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**Iowa City
City Council - Formal Agenda
Regular Formal Meeting
February 3, 2026 - 6:00 PM
Emma J. Harvat Hall
410 E. Washington St.**



www.icgov.org

City of Iowa City Land Acknowledgment can be found at:
icgov.org/landacknowledgement

Meeting Rules can be found at: icgov.org/meetingrules

You can watch the meeting on cable channel 4 (118.2 QAM) in Iowa City, University Heights and Coralville, or you can watch it online at any of the following websites:

- <https://citychannel4.com/live>
- <https://www.youtube.com/user/citychannel4/live>
- <https://facebook.com/CityofIowaCity>

In order to encourage greater input from the public, the Iowa City Council intends to offer the opportunity to participate in the meeting remotely. However, this meeting is an in-person meeting. In the event of technological problems, the meeting will continue in-person, so those wishing to ensure their ability to participate should attend the meeting in-person.

If you wish instead to participate remotely, you may attempt to do so by joining the meeting via Zoom by going to the link below to visit the Zoom meeting's registration page and submit the required information.

Once the registration is complete, you will receive an email message with a link to join the meeting. If you are asked for a meeting or webinar ID, enter the ID number found in the email.

If you have no computer or smartphone, or a computer without a microphone, you can call in by phone by dialing (312) 626-6799 and entering the meeting ID below when prompted.

Zoom link: https://us06web.zoom.us/webinar/register/WN_cfjv1drbRPOenK_F8Fk9Jg
Meeting ID: 851 6804 3456

If you wish to use presentation materials with your comments, please provide them to the City Clerk at kgrace@iowa-city.org at least 24 hours before the meeting. Your materials will be presented for you.

Public Comment for items on the agenda:

Council cannot engage in discussion or debate until the appropriate time for Council discussion. However, once the commenter has left the podium, Council may ask staff to respond to a concern or question posed by the public, or to follow up with the speaker.

1. Call to Order
2. Proclamations
 - 2.a [Black History Month](#)
3. Consent Calendar - Approval of Council Actions (subject to corrections, as recommended by the City Clerk)
 - 3.a [Work Session Minutes: January 20](#)
 - 3.b [Formal Summary of Minutes: January 20](#)
4. Consent Calendar - Receive and File Minutes
 - 4.a [Housing & Community Development Commission: December 15](#)
 - 4.b [Library Board of Trustees: December 18](#)
 - 4.c [Public Art Advisory Committee: December 4](#)
 - 4.d [Senior Center Commission: October 23](#)
5. Consent Calendar - Permit Motions and Resolution (as recommended by the City Clerk)
 - 5.a Liquor License - Renewal [Council approval of a liquor license does not imply approval of associated Sidewalk Cafes and Rooftop Patios; separate staff approval is required for each.]
 1. Class C Retail Alcohol License for Blazin Wings Inc. (LC0031682), dba Buffalo Wild Wings, 201 S. Clinton St. Ste 120
 2. Class C Retail Alcohol License for Iowa Ave. Hospitality (LC0050751), dba Giddy Up, 118 S. Clinton St.
6. Consent Calendar - Resolutions and Motions
 - 6.a December 2025 Disbursements
Motion to approve disbursements in the amount of \$13,372,851.54 for the period of December 1 through December 31, 2025, as recommended by the Finance Director subject to audit. Disbursements are published and permanently retained in the City Clerk's office in accordance with State.
 - 6.b [28E Agreement for Tobacco Enforcement](#)
Resolution authorizing the City Manager to sign a 28E Agreement with the Iowa Department of Revenue for tobacco and vapor products enforcement.

Comment: The Iowa Dept. of Revenue is authorized to provide enforcement for

Iowa's tobacco and vapor products laws and is willing to provide funding to the City for FY26 for engaging in tobacco and vapor products compliance checks at retail businesses. This resolution approves an agreement whereby the Dept. of Revenue will pay the City \$75 per compliance check. This is substantially similar to previous agreements for tobacco compliance checks.

6.c [Rescind Resolution No. 25-192](#)

Resolution rescinding Resolution No. 25-192 authorizing conveyance of the eastern approximate one-half of Outlot C in Iowa City Industrial Campus.

Comment: Resolution No. 25-192 authorized the conveyance of the eastern approximate one-half of Outlot C of the Iowa City Industrial Campus pursuant to a purchase agreement with PJP Holdings, LLC. Subsequently PJP Holdings, LLC terminated the purchase agreement during its due diligence period consistent with the terms of said agreement. This resolution rescinds the City's approval of the purchase agreement and direction to City staff to close the transaction.

6.d [Final Plat - Cardinal Pointe West - Part Five](#)

Resolution Approving Final Plat of Cardinal Pointe West - Part Five, a Resubdivision of Outlot E of Cardinal Pointe West First Addition, Iowa City, Iowa. (SUB25-0007)

Comment: Staff recommends approval of the final plat of Cardinal Pointe West – Part Five, subject to approval of the construction documents and the legal papers. It is anticipated that the construction documents and legal papers will be approved prior to the February 3 City Council meeting. Approval will result in the creation of 19 residential lots.

6.e [\\$3,000,000 Taxable Sewer Revenue Capital Loan Note Authorization Resolution](#)

Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City of Iowa City, Iowa, Under the Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes.

Comment: This resolution authorizes the issuance of the \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B.

6.f [\\$31,941,000 Sewer Revenue Capital Loan Note Authorization Resolution](#)

Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, of the City of Iowa City, Iowa, Under the Provisions of the City Code of Iowa, and Providing for a Method of Payment of Said Notes; Approval of the Tax Exemption Certificate.

Comment: This resolution authorizes the issuance of the \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A and the approval of the Tax Exemption Certificate.

7. Consent Calendar - Setting Public Hearings

7.a **Setting Bond Public Hearing - \$22,000,000 General Obligation Bonds**

Resolution Fixing Date for a Meeting on the Proposition of the Issuance of Not to Exceed \$22,000,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For Essential Corporate Purposes), and Providing for Publication of Notice Thereof.

Comment: This resolution sets a public hearing for 6:00pm on February 17, 2026 to receive public comment regarding issuance of up to \$22,000,000 General Obligation Bonds and authorizes the City Clerk to publish notice of hearing.

7.b **Setting Bond Public Hearing - \$1,300,000 General Obligation Bonds**

Resolution fixing date for a meeting on the proposition of the issuance of not to exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (for general corporate purposes) and providing for publication of notice thereof.

Comment: This resolution sets a public hearing for 6:00 pm on February 17th, 2026 to receive public comment regarding issuance of up to \$1,300,000 General Obligation Bonds and authorizes the City Clerk to publish notice of hearing.

7.c **Setting Bond Public Hearing - \$1,300,000 General Obligation Bonds**

Resolution fixing date for a meeting on the proposition of the issuance of not to exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (for general corporate purposes) and providing for publication of notice thereof.

Comment: This resolution sets a public hearing for 6:00 pm on February 17, 2026 to receive public comment regarding issuance of up to \$1,300,000 General Obligation Bonds and authorizes the City Clerk to publish notice of hearing.

End of Consent Calendar

8. Community Comment [items not on the agenda (until 7 PM)]

Public comment is intended so that members of the public may be heard by Council. Because Community Comment is for items not properly noticed on the agenda, Council cannot engage in discussion or debate due to open meetings laws.

Only in-person comments will be allowed for Community Comment. Public comment for specific agenda items, which must be directly related to that agenda item, may be made in-person or remotely.

Individuals will be provided 3 minutes to speak. The Community Comment period will end at 7:00 p.m. unless an extension is needed to meet a minimum 30 minutes of total time allocated for the Community Comment period.

The Mayor reserves the right to reduce the 3 minute period based on the number of individuals desiring to speak. Additional comments can be sent to the City Council via council@iowa-city.org or through the City Clerk's Office.

9. Planning & Zoning Matters

9.a [Zoning Code Text Amendment - State Preemptions](#)

Ordinance amending Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units. (REZ25-0015) (Second Consideration)

Comment: At its December 17 meeting, the Planning and Zoning Commission recommended approval of this text amendment by a vote of 5-1 (Townsend in the negative). Adoption of the text amendment would bring the zoning code into alignment with state law. Staff is requesting expedited action.

10. Regular Formal Agenda

10.a [City Park Shelter Replacement Project](#)

Resolution approving project manual and estimate of cost for the construction of the City Park Shelter Replacement Project, establishing amount of bid security to accompany each bid, directing City Clerk to post notice to bidders, and fixing time and place for receipt of bids.

Comment: This agenda item begins the bidding process for the construction of the City Park Shelter Replacement Project. The estimated cost of construction is \$1,300,000 available in the City Park Shelters & Restroom Replacement account #R4358.

1. Public Hearing
2. Consider a Resolution

10.b [Termination of Lower Muscatine TIF District](#)

Ordinance repealing Ordinance No. 04-4024 providing for the division of taxes levied on taxable property in the Lower Muscatine Road & Highway 6 Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to Section 403.19 of the Code of Iowa (Termination of the Lower Muscatine Road & Highway 6 TIF District). (First Consideration)

Comment: Ordinance No. 02-4024 established the Lower Muscatine Road & Highway 6 TIF District by providing for the division of taxes levied on taxable property in the Lower Muscatine Road & Highway 6 Urban Renewal Area under Section 403.19 of the Code of Iowa. To date, no debt has ever been certified on the District so no statutory sunset is pending. However, since no increment was ever collected on the District and the City does not anticipate future use of the District, staff recommends terminating the TIF District. A separate resolution for consideration at the time of the final reading of this Ordinance will terminate the Lower Muscatine Road & Highway 6 Urban Renewal Area and repeal the Lower Muscatine Road & Highway 6 Urban Renewal Plan.

10.c [Termination of Industrial Park Road TIF District](#)

Ordinance repealing Ordinance Nos. 02-4025 providing for the division of taxes levied on taxable property in the Industrial Park Road Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to Section 403.19 of the Code of Iowa (Termination of the Industrial Park Road TIF District). (First Consideration)

Comment: Ordinance Nos. 02-4025 established the Industrial Park Road TIF District by providing for the division of taxes levied on taxable property in the Industrial Park Road Urban Renewal Area under Section 403.19 of the Code of Iowa. To date, no debt has ever been certified on the District so no statutory sunset is pending. However, since no increment was ever collected on the District and the City does not anticipate future use of the District, staff recommends terminating the TIF District. A separate resolution for consideration at the time of the final reading of this Ordinance will terminate the Industrial Park Road Urban Renewal Area and repeal the Industrial Park Road Urban Renewal Plan.

