N Item # 1B
Date: 9/14/26

RESOLUTION NO. 031 (2026/2027)

RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY NUISANCE PROPERTY AND ABANDONED BUILDING REMEDIATION PROGRAM

WHEREAS, the City of Nevada, Iowa ("City") supports the remediation and redevelopment of vacant and underutilized properties within the community; and

WHEREAS, the proposed project involves the property generally known as the Burke property, located in Nevada, Iowa, and more particularly described in Exhibit A attached hereto ("Property"); and

WHEREAS, upon completion of the necessary property transfer, the proposed project is anticipated to include demolition of the existing vacant building and related improvements, site clearance and preparation, and subsequent redevelopment of the Property for residential purposes; and

WHEREAS, the current redevelopment concept anticipates approximately eight residential lots for new single-family or duplex homes, subject to final engineering, platting, zoning, infrastructure, and other applicable requirements; and

WHEREAS, the City proposes to submit an application to the Iowa Economic Development Authority ("IEDA") through the Nuisance Property and Abandoned Building Remediation Program requesting financial assistance in an amount not to exceed $250,000 for eligible project costs; and

WHEREAS, the requested IEDA financing is anticipated to be structured as a forgivable loan or similar financing arrangement, with the final terms and conditions of repayment and forgiveness to be established by IEDA if financial assistance is awarded; and

WHEREAS, the City and Nevada Economic Development Council ("NEDC") have proposed a separate Development and Funding Agreement establishing their respective responsibilities for the IEDA financing, project costs, demolition and site clearance, compliance, repayment obligations, and subsequent redevelopment of the Property; and

WHEREAS, the City Council finds that submission of the application and implementation of the proposed project are in the best interests of the City of Nevada.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEVADA, IOWA:

Section 1. The City Council hereby supports the proposed remediation and redevelopment plan for the Property, contingent upon completion of the necessary property transfer and satisfaction of applicable project requirements.

Section 2. The City Council hereby authorizes submission of an application to IEDA through the Nuisance Property and Abandoned Building Remediation Program requesting financial assistance in an amount not to exceed $250,000.

Section 3. If financial assistance is awarded, the City is authorized to accept such assistance and comply with the repayment and forgiveness terms established by IEDA, subject to the allocation of responsibilities between the City and NEDC as provided in the Development and Funding Agreement approved by the City.

Section 4. The Mayor, City Administrator, City Clerk, and other appropriate City officials are hereby authorized to execute and submit such application documents and take such actions as may be necessary to carry out the purposes of this Resolution.

Passed and approved the 14th day of September, 2026.

____
Ryan Condon, Mayor

Attest:

____
Erin Mousel, City Clerk

Moved by Council Member __, seconded by Council Member __, that Resolution No. 031 (2026/2027) be adopted.

AYES: __
NAYS: __
ABSENT: __

The Mayor declared Resolution No. 031 (2026/2027) adopted.

I hereby certify that the foregoing is a true copy of a record of the adoption of Resolution No. 031 (2026/2027) at the regular Council Meeting of the City of Nevada, Iowa, held on the 14th day of September, 2026.

____
Erin Mousel, City Clerk

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DEVELOPMENT AGREEMENT

This Development and Funding Agreement ("Agreement") is entered into as of ____________, 2026, by and between the **City of Nevada, Iowa**, an Iowa municipal corporation ("City"), and **Nevada Economic Development Council, Inc.** ("NEDC").

RECITALS

WHEREAS, property generally known as the **Burke property**, located in Nevada, Iowa, and more particularly described in **Exhibit A** attached hereto ("Property"), is proposed for demolition, site clearance, and subsequent residential redevelopment; and

WHEREAS, the City and NEDC desire to facilitate the removal of the existing building and related improvements and prepare the Property for future residential development; and

WHEREAS, the current redevelopment concept anticipates the creation of approximately **eight residential lots for new single-family homes**, subject to final engineering, platting, zoning, infrastructure, and other applicable requirements; and

WHEREAS, funding in an amount not to exceed **$250,000** may be available through the Iowa Economic Development Authority ("IEDA") in the form of forgivable financing to assist with demolition, site clearance, and related eligible project costs; and

WHEREAS, the City will serve as the applicant and recipient of the IEDA financing but is intended to function primarily as a **pass-through entity** for purposes of facilitating the project; and

