Operation.** The Company agrees to construct the Project on the Property and to maintain and use the completed Project as part of its business operations throughout the Term, as hereinafter defined. The Company has submitted a detailed site plan (the "Site Plan") for the development of the Project to the City which was approved on December 16, 2019 and is set forth on Exhibit B hereto. The Company agrees to construct the Project in accordance with the Site Plan and to substantially complete such construction by no later than December 31, 2021.

2. **Property Taxes.** The Company agrees to make timely payment of all property taxes as they come due with respect to the Property with the completed Project thereon throughout the Term, as hereinafter defined, and to submit a receipt or cancelled check in evidence of each such payment.

3. **Company's Certifications.** The Company agrees to submit documentation to the satisfaction of the City by no later than each October 15 during the Term, as hereinafter

defined, commencing October 15, 2022, demonstrating that the completed Project is being used as part of the Company's business operations.

4. **Property Tax Payment Certification.** For purposes of this Agreement "Annual Percentage" shall mean the annual percentage in effect from time to time as set forth in the following table:

<u>Fiscal Year of City</u>	<u>Annual Percentage</u>
First through Third Payment Years	50%
Fourth through Sixth Payment Years	75%
Seventh through Twelfth Payment Years	100%

The Company agrees to certify to the City by no later than October 15 of each year during the Term, as hereinafter defined, commencing October 15, 2022, an amount (the "Company's Estimate") equal to the estimated Incremental Property Tax Revenues, as hereinafter defined, anticipated to be paid in the fiscal year immediately following such certification with respect to the taxable valuation of the Property factored by the Annual Percentage. In submitting each such Company's Estimate, the Company will complete and submit the worksheet attached hereto as Exhibit C. The City reserves the right to review and request revisions to each such Company's Estimate to ensure the accuracy of the figures submitted.

For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies, and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Madison County, above and beyond the Base Valuation; and (4) deducting any property tax credits which shall be available with respect to taxable incremental valuation of the Property.

Upon request, the City staff shall provide reasonable assistance to the Company in completing the worksheet required under this Section A.4.

5. **Legal and Administrative Costs.** The Company hereby agrees to cover the legal fees and administrative costs incurred by the City in connection with the drafting, negotiation and authorization of this Agreement, including the required amendment to the Urban Renewal Plan for the Urban Renewal Area, up to an amount not in excess of \$8,000. The Company agrees to remit payment to the City within 30-days of the submission of reasonable documentation by the City to the Company evidencing such costs.

6. Default Provisions.

A. Events of Default. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- I. Failure by the Company to complete construction of the Project or to maintain and use the completed Project in its business operations pursuant to the terms and conditions of this Agreement.
- II. Failure by the Company to fully and timely remit payment of property taxes when due and owing.
- III. Failure by the Company to comply with Sections A.3, A.4 and A.5 of this Agreement.
- IV. Failure by the Company to observe or perform any other material covenant on its part, to be observed or performed hereunder.

B. Notice and Remedies. Whenever any event of default described in this Agreement occurs, the City shall provide written notice to the Company describing the cause of the default and the steps that must be taken by the Company in order to cure the default. The Company shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Company fails to cure the default or provide assurances, the City shall then have the right to:

- I. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.
- II. Withhold the Payments provided for under Section B.1 below.

B. City’s Obligations

1. Payments. In recognition of the Company’s obligations set out above, the City agrees to make twelve (12) annual economic development tax increment payments (the “Payments” and each, individually a “Payment”) to the Company during the Term, as hereinafter defined, pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that the aggregate, total amount of the Payments shall not exceed \$1,200,000 (the “Maximum Payment Total”), and all Payments under this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

The Payments shall not constitute general obligations of the City, but shall be made solely and only from Incremental Property Tax Revenues received by the City from the Madison County Treasurer attributable to the taxable valuation of the Property.

This Agreement assumes that new taxable valuation from the Project will go on the property tax rolls as of January 1, 2022. Accordingly, Payments will be made on June 1 of each fiscal year, beginning June 1, 2024, and continuing through and including June 1, 2035, or until such earlier date upon which total Payments equal to the Maximum Payment Total have been made.

2. **Annual Appropriation.** Each Payment shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term of this Agreement, commencing in the City's 2022-2023 fiscal year, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payment due in the following fiscal year, an amount (the "Appropriated Amount") of Incremental Property Tax Revenues to be collected in the following fiscal year equal to or less than the most recently submitted Company's Estimate.

In any given fiscal year, if the City Council determines to not obligate the then-considered Appropriated Amount, then the City will be under no obligation to fund the Payment scheduled to become due in the following fiscal year, and the Company will have no rights whatsoever to compel the City to make such Payment or to seek damages relative thereto or to compel the funding of such Payment in future fiscal years. A determination by the City Council to not obligate funds for any particular fiscal year's Payment shall not render this Agreement null and void, and the Company shall make the next succeeding submission of the Company's Estimate as called for in Section A.4 above, provided however that no Payment shall be made after June 1, 2035.