10.d **Assessment Schedule**

Resolution adopting an assessment schedule of unpaid mowing, clean-up of property, snow removal, sidewalk repair, and stop box repair charges and directing the Clerk to certify the same to the Johnson County Treasurer for collection in the same manner as property taxes.

Comment: The City has the authority under Iowa Code §364.13B to assess the nuisance abatement costs in the same manner as a property tax. This resolution allows the City Clerk to certify to the Johnson County Treasurer the abatement cost to be assessed against the property. This assessment is being pursued only after the City took many steps to resolve the matter. The City notified the owners to abate the nuisance (for example, to remove snow from the sidewalk) and after the owner did not take action to abate the nuisance, the City abated the nuisance and billed the owner. After being billed at least twice, these owners still have not paid the abatement costs. The City has sent a letter to the owner giving them notice that this resolution would be on the agenda, a copy of which is attached to the resolution. No interest will be charged if the owner pays within 30 days of the first required publication. Attached as an exhibit to the resolution is a list of the properties that will be assessed and the amount that will be assessed.

11. **Announcement of Vacancies - New** (**The Boards, Commissions and Committee Application can be found at the following: <https://www.icgov.org/government/boards-commissions-and-committees/boards-commissions-and-committee-application>**)

11.a **Announcement of Vacancies - New**

Historic Preservation Commission - One vacancy for an East College St representative to fill an unexpired term, upon appointment - June 30, 2027 (Ryan Russell resigned). Correspondence included in Council Packet.

Applications must be received by 5:00 p.m., Tuesday, March 31, 2026.

12. **Announcement of Vacancies - Previous** (**The Boards, Commissions and Committee Application can be found at the following: <https://www.icgov.org/government/boards-commissions-and-committees/boards-commissions-and-committee-application>**)

12.a **Announcement of Vacancies - Previous**

Civil Service Commission - One vacancy to fill a four-year term, April 6, 2026 - March 31, 2030 (Term expires for Ashley Jennings).

Human Rights Commission - One vacancy to fill an unexpired term, upon

appointment - December 31, 2026 (Liz Mendez-Shannon resigned).

Library Board of Trustees - One vacancy to fill an unexpired term, upon appointment - June 30, 2031 (Kalmia Strong resigned).

Applications must be received by 5:00 p.m., Tuesday, March 3, 2026.

Airport Zoning Board of Adjustment - One vacancy to fill a five-year term, January 1, 2026 - December 31, 2030 (Term expires for Andreas Wilz).

Airport Zoning Board of Adjustment - One vacancy to fill a five-year term, January 1, 2024 - December 31, 2028 (Term expired for Heather Flynn).

Board of Appeals - One vacancy for a Licensed Electrician to fill a five-year term, January 1, 2026 - December 31, 2030 (Term expires for Gt Karr). (If a qualified trade representative does not submit an application within three (3) months of the announcement of the vacancy, a member may be appointed who is qualified by experience and training to pass on matters pertaining to building construction).

Board of Appeals - One vacancy for an HVAC Professional to fill an unexpired term, upon appointment - December 31, 2028 (Nicolas Yost resigned). (If a qualified trade representative does not submit an application within three (3) months of the announcement of the vacancy, a member may be appointed who is qualified by experience and training to pass on matters pertaining to building construction).

Historic Preservation Commission - One vacancy for a Brown St representative to fill a three-year term, July 1, 2025 - June 30, 2028 (Term expired for Christina Welu-Reynolds).

Historic Preservation Commission - One vacancy for a Jefferson St representative to fill a three-year term, July 1, 2025 - June 30, 2028 (Formerly advertised as an unexpired term and a full term - Lyndi Kiple resigned).

Historic Preservation Commission - One vacancy for a Woodlawn Ave representative to fill a three-year term, July 1, 2024 - June 30, 2027 (formerly advertised as unexpired term - Kevin Larson resigned).

Vacancies will remain open until filled.

13. City Council Information

14. Report on Items from City Staff

- City Manager's Office
- City Attorney
- City Clerk

15. Adjourn



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Black History Month

Attachments: [Black History Month proclamation](#)



City of Iowa City PROCLAMATION

Whereas, the City of Iowa City recognizes the significance of Black History Month, a time to honor and celebrate the rich cultural heritage, achievements, and contributions of African Americans to our city, state, and nation; and

Whereas, African Americans have been integral to the development and progress of Iowa City from pioneering community leaders to contemporary innovators, artists, educators, and public servants; and

Whereas, Black History Month serves as a reminder of the enduring struggle for civil rights and social justice, acknowledging the historical and ongoing challenges faced by African Americans and their resilience in the face of adversity; and

Whereas, it is imperative to educate our community, especially the younger generations, about the pivotal role African Americans have played in shaping our society, and to foster an inclusive environment that celebrates diversity and equality; and

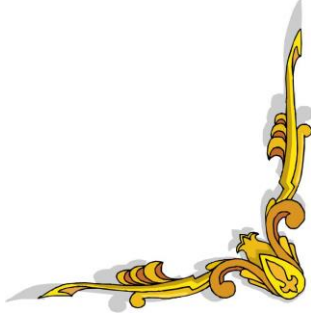

Whereas, the City of Iowa City is committed to promoting equity, understanding, and unity among all its residents, and to ensuring that the contributions of African Americans are recognized, appreciated, and celebrated.

Now, Therefore, I, Bruce Teague, Mayor of the City of Iowa City, do hereby proclaim the month of February 2026 to be

Black History Month

in Iowa City, and encourage all residents to join in celebrating the achievements and contributions of African Americans. Let us engage in meaningful activities, educational events, and community discussions that honor the legacy of Black History and inspire a future of equality and justice for all.

Mayor
Signed in Iowa City, Iowa,
this 3rd day of February 2026.





CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Work Session Minutes: January 20

Attachments: [Work Session Minutes: January 20](#)



CITY OF IOWA CITY MEMORANDUM

Date: January 27, 2026

To: Mayor and City Council

From: Kellie Grace, City Clerk

Re: Council Work Session, January 20, 2026 – 4:00 p.m. at City Hall in Emma J Harvat Hall

Council: Alter, Bergus, Harmsen, Moe, Salih, Teague, Weilein

Staff: Fruin, O'Brien, Lehmann, Goers, Grace, Caro, Knoche, Sovers, Kilburg, Hightshoe, Ralston, Seydell Johnson

(A transcription is available in the City Clerk's Office and the City website.)

1. University of Iowa Student Government (USG) Updates

Eden Coy, USG Alternate Liaison, presented updates.

2. Clarification of Agenda Items

- [11.b]... Alcohol License Suspension Hearing – Fieldhouse Bar & Grill ... Councilor Moe acknowledged the supplemental packet containing correspondence.

3. Information Packet Discussion [January 8, January 15]

- January 8
 1. (IP3 – Downtown City Gardens: 2025 Annual Report to Iowa City) Councilor Weilein highlighted the report and shared comments received from the public.
 2. (IP2 – Memo from City Manager: Requested 2022 Strategic Plan Development Documents) Councilor Harmsen thanked staff for providing the requested information.
- January 15 – No discussion.

4. Review of City Council Pending Work Session Topics

City Manager Fruin noted the annual review helps Council add, remove, or reprioritize items after an election, even when membership has not changed. Maintaining a shorter, focused list was encouraged to better direct staff effort, and the list also signals Council priorities to the public. Individual Council members expressed their views. City Manager Fruin and City Attorney Goers provided additional information.

City Councilors reviewed the Pending Work Session List and made the following decisions:

- Predatory investors: Staff to provide a comprehensive memo and present at a future work session and will work to retitle item to include balancing the action with encouraging ethical leasing practices. Item to remain.
- Regional transit: Councilor Bergus to discuss with Better Together 2030. Item to be removed from the list.
- Fun patrol: Council noted alignment of recent and future city activities. Item to be removed from the list.

- Cost recovery: Staff will initiate a memo and schedule the work session at a future date. Item to remain.
- Board and Commission Appointment Process: Item to remain.
- License Plate Readers: Item to remain.
- Historic preservation incentives: Staff to prepare a memo to Council on incentives (maintenance and landmarking), as well as guideline review. Item to remain.
- University of Iowa update: Item to remain.
- Happy Hollow sidewalk: Project is scheduled in the CIP and will be reviewed during the budget deliberations. Staff will share details as design progresses. Item to be removed.
- Low Income Utility Discount: Councilors Salih and Bergus to explore a cost neutral change in approach and return to Council. Item to remain.
- Post CPRB outreach plans: Item to be removed.
- Strategic Plan Prioritization: Council indicated a desire for a facilitated discussion post FY27 Budget adoption. Item to remain.
- The Council agreed to add "Public Banking discussion" to the list.

Action: Staff will update the Pending List accordingly and it will be republished in the January 29th IP.

5. Council updates on assigned boards, commissions, and committees

Updates given during the formal meeting with item 15.

Adjourn 5:47 p.m.



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Formal Summary of Minutes: January 20

Attachments: [Formal Summary of Minutes: January 20](#)

**Summary of Minutes
January 20, 2026 - 6:05 PM**

Iowa City City Council formal meeting, held at City Hall - Emma J. Harvat Hall, 410 E. Washington St., Mayor Teague presiding. Council members present: Alter, Bergus, Harmsen, Moe, Salih, Teague, Weilein. Staff members present: Fruin, O'Brien, Lehmann, Goers, Grace, Caro, Seydell Johnson, Lyon, Gardner, Kilburg, Hightshoe, Sitzman, Sovers, Welter, Olsson, Craig, Schwickerath. USG: Martinez, Coy.

1. Call to Order

2. Proclamations

2.a World Hijab Day

Omnia Ahmed, Spogmai Mokhles, Fatima Yousif, and Viana Qadoura - Founder & Director Mariam Girls' Club, accepting.

3. Special Presentations

3.a Bird Friendly Iowa Dedication

Erica Place, Communications and Outreach Manager from Iowa Natural Heritage and Seth Dudley, presenting.

4. Consent Calendar - Approval of Council Actions (subject to corrections, as recommended by the City Clerk)

4.a Special Formal (8am) Summary of Minutes: January 6

4.b Work Session Minutes: January 6

4.c Formal Summary of Minutes: January 6

5. Consent Calendar - Receive and File Minutes

5.a Climate Action Commission: December 1

5.b Senior Center Commission: November 20

6. Consent Calendar - Permit Motions and Resolution (as recommended by the City Clerk)

6.a Liquor License – Renewal [Council approval of a liquor license does not imply approval of associated Sidewalk Cafes and Rooftop Patios; separate staff approval is required for each.]