WHEREAS, The City's willingness to serve as the applicant and recipient is conditioned upon NEDC's agreement to (i) fully protect the City from any financial obligations associated with project costs exceeding the IEDA funding, (ii) protect the City from financial loss should any portion of the IEDA financing ultimately not be forgiven due to actions, omissions, or project obligations attributable to NEDC, and (iii) be solely responsible for all project performance and compliance obligations; and

WHEREAS, the parties desire to clearly establish their respective responsibilities throughout the demolition, redevelopment, and IEDA compliance periods.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein, the parties agree as follows:

1. Purpose

The purpose of this Agreement is to establish the responsibilities of the City and NEDC regarding:

1. Application for and administration of IEDA financing;

2. Demolition and site clearance of the Property;
3. Payment of project costs;
4. Compliance with IEDA requirements;
5. Repayment obligations if IEDA financing is not forgiven; and
6. Subsequent redevelopment of the Property for residential purposes.

This Agreement is for the benefit of the parties only and creates no rights in any third party, including any developer, contractor, lender or property owner.

2. IEDA Application and City as Pass-Through Entity

The City shall serve as the applicant for the applicable IEDA financing and, if awarded, shall enter into the necessary agreements with IEDA.

The parties acknowledge that the City's participation is intended primarily to facilitate access to the IEDA financing and that the City is acting as a **pass-through entity** for the benefit of the project. NEDC acknowledges that the City is not a co-sponsor, co-developer, or guarantor of project success.

NEDC shall cooperate fully with the City in preparing the application and administering the financing and shall provide all information, certifications, financial documentation, redevelopment information, and other materials reasonably requested by the City or IEDA.

Nothing in this Agreement shall require the City to provide financial support for the project beyond the amount actually received from IEDA, except as separately authorized by the City Council. Specifically, nothing in this Agreement obligates the City to advance funds, incur debt, or make any appropriation.

3. IEDA Financing

The anticipated IEDA financing is in an amount of up to Two Hundred Fifty Thousand Dollars ($250,000).

The parties understand that the financing is anticipated to be structured as a forgivable loan or similar financing arrangement and that forgiveness may be subject to continued compliance with IEDA requirements for a period that may extend beyond completion of the demolition work.

The City shall submit eligible expenses to IEDA for reimbursement in accordance with the applicable IEDA agreement and program requirements.

The City does not guarantee that:

- IEDA will award the full $250,000;
- every project expense will be deemed eligible by IEDA;
- IEDA will reimburse every expense submitted; or
- the financing will ultimately be forgiven.

NEDC acknowledges and accepts these risks as provided further in this Agreement. NEDC acknowledges that IEDA determinations are final for purposes of this Agreement.

4. Demolition and Site Clearance

NEDC shall be responsible for coordinating and/or contracting for the demolition of the existing building and associated site-clearance activities in accordance with applicable procurement requirements, environmental requirements, IEDA requirements, and applicable local, state, and federal laws.

Eligible demolition and site-development costs may include, to the extent approved by IEDA:

- Building demolition;
- Removal and disposal of demolition materials;
- Removal of pavement or other improvements;
- Site clearing;
- Grading;
- Environmental or regulatory work associated with demolition;
- Utility disconnections or modifications;
- Site preparation; and
- Other expenses approved by IEDA.

NEDC shall be solely responsible for selecting, contracting with, and managing contractors and consultants, and for all contractor performance, safety, and compliance. NEDC shall obtain and pay for all permits, approvals, and inspections required for the work and shall comply with all applicable laws.

The City may, but is not obligated to, pay approved project invoices and thereafter submit the applicable costs to IEDA for reimbursement.

5. Maximum City Financial Participation

The City's financial participation in demolition and site-clearance costs shall be limited to the amount of IEDA funds actually awarded, received, and available for reimbursement, anticipated not to exceed $250,000.

The City shall not be obligated to use General Fund revenues, property tax revenues, utility revenues, bond proceeds, or other City resources to cover costs exceeding the IEDA award unless separately approved by the City Council.

6. Costs Exceeding Amount Awarded by IEDA or $250,000

NEDC shall be responsible for all project costs including any amounts exceeding $250,000, or such lesser amount as may ultimately be awarded and reimbursed by IEDA.

If total eligible and necessary project costs exceed the amount available from IEDA, NEDC shall provide the additional funding necessary to complete the demolition and site-clearance work.

Upon receipt of documentation from the City identifying such costs, NEDC shall reimburse the City within ninety (90) days, unless another payment arrangement is approved in writing by the City.

The City shall have no obligation to proceed with work exceeding available IEDA funding unless NEDC has demonstrated, to the City's reasonable satisfaction, that adequate funds are available to pay those additional costs.