3. **Payment Amounts.** Each Payment shall be in an amount equal to the corresponding Appropriated Amount (for example, for the Payment due on June 1, 2024, the amount of such Payment would be determined by the Appropriated Amount determined for certification by December 1, 2022), provided, however, that no Payment shall exceed the actual amount of Incremental Property Tax Revenues received by the City from the Madison County Treasurer during the twelve (12) months immediately preceding each Payment date attributable to the taxable valuation of the Property with the Project thereon factored by the Annual Percentage.

4. **Certification of Payment Obligation.** In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, as set forth in Section B.2 above, then the City Clerk will certify by December 1 of each such year to the Madison County Auditor an amount equal to the most recently obligated Appropriated Amount.

C. **Administrative Provisions**

1. **Amendment and Assignment.** Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party. However, the City hereby gives its permission that the Company's rights to receive the Payments hereunder may be assigned by the Company to a private lender, as security on a credit facility taken with respect to the Project, without further action on the part of the City.

2. **Successors.** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. **Term.** The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 1, 2035 or on such earlier date upon which the aggregate sum of Payments made to the Company equals the Maximum Payment Total.


4. **Choice of Law.** This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Company have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF WINTERSET, IOWA

By: 
Mayor

Attest:



City Clerk

FS AGRILAND, INC.

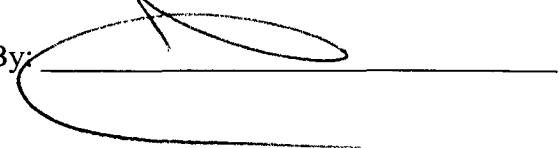
By: 

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

[Insert Legal Description]

EXHIBIT B

SITE PLAN

EXHIBIT C
COMPANY'S ESTIMATE WORKSHEET

- (1) Date of Preparation: October _____, 20____.
- (2) Taxable Valuation of Property as of January 1, 20____:
\$ _____.
- (3) Base Taxable Valuation of Property for purposes of Agreement:
\$ _____.
- (4) Incremental Taxable Valuation of Property (2 minus 3):
\$ _____ (the "TIF Value").
- (5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the "Adjusted Levy Rate"):
\$ _____ per thousand of value.
- (6) The TIF Value (4) factored by the Adjusted Levy Rate (5).
\$ _____ x \$ _____ /1000 = \$ _____ (the "TIF Estimate")
- (7) TIF Estimate (\$ _____ x Annual Percentage* (_____ %) = Company's Estimate (\$ _____).

<u>Fiscal Year of City</u>	<u>Annual Percentage</u>
First through Third Payment Years	50%
Fourth through Sixth Payment Years	75%
Seventh through Twelfth Payment Years	100%

Yárd Extras

- #1 - (1) Tank - Pressure 30,000 Gallons, Built 1970
- #2 - (1) WD DOCK - 6X28 Quantity=168.00, Units=Square Feet, Height=0, Built 1992
- #3 - (1) Tank - Containment Area 516 Square Feet, R'Conc. Wall, Average Pricing, Built 1976
- #4 - (1) Tank - Containment Area 1,560 Square Feet, R'Conc. Floor, Average Pricing, Built 1976
- #5 - (2) Tank - Fertilizer Vert. Steel-Single, 22,000 Gal, Built 1976
- #6 - (4) Tank - Small Bulk Stainless Steel Single, 2,500 Gal, Built 1976
- #7 - (1) Tank - Fertilizer Vert. Steel-Single, 15,000 Gal, Built 1976
- #8 - (1) Tank - Fertilizer Stainless Steel Single, 1,000 Gal, Built 1976
- #9 - (1) Tank - Fertilizer Stainless Steel Single, 10,000 Gal, Built 1976
- #10 - (1) Tank - Containment Area 748 Square Feet, Spill Pads, Average Pricing, Built 1976
- #11 - (1) Tank - Small Bulk Horz Stl-Dual w/Saddles, 12,000 Gal, Built 1992
- #12 - (1) Tank - Piping and Metering 1 # of Tanks, High Pricing, Built 1992
- #13 - (1) Scale - Truck 36 Length, 15 Width, Readout=Yes, 60 Tons, Built 2011
- #14 - (1) Canopy - Lighted 864 SF, Steel, Average Pricing, Built 1992
- #15 - (1) Paving - Asphalt 17,600 SF, Asphalt Parking, Average Pricing, Built 1976
- #16 - (1) Paving - Concrete 7,000 SF, Concrete Parking, Average Pricing, Built 1976
- #17 - (3) Yard Lighting - Sodium/Halide 1 Poles, 25 Pole Ht, 1 Lights, 400 Watts, Built 1976
- #18 - (1) Shed W20.00 x L20.00 400 SF, Metal, Average Pricing, Built 1992

Sales

Date	Seller	Buyer	Recording	Sale Condition - NUTC	Type	Multi Parcel	Amount
12/19/2016	CITY OF WINTERSET	AGRILAND FS, INC.	B2016 P3907	Sale to/by Government/Exempt Organization	Deed		\$5,289.00
1/1/1900	ROLLING HILLS F S INC		B 35 P 659	Unuseable Sale - Other	Deed		\$0.00