- 1. Class C Retail Alcohol License for Motif LTD (LC0020888) (Sidewalk Cafe), dba Bo-James, 118 E. Washington St.**

2. **Class C Retail Alcohol License for Brothers of Iowa City, Inc., (LC0030395) (Outdoor Service Area), 125 S. Dubuque St.**
3. **Outdoor Service Area for Brothers of Iowa City, Inc., (LC0030395), 125 S. Dubuque St.**
4. **Class C Retail Alcohol License for Jobsite IC LLC (LC0043148) (Outdoor Service Area), Jobsite, 928 Maiden Ln.**
5. **Outdoor Service Area for Jobsite IC LLC (LC0043148) (Outdoor Service Area), Jobsite, 928 Maiden Ln.**

7. Consent Calendar - Resolutions and Motions

- 7.a **Resolution authorizing the City Manager to sign a 28E Agreement with the Iowa Department of Revenue for alcohol enforcement.**
(Resolution 26-12)
- 7.b **Resolution amending the budgeted positions in the Neighborhood Services and Housing Authority Divisions of the Neighborhood and Development Services Department by moving all Housing Authority positions from the Neighborhood Services Division to the Housing Authority Division and amending the Administrative, Confidential, and Executive pay plan.** (Resolution 26-13)
- 7.c **Resolution approving eligibility for a tax exemption on an improvement project on commercial property located at 2465 and 2485 Naples Avenue SW, Iowa City, Iowa, pursuant to the Highway Commercial Urban Revitalization Plan.** (Resolution 26-14)
- 7.d **Resolution supporting and approving the City's Revitalize Iowa's Sound Economy (RISE) grant application for the construction of an extension of Moss Ridge Road and an intersecting north-south street.** (Resolution 26-15)
- 7.e **Resolution approving Building Change grant agreement between the City of Iowa City, Iowa, and Lasansky Corporation (Recipient).** (Resolution 26-16)
- 7.f **Resolution approving Building Change grant agreement by and between the City of Iowa City, Iowa, and James Theater (Recipient).**
(Resolution 26-17)
- 7.g **Resolution approving Building Change grant agreement by and between the City of Iowa City, Iowa, and MERCI, LLC (Recipient).** (Resolution 26-18)
- 7.h **Resolution accepting the work for the 2025 Equalization Basin Joint Sealing Project.** (Resolution 26-19)
- 7.i **Resolution adopting the Statewide Urban Design and Specifications (SUDAS) Standard Specifications (2026 Edition), as revised by the SUDAS General Supplemental Specifications, and the revised City of Iowa City Supplemental Specifications (January 2026).** (Resolution 26-20)

7.j Resolution adopting the Statewide Urban Design and Specifications (SUDAS) Design Manual (2026 Edition), as revised by the SUDAS General Supplemental Design Standards and the revised City of Iowa City Design Supplement (January 2026). (Resolution 26-21)

8. Consent Calendar - Setting Public Hearings

8.a Resolution setting a public hearing on February 3rd, 2026, on project manual and estimate of cost for the construction of the City Park Shelter Replacement Project, directing City Clerk to publish notice of said hearing, and directing the City Engineer to place said project manual on file for public inspection. (Resolution 26-22)

8.b Resolution determining the necessity and setting dates of a consultation and a public hearing on a proposed Sycamore Urban Renewal Plan for a proposed Urban Renewal Area in the City of Iowa City, State of Iowa. (Resolution 26-23)

8.c Resolution determining the necessity and setting dates of a consultation and a public hearing on a proposed North Dodge & Scott Urban Renewal Plan for a proposed Urban Renewal Area in the City of Iowa City, State of Iowa. (Resolution 26-24)

End of Consent Calendar

Motion to approve consent calendar, items 4-8. Moved by Mazahir Salih, seconded by Laura Bergus. **Motion Passed. (7 Ayes)**

Motion to accept correspondence from Mackenzie DeRoo for items 8.b and 8.c. Moved by Oliver Weilein, seconded by Joshua Moe. **Motion Passed. (7 Ayes)**

9. Community Comment [items not on the agenda (until 7 PM)]

The following individuals appeared: Sidney Olman and Abby Banks.

10. Planning & Zoning Matters

10.a Ordinance amending Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units. (REZ25-0015)

Development Services Coordinator Sitzman presented a PowerPoint. City Attorney Goers provided additional information. City Council members asked questions and expressed their views.

Motion to give first consideration . Moved by Shawn Harmsen, seconded by Oliver Weilein. **Motion Passed. (7 Ayes)**

11. Regular Formal Agenda

11.a Resolution approving project manual and estimate of cost for the construction of the Iowa City Landfill Compost Facility Improvements and Expansion Project, establishing amount of bid security to accompany each bid, directing City Clerk to post notice to bidders, and fixing time and place for receipt of bids.

Senior Engineer Welter presented a PowerPoint. Individual Council members asked questions and expressed their views.

Motion to approve resolution 26-25. Moved by Megan Alter, seconded by Mazahir Salih. **Motion Passed. (7 Ayes)**

11.b Resolution finding The Fieldhouse Bar & Grill violated Section 4-2- 2(B) of the City Code by serving alcohol on floors other than the ground floor without qualifying for an exception allowing service and consumption on more than the ground floor and imposing a fourteen -day alcohol license suspension under City Code Sections 4-2-5(C)(1) and (C)(4).

Motion to accept correspondence from Attorney Eric Hartman. Moved by Joshua Moe, seconded by Mazahir Salih. **Motion Passed. (7 Ayes)**

Johnson County Assistant Attorney Van Compennolle presented information. Attorney Hartman for the permittee and Assistant City Attorney Craig each presented information regarding the request from the permittee for continuance. No motion was made by Council to continue the hearing.

Assistant City Attorney Craig presented information and Attorney Hartman for the permittee presented information and a PowerPoint regarding the resolution to impose a fourteen -day alcohol license suspension. The permittee, Tracy Barkalow, provided additional information. Individual Council members asked questions and expressed their views.

Motion to approve resolution 26-26. Moved by Shawn Harmsen, seconded by Laura Bergus. **Motion Passed. (7 Ayes)**

12. Council Appointments

12.a Public Art Advisory Committee: One vacancy to fill an unexpired term, upon appointment - December 31, 2027 (Rachel Kinker resigned).

Motion to appoint Stephanie Brunia . Moved by Mazahir Salih, seconded by Laura Bergus. **Motion Passed. (7 Ayes)**

13. Announcement of Vacancies - New (The Boards, Commissions and Committee Application can be found at the following: <https://www.icgov.org/government/boards-commissions-and-committees/boards-commissions-and-committee-application>)

13.a Civil Service Commission - One vacancy to fill a four-year term, April 6, 2026 - March 31, 2030 (Term expires for Ashley Jennings).

Human Rights Commission - One vacancy to fill an unexpired term, upon appointment - December 31, 2026 (Liz Mendez-Shannon resigned). Correspondence included in Council Packet.

Library Board of Trustees - One vacancy to fill an unexpired term, upon appointment - June 30, 2031 (Kalmia Strong resigned). Correspondence included in Council Packet.

Applications must be received by 5:00 p.m., Tuesday, March 3, 2026.

Motion to accept correspondence Liz Mendez-Shannon and Kalmia Strong .
Moved by Megan Alter, seconded by Mazahir Salih. **Motion Passed. (7 Ayes)**

14. Announcement of Vacancies - Previous (The Boards, Commissions and Committee Application can be found at the following: <https://www.icgov.org/government/boards-commissions-and-committees/boards-commissions-and-committee-application>)

14.a Airport Zoning Board of Adjustment - One vacancy to fill a five-year term, January 1, 2026 - December 31, 2030 (Term expires for Andreas Wilz).

Airport Zoning Board of Adjustment - One vacancy to fill a five- year term, January 1, 2024 - December 31, 2028 (Term expired for Heather Flynn).

Board of Appeals - One vacancy for a Licensed Electrician to fill a five-year term, January 1, 2026 - December 31, 2030 (Term expires for Gt Karr). (If a qualified trade representative does not submit an application within three (3) months of the announcement of the vacancy, a member may be appointed who is qualified by experience and training to pass on matters pertaining to building construction).

Board of Appeals - One vacancy for an HVAC Professional to fill an unexpired term, upon appointment - December 31, 2028 (Nicolas Yost resigned). (If a qualified trade representative does not submit an application within three (3) months of the announcement of the vacancy, a member may be appointed who is qualified by experience and training to pass on matters pertaining to building construction).

Historic Preservation Commission - One vacancy for a Brown St representative to fill a three-year term, July 1, 2025 - June 30, 2028 (Term expired for Christina Welu-Reynolds).

Historic Preservation Commission - One vacancy for a Jefferson St representative to fill a three -year term, July 1, 2025 - June 30, 2028 (Formerly advertised as an unexpired term and a full term - Lyndi Kiple resigned).

Historic Preservation Commission - One vacancy for a Woodlawn Ave representative to fill a three-year term, July 1, 2024 - June 30, 2027 (formerly advertised as unexpired term - Kevin Larson resigned).

Vacancies will remain open until filled.

15. City Council Information

Council members reported on various meetings attended, upcoming meetings, community events, and items of interest.

16. Report on Items from City Staff

17. Adjourn

Motion to adjourn 7:50 pm. Moved by Mazahir Salih, seconded by Megan Alter. **Motion Passed. (7 Ayes)**

Mayor

City Clerk



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Housing & Community Development Commission: December 15

Attachments: [Housing & Community Development Commission: December 15](#)

**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
DECEMBER 15, 2025 – 5:30 PM
FORMAL MEETING
EMMA J. HARVAT HALL, CITY HALL**

MEMBERS PRESENT: Marcelo Aruani, Maryann Dennis (via zoom), Amos Kiche, Stacy Kiser, Sarah Murray, Thomas Rocklin, Kyle Vogel

MEMBERS ABSENT:

STAFF PRESENT: Brianna Thul, Stan Laverman

OTHERS PRESENT: Nicki Ross (Table to Table), Emily Meister (United Way)

CALL MEETING TO ORDER:

Vogel called the meeting to order at 5:30 PM.