7. Expenses Determined Ineligible by IEDA

If the City incurs an expense reasonably related to the approved project but IEDA subsequently determines that the expense is not eligible for reimbursement, NEDC shall reimburse the City for that expense unless the expense resulted solely from an unauthorized action of the City.

NEDC shall make such reimbursement within thirty (30) days following written notice from the City.

8. Repayment if IEDA Financing Is Not Forgiven

If any portion of the IEDA financing is required to be repaid, recaptured, or otherwise returned to IEDA, **NEDC shall reimburse the City for the amount the City is required to repay**, together with any applicable interest, penalties, fees, or other charges, to the extent the repayment obligation arises from:

- Failure to satisfy project requirements;
- Failure to complete required redevelopment activities;
- Failure to maintain required documentation;
- Actions or omissions of NEDC;
- Failure by NEDC or a subsequent developer to comply with applicable IEDA requirements;
- Failure to satisfy representations made as part of the IEDA application or financing agreement; or

- Any other project-related condition within NEDC's control.

If repayment is caused solely by the City's failure to perform an obligation that was expressly assigned to the City under this Agreement, NEDC shall not be responsible for that portion of the repayment.

This provision intends that the City shall not incur a financial loss as a result of serving as applicant and pass-through entity for the IEDA financing when the repayment obligation relates to NEDC's responsibilities or the redevelopment of the Property.

9. NEDC Financial Responsibility

NEDC shall provide the financial support necessary to satisfy its obligations under this Agreement, including:

- Project costs exceeding available IEDA funding;
- Expenses determined ineligible for IEDA reimbursement where required under this Agreement;
- Repayment obligations attributable to NEDC;
- Costs associated with subsequent residential redevelopment;
- Professional fees attributable to NEDC's redevelopment activities; and
- Other expenses expressly assigned to NEDC under this Agreement.

NEDC shall provide reasonable evidence of its ability to meet these obligations upon request by the City, including audited financial statements, current financials, and proof of committed funding sources.

10. Residential Redevelopment

Following demolition and site clearance, NEDC intends to coordinate redevelopment of the Property for residential purposes.

The current concept anticipates eight (8) residential lots intended for new single-family or Duplex homes—three (3) of which shall be LMI-qualified. NEDC shall be solely responsible for ensuring any LMI/affordability requirements are satisfied.

The parties acknowledge that the final number, size, and configuration of residential lots may change based upon:

- Final engineering;
- Surveying;
- Platting requirements;
- Utility availability;

- Street and infrastructure requirements;
- Zoning requirements;
- Market conditions; and
- City approval requirements.

Nothing in this Agreement constitutes approval of a subdivision plat, zoning change, site plan, building permit, or other regulatory approval otherwise required by law.

11. NEDC Responsibility for Redevelopment

NEDC shall be responsible for coordinating the subsequent residential redevelopment of the Property.

Such responsibilities may include:

- Developer recruitment;
- Lot disposition;
- Coordination with homebuilders;
- Platting and surveying;
- Engineering;
- Site planning;
- Coordination of private development;
- Marketing;
- Financing; and
- Other activities necessary to transition the Property from a cleared site to residential development.

Any future City participation in public infrastructure, incentives, land disposition, or other redevelopment costs shall require separate City Council approval and a separate written agreement executed by the City.

12. IEDA Reporting and Compliance

Because the City will be the formal applicant and recipient of the IEDA financing, NEDC shall provide the City with all documentation reasonably necessary to meet IEDA reporting and compliance requirements.

NEDC shall provide requested information in sufficient time for the City to meet all applicable deadlines.

Required information may include:

- Invoices;

- Proof of payment;
- Contracts;
- Redevelopment documentation;
- Construction information;
- Property ownership information;
- Photographs;
- Financial records;
- Certifications;
- Development progress reports;
- Housing information; and
- Other records required by IEDA.

NEDC shall maintain records associated with the project for the period required by IEDA and shall provide those records to the City upon request.

13. Cooperation During IEDA Financing Term

The obligations of NEDC related to IEDA compliance shall continue for the entire term of the City's agreement with IEDA, including any period during which the financing remains subject to repayment or recapture.

NEDC shall cooperate with the City in responding to:

- IEDA monitoring;
- Audits;
- Reporting requests;
- Compliance reviews;
- Site inspections; and
- Requests for supplemental information.

This obligation shall survive completion of demolition and transfer or redevelopment of the Property to the extent necessary to satisfy outstanding IEDA requirements.