⊕ There are other parcels involved in one or more of the above sales:
Recording: B2016 P3907 - Parcel: 820007200094000
Recording: B 35 P 659 - Parcel: 820007200070000

Valuation

	2020	2019	2018
+ Land	\$104,500	\$104,500	\$101,200
+ Exempt	\$0	\$0	\$0
+ Bldgs	\$543,300	\$257,600	\$257,600
= Total Assessed Value	\$647,800	\$362,100	\$358,800

Taxation

	2019 Pay 2020-2021	2018 Pay 2019-2020
Classification	Commercial	Commercial
Taxable Value	\$325,890	\$322,920
x Levy Rate (per \$1000 of value)	43.54823	43.57587
= Gross Taxes Due	\$14,191.93	\$14,071.52
- Credits	(\$3,344.36)	(\$3,629.72)
= Net Taxes Due	\$10,848.00	\$10,442.00

Due to Iowa House Bill 2382 we are no longer able to provide information related to property tax credits on real estate properties

Tax History

Year	Due Date	Amount	Paid	Date Paid	Receipt
2019	March 2021	\$5,424	No		13690
	September 2020	\$5,424	Yes	2020-09-22	
2018	March 2020	\$5,221	Yes	2020-03-18	13656
	September 2019	\$5,221	Yes	2019-09-13	

Photos

Beacon™ Madison County, IA

Summary

Parcel ID 821005100050000
 Alternate ID
 Property Address
 Sec/Twp/Rng 0-0-0
 Brief Legal Description W 1/2 LOT 5 PLAT 2 BELLAMY ADDN
 (Note: Not to be used on legal documents)
 Document(s) DED: 2007-1129 (2007-03-20)
 Gross Acres 4.23
 Exempt Acres N/A
 Net Acres 4.23
 CSR N/A
 Class C - Commercial
 (Note: This is for tax purposes only. Not to be used for zoning.)
 Tax District WINT CORP RENEW WINT FRMY 101 WFD
 School District WINTERSET SCH



Owners

Primary Owner (Deed Holder)	Secondary Owner	Mailing Address
AgriLand Fs, Inc. 421 N 10th St Winterset, IA 50273		

Land

Lot Area 4.24 Acres ; 184,694 SF

Commercial Buildings

Building 1: Metal Office, Mtl/ Stl/ Insul (=>100' Wide), 1 Story, Built - 2007, 10000 SF, Bsmt - 0 SF, HVAC - Combination FHA - AC, Roof - Metal/ Stl/ Insul (=>100' Wide), Condition - Above Normal

Plumbing: 2 - Toilet Room, 2 - Water Closet, 2 - Lavatory, 2 - Urinal - Wall, 1 - Sink-Kitchen
Building Extras: #1- Bank - Vault, Record - C'Blk, 165 SF, 2007, Qty1
 #2- Bank - Record Vault Door, 3 Hour Rating, 2007, Qty1
 #3- FINISHED WALKWAY-15X45, Quantity=675.00, Units=Square Feet, Height=0, 2007, Qty1

Building 2: Metal Warehouse - Steel Frame, Mtl/ Stl/ Insul (80'-99' Wide), 1 Story, Built - 2007, 11200 SF, Bsmt - 0 SF, Roof - Metal/ Stl/ Insul (80'-99' Wide), Condition - Normal

Building Extras: #1- Door, O.H. Door - Power, 8 Ft Wide, 10 Ft High, 2007, Qty1
 #2- Door, O.H. Door - Manual, 8 Ft Wide, 10 Ft High, 2007, Qty1
 #3- Door, Steel Roll - Manual, 6 Ft Wide, 7 Ft High, 2007, Qty1
 #4- Dock Leveler Edge, Mechanical, 2007, Qty1
 #5- ATT MTL/STL PASSAGE CONC RAMP, Quantity=675.00, Units=Square Feet, Height=12, 2007, Qty1
 #6- ATT MTL/STL PASSAGE-16X20, Quantity=320.00, Units=Square Feet, Height=8, 2007, Qty1
 #7- INT SPILL FLR ADJUSTMENT, Quantity=11,200.00, Units=Square Feet, Height=0, 2007, Qty1

Building 3: Metal Office, 1 Story, Built - 2019, 10000 SF, Bsmt - 0 SF, Condition - Normal

Yard Extras

#1 - (1) Paving 31,200 SF, Concrete Parking, High Pricing, Built 2007

Sales

Date	Seller	Buyer	Recording	Sale Condition - NUTC	Type	Multi Parcel	Amount
3/20/2007	MADISON COUNTY DEVELOPMENT GROUP AKA WINTERSET INCENTIVE NETWORK	AGRILAND FS, INC.	B 2007 P 1129	Vacant Lots	Deed		\$63,450.00

Valuation

	2020	2019	2018	2017	2016
+ Land	\$103,000	\$103,000	\$103,000	\$103,000	\$103,000
+ Bldgs	\$966,000	\$854,200	\$854,200	\$854,200	\$857,100
= Total Assessed Value	\$1,069,000	\$957,200	\$957,200	\$957,200	\$960,100

- 10 -