CONSIDERATION OF MEETING MINUTES: NOVEMBER 17, 2025:

Kiser moved to approve the minutes of November 17, 2025. Rocklin seconded the motion. A vote was taken and the minutes were approved 7-0.

PUBLIC COMMENT FOR TOPICS NOT ON THE AGENDA:

None.

HOUSING INSPECTIONS OVERVIEW:

Stan Laverman (Senior Housing Inspector) stated he has been employed by the City for over 20 years, he started out as an intern and then began working for the City in finance, in the utility department, and then has worked progressive jobs through Neighborhood Development Services. He has worked as a scheduler for the inspectors, worked as an inspector, and now oversees the housing inspection work group. They have five inspectors that handle systematic rental inspections, inspections for the Housing Authority, and then any housing complaints that they get. In addition to the five inspectors, they have two inspectors that are dedicated directly for code enforcement - items such as tall grass and weeds, snow on sidewalks, or cars parked where they're not supposed to. They also still have one scheduler that helps assist the inspectors get the schedule out.

Laverman stated they deal with over 2500 complaints a year in the City. Currently they're dealing with snow on sidewalks but in other seasons, tall grass and weeds, trees encroaching on the sidewalk or on the road, etc. All 2500 complaints are generated by the public, however, if they out on a snow complaint on a street and there's others, they'll cite those as well, but they do start out with a complaint that's generated by a community member.

The Housing Authority has over 2000 vouchers, and they do all the inspections. Every time someone moves into a new unit, they have to do an inspection, and then biannually they do follow up inspections to make sure everything's okay. Laverman noted that's not just in Iowa City, but all of Johnson County, half of Washington County, and half of Iowa County. In Iowa City they are currently sitting at over 20,000 rental units that encompasses 41,387 bedrooms which is 4474 rental licenses. Those can be single family homes, duplexes, townhomes, or multifamily all throughout the City. He noted they license the structure,

not the landlord, so if the property has a license, and that property sells, that license can go with the property.

Vogel asked if a duplex is owned by two individual owners, then both those owners share one license. Laverman confirmed that was correct.

Vogel asked if they are fully staffed right now. Laverman stated they are fully staffed, and they have had some turnover in the past couple years so four of his five inspectors have under two years of experience, which has led to some growing pains, but they have competent people and having new inspectors can mean a fresh set of eyes on a property. He noted one of his new inspectors came from a property management background and another came from a different inspection field.

Vogel stated in the past a lot of the city inspectors have left rental inspection to move into building inspection. Is that an issue because it feels like that's more of a horizontal move and rental inspection is just as important as any other aspect of the inspection departments and licensing and permitting so is that a concern. Does the City pay rental inspectors less than or equal to building inspector salaries? Laverman acknowledged it is a concern. During the last period of turnover, he found himself doing more inspections than he had in the past. He noted the inspection climate has changed in 15 years. He was surprised at the housekeeping standards when he was doing inspections this summer and is unsure what that means but there was a shocking difference from 15 years ago in just the cleanliness and the amount of stuff that people had. Laverman thinks inspecting new construction or remodeling is a lot cleaner. They're dealing with contractors and builders that they get to know over time and have a better opportunity to build a relationship. He also noted that it can be uncomfortable going into people's homes on a daily basis and seeing how people live. Those aspects of humanity can be tiring for staff.

Rocklin asked how long a typical inspection takes. Laverman stated it can vary. In a multifamily unit it can be five minutes to 15 minutes. There's a routine and they're looking for very basic items: are the walls there, the windows there, outlet covers, checking outlets to make sure they're grounded properly, looking under the sink for a water leak, etc. If it's a clean unit, they can get through it quickly. He acknowledged people live in these properties and they are guests there, but if they have to move a bunch of stuff to verify that things are being maintained and in compliance it can take a while. For example, where is the fire extinguisher? Typically they're under the sinks but need to be mounted, and there's times they're in different places. Laverman stated they are on a cycle with smoke alarms where there's currently not a lot to check, but in 2008 it was required to have smoke alarms in bedrooms and smoke alarms are good for 10 years, so in 2028 they're going to have to verify how old all the smoke alarms are. They also inspect the exteriors and again with well-maintained properties it's easy to do a visual inspection and see everything's fine, but with other properties where there may be deferred maintenance it is harder and they don't want to miss anything because they've had some instances where say staircases on multi-families have failed and people have gotten hurt, so they want to be diligent.

Rocklin asked what proportion of the inspections result in a violation. Laverman responded stating they get through at least half of them easily as they are dealing with property managers and owners that understand what the inspectors are looking for and they have went there ahead of time and done a pre inspection to make sure things were taken care of. He added that they're in an inspection cycle where they haven't brought anything new in for a while. In previous years they implemented radon testing and mitigation in single family and duplexes so that led to some higher violations. He also noted they don't do all the inspections at a certain time. It's systematically throughout the year and most of what they're doing is pretty redundant and people know what the inspectors are looking for. Missing smoke alarms are very common.

Vogel asked if Laverman has any major code changes he would like to see implemented. Laverman reiterated that in 2028 they're going to go to sealed batteries for smoke alarms as a requirement mandated from the State. It was decided to wait and implement it on the cycle where it makes sense, as opposed to having people change out smoke alarms that are newer when they can be changed out at 10 years. In newer construction, fault breakers are required in bedrooms but he doesn't see them implementing that retroactive like they did for GFCIs in kitchens and baths.

Vogel asked if Laverman has an estimate of how many unlicensed rental units still exist in the City. Laverman confirmed they may have some single families out there that are operating unlicensed. Those tend to be caught in snow season when people aren't shoveling their walks and it's noted that the tax records address is different from the property address. Vogel asked if they get the mailing address off the assessor's site or where. Laverman stated they can use that site, but there's other things they can use too like utility records and things like that. He noted it would be nice to be able to go through the City utility records and do a comparison as they get all the inspectors up to speed. That will be one of those things they do and make sure that they have everybody in compliance. He added the State has done some interesting things as well with short term rentals. They've essentially said that anywhere residential is allowed, short term is allowed but they still have to be registered. Technically, it's not a permit because the City can't charge an additional fee for that, but they are registering them just so they have that information on file. Even though the City is not getting paid for that inspection, it's an important part of community safety to make sure that the short term stays in the community have been looked at and meet basic housing codes such as having smoke alarms and fire extinguishers and they're putting people in habitable areas.

Kiche was wondering if the City has a regulation on reporting on data to just make sure they are complying to the State. He noted they are really short staffed. It would be nice to have someone to make recommendations. Someone to look for loopholes and problems and see where there are patterns of violations, and in which areas of the City, etc. Laverman stated they are pretty efficient in what they do. In looking at their staffing in comparison to other communities, they're actually probably the leader in that area. Compared to other college towns in Iowa and other cities of this size, they are well staffed. He noted when they had the change in the occupancy standards in 2018, they added an additional inspector so he doesn't think that staffing is an issue. Staff turnover and training new staff is always a hurdle but once they get through that he feels confident they can handle the workload. As far as reporting, the State does require that jurisdictions over 20,000 people have a systematic rental inspection program but that's as far as they go. There's not any reporting standard for violations or inspection schedules. Laverman added Iowa City is by far has the most robust inspection schedule in the State and are probably in properties two, if not three times as often as the neighboring jurisdictions.

Kiche asked about the scheduling and if the property owners are well informed in advance of an inspection or is it random. Laverman explained it is systematic, so they have an idea of when it expires. There is a grace period, but the permit holder knows when the inspector is coming. However, since they also respond to complaints from community members regarding things that aren't being taken care of, it can be random as they investigate those complaints as well.

Murray asked what's the average turnaround time from a complaint to compliance. Laverman stated that they'd like to have things done in 30 days.

Kiser noted she works in a different county where a few years ago there was a multifamily building that collapsed that resulted in death and a lot of destruction. After that, the city had come in and closed down various multifamily buildings after failed inspections that were a surprise to nonprofits. As part of a group of various nonprofits that work in housing, when those buildings closed there were many people that were left unhoused. She questioned if they could somehow communicate with the City to make sure they know these things are happening ahead of time if the landlord isn't taking care of issues. Then they can help to ensure that people aren't just displaced. Is there anything like that in Johnson County, or how does that communication flow? Laverman noted they are pretty fortunate that the Iowa City housing stock is a lot better than other areas, and the fact that Iowa City multifamily buildings are inspected every two years is helpful. He noted there was an older building on Summit Street that a wall fell off and they had to evacuate tenants, but it was like four units, so not a large multifamily building. He doesn't anticipate that they will be in that situation in Iowa City.

In regard to the communication question, there isn't a notification where, say they are on reinspection number three and they have given a placard, would they will also reach out to Shelter House to give a head's up? Laverman confirmed no. For example, entities like Dolphin Lake Point Enclave, that would

probably be the best example of where they were nearing a time to make drastic measures to bring those buildings into compliance. There were years of deferred maintenance, boilers that were not functioning, etc. Luckily, a company came in and purchased the property but then quickly sold it to someone who renovated it. However, the City was making provisions to work with the nonprofit community, because there were multiple clients on assistance in those buildings. They also had taken the step of not allowing any additional vouchers in those buildings because they were having such a hard time maintaining them. So, it wasn't direct notice, per se, but the nonprofit community had a good idea of the issue.

Kiche noted two years ago there was an issue raised by a community member about the mobile units. The complaint was about tenants often getting a lot of threats from property owners or landlords whenever a tenant complained or something that was broken needed to be fixed, or something that looks like a violation and the tenant raised that issue. He noted this usually tends to occur where mostly immigrants live. Laverman responded that mobile homes are an interesting situation in that typically the tenant has some sort of ownership in the mobile home itself. They are usually sold on contract, so technically they don't require a rental license because the lot rent alone does not trigger a rental license. It becomes a very precarious situation for low-income tenants or low-income owners of mobile homes, because the City regulations really don't offer them the protection that they think they have sometimes. In some cases they actually end up being responsible for the maintenance of their own property. Iowa City has a housing code and can technically go into any property, but the owner of the unit itself would be responsible for the maintenance, not the mobile home lot owner.

Kiche noted the complaints raised were about the grounds - maybe yard, sewage, or things like that. Laverman stated in that case, looking at the housing code and the regulation of private property - that would be a private property situation and there's not a lot of requirements for maintenance of concrete. Iowa City Marketplace, for example, the parking lot over there has potholes that can be atrocious but there isn't a City code to come in and tell that out-of-state landlord or out-of-state owner they need to be filling the potholes that community members are driving through to get to businesses there. That would be the same thing in mobile home parks.