14. Notice of Potential Noncompliance

NEDC shall notify the City within five (5) business days if it becomes aware of any circumstance that could reasonably:

- Cause the project to fall out of compliance with IEDA requirements;
- Delay redevelopment;
- Result in repayment or recapture of IEDA funds;
- Prevent completion of an obligation contained in the IEDA financing agreement; or

- Materially affect the City's obligations to IEDA.

The parties shall cooperate in attempting to resolve the issue before it results in a repayment or compliance violation.

15. Default

NEDC shall be considered in default under this Agreement if it:

- Fails to make a required payment to the City;
- Fails to provide required documentation;
- Fails to satisfy an obligation that causes the City to become noncompliant with IEDA requirements;
- Materially breaches any other provision of this Agreement; or
- Makes a materially false representation related to the project.

Except when immediate action is required by IEDA or applicable law, the City shall provide written notice of default and provide NEDC ninety (90) days to cure the default.

If the default cannot reasonably be cured within ninety days, NEDC may receive additional time provided it begins corrective action within the initial cure period and diligently pursues completion.

16. City Remedies

If NEDC fails to cure a default, the City may pursue any remedies available at law or equity, including recovery of amounts owed by NEDC under this Agreement. In addition, the City may (i) withhold submissions to IEDA, (ii) suspend participation, (iii) offset amounts owed against any amounts otherwise payable, and (iv) recover the City's administrative costs and reasonable attorney fees.

The City's remedies are cumulative and the exercise of one remedy shall not prevent the City from pursuing another.

17. Indemnification

To the extent permitted by law, NEDC agrees to indemnify and hold the City harmless from financial claims, repayment obligations, penalties, or losses arising from NEDC's failure to perform its obligations under this Agreement, including claims by contractors, subcontractors, employees, or third parties arising out of the demolition, site conditions, environmental matters, or redevelopment activities.

This provision does not require NEDC to indemnify the City for damages caused solely by the negligent or wrongful acts of the City.

18. No Partnership or Joint Venture

Nothing in this Agreement shall be construed as creating a partnership, joint venture, or agency relationship between the City and NEDC.

Each party shall remain responsible for its respective obligations as provided herein.

The City's role as applicant or pass-through recipient of IEDA funding shall not make the City responsible for NEDC's redevelopment activities except as expressly provided in this Agreement.

19. Term

This Agreement shall become effective upon execution by both parties and shall remain in effect until:

1. All demolition and site-clearance activities are complete;
2. All City and NEDC payment obligations have been satisfied;
3. All applicable IEDA compliance periods have expired;
4. The IEDA financing has been fully forgiven or otherwise satisfied; and
5. No outstanding reimbursement, repayment, reporting, or compliance obligations remain.

Any provision that by its nature is intended to survive expiration of this Agreement, including reimbursement and repayment obligations, shall remain enforceable until satisfied.

20. Amendment

This Agreement may only be amended by written agreement approved and executed by both parties.

Any amendment affecting the City's financial obligations shall be subject to approval by the Nevada City Council.

21. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa.

22. Entire Agreement

This Agreement constitutes the entire agreement between the City and NEDC concerning the subjects addressed herein and supersedes any prior oral or written understandings regarding the allocation of responsibilities for the IEDA financing and project costs. In the event of a conflict between this Agreement and any NEDC document or developer agreement, this Agreement controls as between the City and NEDC.

23. Assignment

NEDC shall not assign this Agreement or delegate any of its duties without the City's prior written consent, which may be withheld in the City's sole discretion.

CITY OF NEVADA, IOWA

By: ______________________________
Mayor

Date: ____________________________

Attest:

By: ______________________________
City Clerk

NEVADA ECONOMIC DEVELOPMENT COUNCIL (NEDC)

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: ____________________________

Exhibit A

[insert legal description]

EXHIBIT A – LEGAL DESCRIPTION OF PROPERTY

The legal description of the Property is as follows:

[TO BE CONFIRMED BY TITLE COMMITMENT]

Parcel	Description	Tax Legal	Approx. Area
1107435100	Empty lot on NW corner of 11th Street D Avenue	Highland Park Add Lots 1, 2, & 3, Blk 1 (Sec-Twp-Rng 07-83-22)	0.60 Acres
1107435200	Lot located on SW corner of 11th Street D Avenue, and building located thereon	Highland Park Add Parcel A Lots 1-5 & 8' Alley Adj Blk 6 (Sec-Twp-Rng 07-83-22)	1.04 Acres