

Date November 5, 2012

RESOLUTION OF INTENT TO VOLUNTARILY LIMIT THE LEVY FOR THE
INGERSOLL GRAND SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the City of Des Moines has received a Petition requesting the City establish the Ingersoll Grand Self-Supported Municipal Improvement District (hereinafter referred to as the "Ingersoll Grand SSMID") within an area along the Ingersoll Avenue corridor between Martin Luther King Jr. Parkway and 40th Street and along the Grand Avenue corridor between Martin Luther King Jr. Parkway and 28th Street; and,

WHEREAS, the Petition allows for the levy of a Combined Capital Improvement and Operation Tax and the levy of a Debt Service Tax, not to exceed an aggregate rate of \$2.25 per thousand dollars (\$1,000) of taxable value of the property within the District in any one year, in addition to all other taxes; and,

WHEREAS, the Petition anticipates the designation of an organization to serve as the Ingersoll Grand Self-Supported Municipal Improvement District Advisory Board (hereinafter referred to as the "SSMID Board"), which is to submit to the City Council no later than October 1st of each year, a proposed budget for the District showing, in general terms, proposed expenditures from the Combined Capital Improvement and Operation Fund and any other funds available for such purposes, for the fiscal year beginning on the next July 1; and,

WHEREAS, the Petition further provides that any proposal to acquire, construct or install improvements to be financed with the proceeds of bonds payable from the Debt Service Tax shall be submitted to the SSMID Board for its report and recommendation at least 30 days prior to the date of the public hearing before the City Council of the City Council where the issuance of such bonds is considered for approval; and,

WHEREAS, the Petition further provides: "In the use of the proceeds of the Combined Capital Improvement and Operation Tax, priority shall be given to the payment of, or reimbursement of the City for the payment of, the incremental costs incurred by the City for the operation, maintenance and repair of the Improvements, above the costs the City would otherwise have incurred for the operation, maintenance and repair of standard sidewalks and streetscape improvements"; and,

WHEREAS, under Iowa law, the City Council has final authority with regard to the levy of the Combined Capital Improvement and Operation Tax and of the Debt Service Tax, subject to the limitations imposed by the Petition and by Iowa Code Chapter 386; and,

WHEREAS, the City Council desires to declare and memorialize its intentions regarding the use of the Combined Capital Improvement and Operation Tax and the Debt Service Tax levied within the Ingersoll Grand SSMID.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. That the following statements are hereby approved and adopted as a declaration of the City Council's intentions regarding the use of the Combined Capital Improvement and Operation Tax and the Debt Service Tax levied within the Ingersoll Grand Self-Supported Municipal Improvement District if such district is hereafter established:
 - a) While a maximum aggregate levy rate of \$2.25 per thousand dollars (\$1,000) of taxable value is permitted by the Petition, the City Council will endeavor to minimize the levy annually upon review of the budget submitted by the SSMID Board.

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- b) As required by the terms of the Petition, priority will be given to the use of the proceeds of the Combined Capital Improvement and Operation Tax for the payment of, or reimbursement of the City for the payment of, the incremental costs incurred by the City for the operation, maintenance and repair of the existing and planned future streetscape improvements, above the costs the City would otherwise have incurred for the operation, maintenance and repair of standard sidewalks and streetscape improvements.
 - c) The City will not diminish the type and extent of governmental services provided within the Ingersoll Grand SSMID, nor will it seek to transfer the cost of providing such services from the general fund or the Capital Improvement Program to the Combined Capital Improvement and Operation Tax or the Debt Service Tax.
 - d) The total amount of funds which would be derived from the annual levy of the Combined Capital Improvement and Operation Tax if the Ingersoll Grand SSMID were not located within the Ingersoll-Grand Commercial Urban Renewal Area tax increment financing district will be made available annually for the undertakings authorized by the Petition, notwithstanding the fact that a portion of the Combined Capital Improvement and Operation Tax revenues may be captured by tax increment financing district. The City Council will take all actions necessary to accomplish this intent, including, if necessary, allocation to those undertakings of a portion of the incremental property taxes captured by such tax increment financing district, but only to the extent permitted by applicable law.
2. The City Council hereby reserves judgment on the sufficiency of the Petition and the merits and feasibility of the District until receipt of the report and recommendation of the City Plan and Zoning Commission.

MOVED by Hensley to adopt.

FORM APPROVED:
Roger K Brown
 Roger K. Brown
 Assistant City Attorney

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* Mayor Cownie declares a conflict of interest and abstains from voting.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
* COWNIE				
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	6			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

T. M. Franklin Cownie Mayor

Diane Rauh City Clerk