Kiche asked why that area has been left as a gap. Laverman noted mobile home park owners have a very strong presence at the State level and a very strong lobby. They're very resistant to any additional regulations and locally they are under the State regulations.

Kiche feels that's an issue the Commission probably needs to look into seriously and talk about, probably in collaboration with the private sector housing units and work on that as a community, because those people sometimes feel really neglected and yet they need the safety and protection which is being afforded to other people in the in the City.

Laverman clarified if someone is renting a mobile home from an owner of a mobile home, they are protected under the City's rental permit, but most of those owners structure it as a contract to sell so then it's not covered.

Kiche asked about the procedure for raising a complaint with the City. Laverman stated there's multiple ways to do it. On the City's website there's a tab to report a concern, and that puts it into their tracking software, IC Gov Express, which offers a lot of accountability to those who are complaining, and also to staff, because that creates a permanent record of the complaint that's made. They can always call the office and raise a complaint by talking to an individual inspector. They take anonymous complaints as well. The inspectors then work in multiple ways to address the issues. They work with landlords who have complaints about tenants and their behavior. They work to create solutions in response to what they're seeing in the community.

Murray asked about when the heat goes out in a unit that is being rented. Is giving the tenant a space heater adequate and is it considered safe? Laverman stated the code is very broad in that way and it talks about reasonable amount of time to correct an issue. They are seeing more issues with heating and air conditioning equipment so if he was ever looking at a code change, it might be something that would require documentation of heating and air conditioning equipment service periodically. However, the

problem with these types of ordinances can be things like who is a qualified individual to provide the service, what do they mean by service, etc. Additionally, as housing stock ages, what is a reasonable expectation of repair, especially with supply chain issues currently.

Murray noted she heard a lot from people in the community in the last couple of weeks with the deep, cold. They are going out and using space heaters and really having to depend on that for heat. Laverman acknowledged they had a couple large buildings that lost their boiler in the last week, and those are not systems that can be replaced in a day. He noted space heaters are never ideal and that there's different types of space heaters. Older ones with the electric toaster coil that glows are definitely terrible, but the radiator style is relatively safe. He also noted there is a draw on the electrical system, which leads to other problems.

Vogel stated he has been working with Laverman for 25 years and he has always done an incredible job of outreach to the Apartment Association and local landlords. Laverman attends the Greater Iowa City Apartment Association meeting pretty much every month and keeps landlords updated on things that are changing and what needs to change. It's been a good relationship. Vogel also noted that up until not even a year and a half ago, Coralville only had complaint based rental permit review, meaning unless someone called and complained - there was no systematic review of rental permits. North Liberty just started theirs maybe two years ago, and even then, it's two people in the office. Tiffin does not have anything created yet nor does West Branch and these are all growth areas for rental property. Vogel has always been very appreciative of the work Laverman and his staff does.

OVERVIEW OF THE FOOD ACCESS NETWORK AND LOCAL RESPONSE TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) BENEFITS DISRUPTIONS:

Nicki Ross (Executive Director, Table to Table) and Emily Meister (Director of Community Impact and Engagement, United Way of Johnson and Washington Counties) are present as a follow up to a presentation they gave about a month ago to City Council regarding the SNAP disruption at that time. Meister noted \$1.7 million per month is what the SNAP benefit amount is for Johnson County. The benefits have been reinstated now, but the impacts have continued, and they'll talk a little bit about that tonight. The other goal tonight is just to tell them what the community's response looked like and how the infrastructure that already exists helped inform that response and make it more effective.

Ross started by describing the situation that happened with SNAP in November. During the government shutdown, they chose not to fund SNAP in November and while there was some talk about it for a couple of weeks, organizations had about five days' notice of that happening. Therefore, all the food pantries and hot meal sites and other ways of feeding folks were expecting a big influx at the loss of those SNAP dollars. They did see an immediate increase in pantry use, and that actually started the last week of October as folks anticipated losing their benefits. There was some confusion about whether even the benefit that was already on the card from October would remain, or if it would be gone for purchasing. That was cleared up at the last minute, but there was quite a bit of concern. The other thing to know is that in general SNAP benefits often don't last families the whole month anyway. Food pantries often see an increase in need toward the end of the month, as folks are filling that gap. Ross stated they were able to collect data that showed they had an increase in the last week of October and the first two weeks of November. SNAP benefits were reinstated and paid toward the last of those three weeks, toward the end of that second week in November. During the disruption time, they saw a 24% increase in the number of visits to food pantries, a sometimes 100% increase in number of the usage of meal sites (AGAPE and the Free Lunch Program), and with that 24% increase in pantry visits, the partners distributed about 55,000 pounds more food in just those three weeks than they had the previous year. This was due to families traveling from farther away for assistance. She stated that is definitely a thing that they face here in Johnson County, is supporting more regionally, just because food access supports in other communities just aren't as available. They saw the greatest increase in outside pantry use in North Liberty, likely because of where it's located. Additionally, they saw households making difficult tradeoffs and maybe not getting their utilities paid on time or their rent paid on time and so now they are experiencing an ongoing financial recovery, because when benefits are paid on to a SNAP card that doesn't retroactively pay the rent or utilities. Therefore, they predict they'll continue to see an increase in the number of people utilizing

food pantries as they try to reallocate whatever dollars they might have had for food to basic housing assistance. She is unsure when they can expect that to level off.

Ross stated the other thing that got totally hidden and overlooked by the SNAP crisis is that they were already expecting significant changes to SNAP eligibility starting on November 1 and now one of the things that's been a bit muddled is what did they see because of the SNAP benefits not being paid out, and what did they see because benefits were no longer available to folks who are legal residents. A lot of the folks on SNAP benefits are refugees or asylees or other legal residents who were once eligible for SNAP but as of November 1 are not. Those folks did not regain their benefits, and they'll continue to have to utilize these supports.

Ross stated because the SNAP disruptions created a cascading impact that extended well beyond food access alone, they are here today to talk about how they worked together through United Way and the COAD. She noted this level of response, to meet a 24% increase in two and a half weeks, is an incredible feat that the community helped respond to but also was largely due to the collaboration of the Food Access Network. Table to Table is a food rescue organization that collects food from around the County that grocery stores would otherwise dispose, and they get it to their partners. They provide, depending on the partner, between 50% and 60% of the food that they're going to distribute and as part of that have such great relationships with all 47 different organizations. Table to Table has hosted what was for a long time called a peer group of the pantries and meal sites to just meet up regularly and work out challenges. In January when some of the things from the federal government started coming down in terms of changes that were affecting their operation, things like limitations for USDA Foods that they had access to, the community partners suggested they need to do something more formal and be able have a contingency plan for the loss of USDA Foods, SNAP benefit loss, all of those things. So in January they formalized a standing network of food pantries and food access organizations from across the County. There are currently 18 and they're looking to grow that to other organizations who might also be doing this work. The Food Access Network was able to react during the SNAP disruption and offered real time partner led insight into the needs and the gaps that were happening. They worked together to solve that, and were able to align efforts really quickly and reduce duplication. The network worked because it existed before the crisis, and it's grounded in day-to-day service delivery.

Meister added the Food Access Network success is not just because it already existed, but because it is provider led and the 18 organizations that are a part of the Food Access Network are the organizations that are doing the work and interacting with the individuals that are impacted on a daily basis. Regarding COAD, which stands for Community Organizations Active in Disaster - the Johnson County COAD is led by United Way but supported by many organizations. Meister noted they recently developed a leadership structure within the COAD that allows for other organizations to participate and really be key in decision making and share some of the responsibility and also the decision making which includes providers in various sectors. The COAD has existed in Johnson County since the major floods in 2008 but like many things that when not utilized for many years, kind of falls off. So they've spent quite a bit of time in the last couple of years trying to re-engage this group and she encourages elected officials and commission members to join these meetings, because they're a great way to stay plugged in into what the community's response looks like in the event of any type of disaster. Meister noted they are most accustomed to responding to weather events like a tornado, or a house fire but as Ross shared about five days before November 1 is when it became pretty clear and official that SNAP benefits would not be distributed to community members and that is a different kind of crisis. It's a public health crisis. It's also an enormous strain on the local Food Access Network to figure out how to meet this public health emergency when people no longer know how to get food.

Ross added that 10,080 people are enrolled in SNAP benefits, so in regard to the scale of the other kinds of disasters COAD has responded to, it's significant. Meister stated in any disaster there's the immediate response that is safety, to get people out of harm's way, but the longer and most difficult aspect of responding to disasters are the long-term recovery humanitarian needs, food and shelter being at the top of that list. With this crisis they needed to respond quickly and significantly as a community so the Johnson County COAD was asked by the Food Access Network to help amplify their response. As Ross stated with the Food Access Network it worked because it already existed and that's the same philosophy

and goal of the COAD. The group meets on a quarterly basis with committees operating in between to ensure that they have plans. They're well connected, and everybody is already working together so that they're ready when something happens. Because Johnson County Food Access Network was already in existence, that meant a United Way representative, or someone from COAD wasn't reaching out to 18 different food access organizations in Johnson County and trying to figure out how to align those goals. They had already done the work to figure out what are the common things that they need and can agree on, and ways that the community can support. Some of the things that they did was launch a Food Access Network fund at United Way and shared that widely in the community for businesses and individuals to donate to, waived any administration fees so that 100% of those funds would go back to the network for bulk food purchasing. Ross added that because they knew SNAP benefits were at risk the Network had already identified food sourcing as a high need item and had developed an allocation strategy. They weren't put in a place where United Way had to divide the money up amongst agencies, it was done collectively.

Meister confirmed it didn't become another grant process, which is something they wouldn't have been able to stand up so quickly. They also offered, upon request, to coordinate food drives and there was many individuals and businesses in the community who responded and reached out directly to food pantries or other food access organizations and ran drives for them. But if there were larger entities who wanted to do something really big, COAD offered to coordinate that and take on the communication so that it wouldn't be the responsibility of the organizations, and then Table to Table offered to do the delivery. They were able to reduce administrative time for organizations and also allow access for those smaller organizations that people are less aware of and aren't doing drives for. These multiple access points throughout the community are vitally important and this coordination made it so they can receive a manageable amount for their organization. Again, that's the work that Table to Table does every day in their food rescue so they were able to lend that logistical skill to this process.

Meister noted messaging is also really important in a time like this and one of the first messages that was sent out from COAD to the community partners is to support organizations that already exist and are established in food access. Oftentimes, when there's an emergency, there are a lot of different efforts that are very well intentioned but sometimes are moving in so many different directions that it can make it actually more difficult for individuals who need support to find it. So it was encouraged through multiple channels to give support reach out to COAD. She also stated a really important piece is not to pretend that there might not be gaps. They're not going to say only support this existing fund and if you see a gap pretend you don't see it - that's not effective. But it is important to work together, join in with United Way as the COAD and the collective, so they can address the gap in the community together and more strategically, rather than creating a lot of competing agendas.

Dennis asked with the Food Access Network and the changes in the SNAP program, have they also seen impact of the ending of AmeriCorps? Ross confirmed yes, the Food Access Network does rely quite a bit on AmeriCorps and there were some lawsuits around some of the losses of AmeriCorps so some of that was reinstated. AmeriCorps are a really good connection to make, because one of their duties is to respond during the disaster although she is not sure the federal government would have considered SNAP benefits not being paid a disaster, since it was of their own making.

Meister noted it still wasn't perfect and the establishment of creating the Johnson County Food Access Network or the COAD is not easy work. It takes a lot of time and a lot of consistent energy to develop trust and relationships and align goals. Programs like AmeriCorps or other supports can make that kind of work possible and is extremely valuable from a community wide perspective, but often not as visible.

Ross stated in the end they raised somewhere around \$50,000 for food purchasing as it related to the SNAP crisis. They also had a huge amount of food drives. They are continuing to use those funds and that food to respond to the ongoing challenge. One thing she wanted to also draw their attention to is they are using what they saw happen in November as a planning mechanism at the Food Access Network knowing there is a risk of a much larger scale with some of the budget bill and some other changes happening at the federal level with SNAP. It's going to be putting more costs on the State to run the SNAP program, and they are unsure on the outcomes of that if the State declines to absorb those costs

and can't meet some of those administrative requirements. So part of the response, from the very beginning, was a mechanism to look at what they might be facing in the future. Ross noted that is what the whole role of the COAD is as a disaster response is to see what is happening now, figure out how to respond to it, and how to respond in the future. Typically in a crisis, like housing, the floods or tornadoes and things- those agencies responding to the housing crisis are both responsible for the on the ground response - the communication, the coordination, the volunteer collaboration, and all of that. This was the first opportunity to have COAD manage so much of that so the partners were able to just focus so heavily on what was happening on the ground. The community crisis services, food bank, all of their staff was at the pantry doing distribution, sorting through those food drive foods in a way that doubled the amount of food they were sending out the door. So not only did they have an increase in visits, but they were able to focus on getting that food out at a high capacity,

Kiche noted the problem started as a political issue so what was the extent to which they are engaged with representatives at the state and federal level, and what plans do they have, if at all, to engage with them in any way about these issues that affect the communities they're representing? He asked if there is any discussion because their organizations are the best way of measuring food insecurity, and to track the extent to which these communities are suffering. Ross stated that is actually one of the roles of the Food Access Network, a community engagement and advocacy component. In the last three or four months, they have hosted multiple tours of legislators and other types of as much personal conversation as they can get, to try to put a face to their constituents and the decisions being made. The work and the data they collect is an indicator, however, another really important thing to know is that some of those federal sources of data are going away or are not as reliable as they used to be so they are relying more and more on local networks to understand what is happening and trying to describe the need. They ask volunteers to help share the message and since July have sent out a public message about the budget bill and the impacts it would have. They hosted a press conference that got nine news agencies to attend for a 30 minute conference - many of them just posted the whole thing. They have utilized commissioners, elected officials, and the community members to push out the messaging and are working to get it pushed out even further beyond local. She noted this is an environment where, maybe not locally, but that nonprofits are definitely being devalued on a larger scale so that is a worry on how voices are heard, and the folks doing the direct work.

Kiche agreed Iowa City does a very good job and responded very well in terms of helping with the situation.

Meister noted just the fact that they are here right now and invited to share about this response and the impact that it had on our community speaks to Iowa City's commitment.

Rocklin admires the model of the Food Access Network and wonders what other service areas are ripe to form that sort of thing. There is the Johnson County Affordable Housing Coalition, but that's a little different. Meister stated United Way completed their community needs assessment and started sharing that out this summer. They have goals that are arranged around four focus areas: youth opportunity, healthy communities, community resiliency, and financial security. They started by doing some coalition mapping to determine what already exists in the community and were able to identify some really great groups and Johnson County Food Access Network was developing right around the same time. But they could also see from that where there are gaps so that's some of the work that they're doing right now. They have been working with the Affordable Housing Coalition, which is a really great group that meets regularly, and also some subcommittees that right now don't have specific goals in mind but are absolutely willing to transition to that. She noted there's also some areas where there's a lot of different organizations and different players in the community doing the work, but they're not aligned in any meaningful way so they're working on that. Another development in the last six months has been the organization of the Nonprofit Collective, which is a newer coalition that is a wide umbrella for all nonprofits in Johnson County, whether that be the human and social services, arts, environmental organizations, as a place where all of those organizations can come together in a self-led, self-convened way, set their own agendas and create their own governance. As shown with the Food Access Network and the COAD, when there is a coalition of the people doing the work led by the people doing the work, that is the best avenue to go. They are now in the process of developing some concrete goals for that collective, United

Way is just one member of that and are at the exact same status of every other nonprofit organization in that group, but they're working to come together and present at the joint entities meeting in January (all the municipalities and the County and School Board) and they're really hoping to see a great turnout from the elected officials and city officials to present this collective as a functioning organization that really can help guide and then break down into those issue areas as needed.

Ross added they would encourage everyone to attend. She also wanted to highlight what a great opportunity it is to be invited here. In her experience, this Commission has engaged directly with the folks providing the services. She has had a lot of different interactions with this Commission regarding the Joint Funding Application and other opportunities. She wanted to highlight how these groups like the Food Access Network and the Johnson County Nonprofit Collective are needed. This type of collaboration is needed now more than ever, and they'd love an opportunity in the future, as they talk about funding and ways to support the community, to invite the Johnson County Nonprofit Collective and those folks doing that work, to speak to the Commission for a better cross sector understanding of what is happening to strengthen the knowledge for funding recommendations and other action oriented recommendations.

Vogel noted regarding funding recommendations, will the Food Action Network be its own 501(c)3? Ross confirmed it would not. The whole point of it is to be a collective voice. She stated the Food Access Network did, through sponsorship at the Coralville pantry, apply for funding from the County. That was part of that emergency hunger relief funding and they did that because of the success of the SNAP response. A bigger goal is to bring funding in that's not available locally.

Kiche asked outside the emergency SNAP period, how well do they fulfill different needs for different types of foods, not canned food. The population of Iowa City is growing and is growing in terms of diversity. How well do they keep up with the demand and is the demand getting too much lately compared to the last five years or 10 years? Ross replied yes, for example Table to Table, between 2017 and 2019, doubled the amount of food they were recovering. There was a tipping point where sometimes the vans would come back with food on them. The whole point is pick up all the food and deliver it all that same day as they don't have a lot of storage. But because they'd increased the amount of food they were recovering, they needed to add additional partners to take food things like childcare programs and other places. During the SNAP emergency, one of the things Table to Table had to do was pull back some food resources from non-emergent partners, like partners that maybe had other resources to access food. That speaks to the growing need. They have always been able to expand and try to get food out, but the need has increased so much beyond this crisis that they're really being forced to make tough decisions. To speak to the variety and the changing needs of what folks are looking for, they partnered with the County on a survey to find out exactly what people want. One of the impressive things with the Food Access Network is the partners get to decide what they buy and what they're providing, and looking for culturally specific, dietary specific, and nutritionally specific foods. Table to Table is just rescuing what is given and doesn't have a lot of choices, but other partners do.

Ross invited Commissioners to attend the joint entities meeting and to think about opportunities in the future to invite either issue specific groups or coalitions to advise and talk about what some of the issues are and the biggest needs.

Meister circled back to the question of who they are engaging at a state and federal level. While they do have a solid local community response, \$1.7 million in SNAP benefits per month is not sustainable to absorb from a local level so that continued advocacy and pressure and highlighting the importance of programs like this is essential. They have a great organization in Iowa called the Iowa Hunger Coalition, which does really fantastic research and advocacy. They also partner with the United Ways of Iowa for advocacy at the state level and share the experiences that are happening from region to region, and then there's various opportunities to engage at the state level. One of the really important points for Iowa State Legislature is rural Iowa and how these different changes, whether that be SNAP or the recent HUD changes, will continue to impact some of the rural communities the hardest where resources are more scarce.

Ross appreciates the opportunity to be here today and just as the Food Access Network strengthened the COADS response to SNAP, they know that broader cross sector collaboration can strengthen how they plan, fund, and respond to complex community needs.

Kiche was wondering, in terms of the provision of the foods and other things, if there's some regulations that sometimes ties their hands. Ross confirmed they are always navigating those kinds of regulations and that looks different for everybody. Most their work tends to supplement SNAP and that program has a lot more barriers. One of the things that is so wonderful about all the efforts of the members of the Food Access Network is how much they work together to get around those barriers so that they don't become an issue. Serving folks who lost their SNAP benefits because they're refugees and they're asylees and other types of legal residents of the US is a really good example. They can serve those folks and don't ask questions.

STAFF & COMMISSION UPDATES:

Thul stated they are going to have two funding rounds opening at the same time, the FY27 Non-Legacy round, which is operational support for nonprofit agencies, and the CDBG round for public facility projects or acquisition of rental housing. The timelines will run concurrently, but they are two separate funding rounds. She encouraged Commissioners to reach out to staff if there's points of confusion or questions between the funding rounds as things progress.

Thul noted there is an application workshop on the 13th at 2pm and it's on Zoom. As always if there's anyone that can't attend that session staff will schedule another session as well and are always happy to meet with people. Vogel asked if Commissioners can attend. Thul replied they could attend but they would need to make sure Commissioners aren't engaging directly with applicants to keep the process fair. Also if all seven of you attended the meeting, it would be an issue of quorum. Thul could also share the information from the session on the 13th if that would be helpful.

Thul stated the next HCDC meeting is January 26 and that's the fourth Monday, because of the holiday.

Thul also wanted to mention was there's an update in the packet about a Habitat for Humanity project that was completed. They received FY24 HOME funds of \$80,000 to provide down payment assistance at two newly constructed homes for affordable homeownership and both have been completed.

Vogel noted speaking of food assistance, if interested, the West High girls and the City High girls will be wrestling on Thursday at the Extreme Arena and admittance is free with a donation of a canned food item.

ADJOURNMENT:

Kiser moved to adjourn, Kiche seconded the motion and a vote was taken and the motion passed 7-0.

Housing and Community Development Commission Attendance Record 2024-2025

Name	Terms Exp.	9/16	10/21	3/24	4/21	5/19	6/16	7/21	8/18	9/15	11/17	12/15
Aruani, Marcelo	6/30/27	--	--	--	--	--	--	--	--	--	P	P
Balde, Daouda	6/30/27	A	P	A	A	D	D	D	D	D	D	D
Borgen, Horacio	6/30/25	A	A	P	P (zoom)	A	P	--	--	--	--	--
Dennis, Maryann	6/30/28	P	P	P	P	P	P	P	P	P	P	P (zoom)
Kiche, Amos	6/30/28	--	--	P	P	P	P	P	P	P	P	P
Kiser, Stacy	6/30/27	--	--	--	--	--	--	--	--	--	P	P
Kivarkis, George	6/30/27	P	A	P	P	P	P (zoom)	P (zoom)	*	*	*	*
Krotz, Karol	6/30/27	P	P	A	A	P	P	A	A	*	*	*
Murray, Sarah	6/30/26	--	--	--	--	--	--	P	P	P	A	P
Patel, Kiran	6/30/26	P	P	*	*	*	*	*	*	*	*	*
Pierce, James	6/30/26	P	A	*	*	*	*	*	*	*	*	*
Rocklin, Thomas	6/30/28	--	--	--	--	--	--	P	P	P	P	P
Szecsei, Denise	6/30/25	A	P	*	*	*	*	*	*	*	*	*
Vogel, Kyle	6/30/26	P	P	P	P	P	P	P	P	P	P	P

Key:
 P = Present
 A = Absent
 * = Resigned
 -- = Vacant
 D = Discharged



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Library Board of Trustees: December 18

Attachments: [Library Board of Trustees: December 18](#)

Iowa City Public Library Board of Trustees

Meeting Minutes

December 18, 2025

2nd Floor – Boardroom

Regular Meeting - 5:00 PM

FINAL

Robin Paetzold - President

Bonnie Boothroy

John Raeburn

Joseph Massa – Vice President

Ellen Fox

Cory Schweigel-Skeers

Claire Matthews - Secretary

Kelcey Patrick-Ferree

Kalmia Strong

Members Present: John Raeburn, Bonnie Boothroy, Ellen Fox, Joseph Massa, Claire Matthews, Robin Paetzold, Kelsey Patrick-Ferree, Corey Schweigel-Skeers, Kalmia Strong.

Members Absent: None.

Staff Present: Sam Helmick, Angie Pilkington, Anne Mangano, Brent Palmer, Jason Paulios, Angie Pilkington, Katie Roche, Jen Royer, Trevor Sherping.

Guests Present: None.

Call Meeting to Order.

Paetzold called the meeting to order at 5:00 PM. A quorum was present.

Approval of December 18, 2025, Board Meeting Agenda.

Raeburn made a motion to approve the December 18, 2025, Board Meeting Agenda. Strong seconded. Paetzold requested the Bylaws be moved to the January meeting.

Roche entered the meeting at 5:00 pm.

Motion passed 9/0.

Public Discussion.

None.

Items to be Discussed.

Policy Review: 601 Collection Development.

Mangano said the Collection Development policy was revised last year for a specific change. Mangano noted this was the normal review schedule for the policy. Mangano said the policy review committee discussed reconsideration policies, noting Iowa City Public Library does not have a reconsideration process, which is a long-standing policy.

Mangano said the committee discussed whether to adopt a statement on library materials created with artificial intelligence (AI). Mangano said the committee read many policies and articles about AI when drafting the policy revision, noting one article was included in the packet for review. Mangano said the committee was uncomfortable making a blanket ban on AI materials, as it is not practical and would be hard to determine in some cases. Mangano said there is no good way of knowing at the current moment if/which publishers are creating cover art or writing their materials with the assistance of AI. The committee is not requesting a policy change about AI now; however, it will continue to be monitored and reevaluated. Mangano said the committee felt adding the phrase "quality of work" as a consideration would help staff. Paetzold said this would also help with materials that were independently published. Raeburn asked how we respond to members of the community asking for these materials.

Palmer entered the meeting at 5:02 PM.

Mangano said in the same way we evaluate any request. Mangano said we get many requests from the public for purchases and staff review the purchasing requirements using the Collection Development policy. Schweigel-Skeers emphasized the ability to be nimble as the tools change, publishers change, and to leave room for discretion of weeding the collection. Mangano shared there is a very popular series in the children's room that no longer uses an illustrator, and the images are generated by AI. If an AI policy were to be adopted, a major children's author series would not be included in the collection. Schweigel-Skeers noted the article included in the packet about AI. Schweigel-Skeers said when it comes to audio books there is value in a skilled narrator, but some books don't have that option.

Mangano said the rest of the changes proposed to the policy use active voice and remove jargon. Patrick-Ferree noted section 601.33 removes "parent" and instead uses "guardian" and asked if this was intentional. Mangano agreed and said the library has been expanding the use of guardians instead of parents. Schweigel-Skeers noted section 601.42 calls out "Space, cost of replacement, and appearance of the collection are also factors." Schweigel-Skeers asked if the appearance of the collection differs from the individual item. Mangano gave an example, if our shelving was very full and looked uninviting vs an item in the collection being damaged. Schweigel-Skeers noted changing "withdrawn" to "removed" in 601.42 and suggested making the same change in 602.43. Mangano agreed it should change. Paetzold asked Trevor Sherping, as the new Collection Services Coordinator, if there were any red flags as the person who would have to be putting the policy in place. Sherping said there were no red flags. Sherping shared that he reviewed ICPL's policy while working at Kalona Public Library and was aware of the changes proposed.

Massa said on page five of the packet, under the reconsideration paragraph it states, "Most public libraries have some form of a reconsideration process that include forms and ad-hoc committees of library staff, Board members, and community volunteers that evaluate reconsideration requests." Massa asked if that was in the United States or in Iowa. Mangano said in the United States. Massa asked what makes Iowa City Public Library so unique. Mangano said ICPL has had a longstanding practice since the 1970's of not having a reconsideration request. Mangano said the feeling of at least two directors, Lolly Eggers and Susan Craig, was if you are creating a process in which you are only going to get the same end, are we creating a process in which we are not explaining the policy up front and we're allowing people to think that there actually is a process to removing materials. Massa asked, if we look at the libraries who have a reconsideration request policy, are they wrong? Mangano said she wouldn't say they are wrong. Massa asked what specific risks other libraries were encountering that ICPL is avoiding by not having a policy. Mangano said frustration from people who think there is a process for removing materials. Paetzold said if those libraries had a removal process it would be more consistent with a reconsideration policy, however ICPL does not remove materials from the collection. Matthews shared that if you have a process in place, you aren't assembling a committee ad hoc. If someone wants to refute a title, and suddenly you're assembling people, sometimes that gives the idea that you're specifically picking people to serve on a committee that would then be for or against a request. Rather than stack a committee for or against a title, this is a preset policy that can be shared publicly. Matthews said there is no political maneuvering for or against a title, it's a system to keep the process neutral when it can be political. Massa asked if we receive many complaints from people who disagree about library materials. Mangano said no, usually it ends at the explanation about why we have it. Mangano said she could count them on one hand per year.

Schweigel-Skeers made a motion to approve the Collection Development policy revisions as proposed with changing the word "withdrawn" to "removed." Fox seconded. Motion passed 9/0.

Policy Review: 703 Recording & Streaming.

Paulios shared he, Pilkington, and Librarian Beth Fisher reviewed the policy. Bond Drager, AV Specialist, was not available to serve on the policy review committee but provided feedback. Paulios said many changes were made to the policy three years ago to align with the Collection Development policy. Paulios said there were no major policy issues since the last review, the only comments the committee had were about what to do about the freedom of speech aspect of recording, as it is posted on YouTube and gets comments. Paulios said this, however, is already addressed in the social media administrative policy. Paulios said the rest of the proposed changes were formatting changes for document accessibility requirements. Massa asked who posts on YouTube. Paulios said they are all library sponsored or cosponsored events. Massa noted the policy mentions third party hosting and asked for that to be clarified. Paulios said YouTube is a third-party host, which has their own privacy policies. Massa clarified that third party content isn't posted onto our library channel. Paulios agreed and said staff are directly uploading content to YouTube. Pilkington said the policy used to specifically

state YouTube, but it was taken out in case there were changes to video services. Paulios said we regularly look at other libraries' policy for standards, but Paulios thought ICPL was the only library in the nation that does this policy. Paulios said it had been discussed in the past if the policy was necessary and staff have always felt like it covers important ground. Paulios shared the policy originally was for the cable channel. Mangano said not many libraries had their own cable channel when this policy was created. Paetzold asked if presenters ever request their content not be shared on YouTube. Paulios and Pilkington agreed. Paulios said staff ask about that upfront and honor it. Mangano said they sign a release. Paulios said presenters have many options in their choice of content being shared. Paulios noted it was important for accessibility, especially rebroadcasting, for patrons who can only view programs remotely. Paulios said we also know that the presenters share their livelihood at events and it is their intellectual property. Schweigel-Skeers asked if we provide transcripts for YouTube videos. Pilkington said some are done by AV Specialist, Bond Drager, and others are provided by YouTube. Helmick said Drager is very passionate about making sure YouTube's transcripts are correct.

Boothroy made a motion to approve the proposed changes to policy 703 Recording & Streaming. Strong seconded. Motion passed 9/0.

Staff Reports.

Director's Report.

Mangano welcomed Trevor Sherping as the new Collection Services Coordinator. Mangano thanked the Trustees for attending Inservice Day. Mangano said in the afternoon on Wednesday, January 21st, the City Council's budget work session for the Capital Improvement Projects, which includes the HVAC, will take place. Mangano said they will also be doing LOST projects (local option sales tax) and will be reviewing the current CIP carpet project too. Mangano shared on the morning of the 21st she and Paetzold would attend a Johnson County Supervisor meeting to discuss how ICPL serves rural residents. On Saturday, January 24th, the City Council Operating Budget meeting will be held, and each department will be presenting their operating budget request. Mangano shared upcoming in February, she and Helmick are working to get community meetings on their calendars and will be touring CommUnity.

Boothroy thanked and congratulated Royer and Pilkington for the work they did planning Inservice Day. Boothroy said it was really a good day. Schweigel-Skeers said it was great to see staff react to the building proposals, noting it was a long way off but wonderful to see the investment staff have. Patrick-Ferree was impressed by the staff who shared their suggestions and how closely they matched the architect's presentation. Schweigel-Skeers enjoyed seeing people get that excited about carpet.

Departmental Reports: Children's Services.

Pilkington shared the Winter Reading Program activity guide. There was discussion about Mr. Sushi, a skunk, who was brought in for a cute children's programming event. Paetzold encouraged trustees to attend a children's programming event on a Saturday morning over winter break. Paetzold said if you

haven't attended one before you will understand the space concerns in the Children's Room, as people cannot move in the room. Paetzold said it is no longer just an inconvenience, it is a need. Mangano said the Noon Year's Eve Balloon Drop would be a good event to attend. Matthews said there are many neurodivergent humans that need space, noting it can be limiting to families. Pilkington said Noon Years Eve occurs in Room A, and if you're there you will see all the people go to Room A and then walk back out. Pilkington said we will have lost 400 people who didn't go through the library to get to the Children's Room who could have used the library, and we lost the chance to connect with them.

IT.

Palmer shared staff just finished the scoping system with the integrated library system vendors. Palmer shared it was a good visit and well worth the money spent to discuss our processes with staff.

Matthews noted the website migration and asked if the work staff were doing now would transfer to a future upgrade or if they would need to work from scratch again. Palmer said the migration leap from Drupal 7 to 10 was a huge leap and hopes in the future to roll with the upgrades. Matthews clarified that staff won't be doing this work again in the future. Palmer agreed they would not. Schweigel-Skeers asked if there were any parts of the website still on 7. Palmer said not anymore. Mangano said Alyssa Hanson had done a tremendous amount of work. Matthews said it is impressive work.

Development Report.

Roche gave an update on year-end support, noting the goal extends through January and the overall goal is \$85,000. Roche said so far, they have raised \$64,000, or 75% of the goal. Roche said the public have been very generous and enthusiastic about supporting the library. Roche said it is a heartwarming time of year with many notes, checks, and phone calls coming in.

Roche shared there will be a special program at Film Scene scheduled for January 24th screening the documentary, *The Librarians*. Roche said it is a ticketed event with a 1 pm screening followed by a discussion afterwards, and community time at The Green House. Paetzold asked if tickets were available. Roche agreed they were available online now. Roche and Magnano saw the film in Sioux City, IA at the Iowa Library Association (ILA) conference and the story documented the rise of censorship and book banning in America. Raeburn asked who made the documentary. Helmick said Kim Schneider did. Roche shared it is a 92-minute film set in Texas and shows how censorship has spread, specifically in school libraries. Matthews said it is powerful to see in a group setting vs watching at home.

Roche shared there will also be a special event with Charity Nebbe on May 17th and tickets were selling quickly. Roche said the evening will feature a discussion about public media, public libraries, and the importance of storytelling. Schweigel-Skeers asked if the heartfelt comments that are received with donations get shared with staff. Roche said they are shared with the staff and/or departments.

President's Report.

Paetzold said the retreat was very good, noting how meaningful it was to see how supportive staff are to

each other. Paetzold said it is a very supportive group. Paetzold said at the retreat there was a speaker who discussed advocacy for public libraries. Paetzold said there was discussion about whether the presentation should be shared with board members for continuing education, and to board members in Johnson County. Paetzold said it allows you to understand how bills pass through legislation and shows steps citizens can take. Paetzold asked if there was interest, and there was.

Paetzold said the Bylaws were originally scheduled for review that evening, but there was a legal case in Cedar Rapids that impacted open meetings law. Paetzold said rather than reviewing it repeatedly it will be brought to the January meeting. Paetzold said the training on digital materials would be moved to the February meeting.

Paetzold discussed the importance of board participation on end of year campaigns, noting some grant applications ask if all board members participated in the campaign. Paetzold asked trustees to donate the equivalent of a cup of coffee to the Foundation's end of year fundraising campaign.

Paetzold thanked all library staff for a tough year. Paetzold noted there was a director change, and difficult legislation, and people stuck with us. Paetzold said it was a good year, this is a group that really works well, and we should celebrate it.

Announcements from Members.

Patrick-Ferree said there is a link to the ILA policy priorities in the director's report that is worth looking at. Matthews said she is hearing reports that it is going to be another big legislative year. Paetzold said as we get closer to ILA Legislative Day and there will be communication about carpooling coming. Mangano said the event is on Tuesday, February 3rd from 11-3.

Foundation Updates. None.

Advocacy Updates.

Paetzold shared last year the Library Board had an advocacy working group. Paetzold said if trustees were interested in serving this year to let her know. Boothroy acknowledged Strong and Patrick-Ferree's work on the position statement about the State Historical Society. Boothroy received several community comments on how well that was done. Matthews asked if there were any updates on the State Historical Society. There was some discussion and Mangano said to be ready for the code to change the requirement for the Iowa City location.

Communications.

News Articles.

Patrick-Ferree liked the article on the event at the Senior Center. Pilkington said more people are attending the programs since the article was published and 17 patrons recently attended the event.

Consent Agenda.

Approve Minutes of the Library Board of Trustees November 20, 2025, Regular Meeting.

Approve Disbursements for November 2025.

Massa made a motion to approve the Consent Agenda. Matthews seconded. Motion passed 9/0.

Set Agenda Order for January Meeting.

Paetzold shared the January meeting would review the Bylaws, Strategic Plan, ADA Checklist, 2nd quarter financials and statistics, and 2 departmental reports.

Adjournment.

Matthews made a motion to adjourn the meeting. Boothroy seconded. Motion passed 9/0. The meeting was adjourned at 5:45 PM.

Respectfully submitted,

Jen Royer



Board of Commissions: ICPL Board of Trustees
Attendance Record

Name	Term Expiration	1/23/2025	2/27/2025	3/27/2025	4/3/2025	4/24/2025	5/22/2025	6/26/2025	7/24/2025	8/28/2025	9/4/2025	9/25/2025	10/23/2025	11/20/2025	12/18/2025	1/22/2026
Boothroy, Bonnie	6/30/2029	OE	X	X	X	X	OE	X	X	X	X	X	X	X	X	X
Fox, Ellen	6/30/2027											X	X	X	X	OE
Johnk, DJ	6/30/2025	OE	X	X	OE	X	X	OE	TE	TE	TE	TE	TE	TE	TE	TE
Massa, Joseph	6/30/2027	X	X	X	X	X	OE	X	X	X	X	X	OE	X	X	X
Matthews, Claire	6/30/2023	X	X	X	X	X	OE	O	X	X	X	X	X	OE	X	O
Paetzold, Robin	6/30/2023	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Patrick-Ferree, Kelcey	6/30/2031								X	X	X	X	X	X	X	X
Raeburn, John	6/30/2027	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rocklin, Tom	6/30/2025	X	X	X	X	X	OE	X	TE	TE	TE	TE	TE	TE	TE	TE
Schweigel-Skeers, Cory	6/30/2031								X	X	X	X	X	X	X	OE
Shultz, Hannah	6/30/2025	OE	X	OE	X	X	X	X	TE	TE	TE	TE	TE	TE	TE	TE
Stevenson, Daniel	6/30/2027	X	X	OE	X	X	X	OE	X	R	R	R	R	R	R	R
Strong, Kalmia	6/30/2031								X	X	X	X	OE	X	X	O

KEY:

- X Present
- O Absent
- OE Excused Absence
- NM No Meeting Held
- R Resigned
- TE Term Expired



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Public Art Advisory Committee: December 4

Attachments: [Public Art Advisory Committee: December 4](#)

Minutes
Public Art Advisory Committee
December 4, 2025
Emma J. Harvat Hall

Public Art Advisory Committee

Members Present: Andrea Truitt, Ron Knoche, Juli Seydell Johnson, Anita Jung, Sophie Donta, Leslie Finer

Members Absent: Nate Sullivan, Stephanie Brunia

Staff present: Rachel Kilburg Varley

Public Present: None

Call to Order

Truitt called the meeting to order at 3:35 p.m.

Public Discussion of Any Item Not on the Agenda

None.

Consider minutes of the November 6, 2025 PAAC meeting.

Johnson moved and Donta seconded that the minutes from the November 6, 2025 meeting be approved. Motion passed (5-0).

Old Post Office Gallery Program: 2026 Exhibition Calendar, Call for Artists, and Emerging Artist Mentorship Round

Staff reviewed the cover memo and supporting materials included in the agenda packet, including the proposed 2026 Exhibition Calendar, the draft Call for Artists, and the opportunity to offer an Emerging Artist Mentorship round within the 2026 exhibition calendar. Committee member Jung joined the meeting.

Truitt noted that the proposed 2026 calendar included several exhibition periods that would be curated by the Iowa City Senior Center (ICSC) and asked if there would be additional opportunities for artists to show in 2027 and beyond. Staff stated that some months – such as Older Americans Month – would likely be reserved on an ongoing basis for ICSC to curate, but that the exhibition calendar will be determined each year.

Jung provided input on the application requirements to include a CV.

Donta stated support for offering an Emerging Artist exhibition round. Committee members agreed and discussed the appropriate timing to offer that round. The Committee determined that Spring would be ideal timing in future years, but the November-December period is best for 2026. Jung noted that defining “emerging artist” and clarifying artist and mentor process and roles will be critical and staff stated the plan

would be to issue a separate Call for Artists for the Emerging Artist show in the Spring and to determine those details at an upcoming PAAC meeting.

Finer moved to approve offering a New & Emerging Artist Mentorship Exhibition through the Old Post Office gallery program and the \$350 budget expense for 2026, Jung seconded. Motion passed (6-0).

Johnson motioned to approve the proposed 2026 Old Post Office Gallery exhibition calendar as amended to include the Emerging Artist round in November/December, Donta seconded. Motion passed (6-0).

Committee members discussed the draft Call for Artists. Staff noted the change to require submission of a CV. Truitt suggested identifying the reason for ICSC collecting a commission on sold artworks within the Call. Knoche clarified that November/December will be removed and the number of artists to be selected will be removed.

Donta motioned to approve the proposed 2026 Old Post Office Gallery Call for Artists, Finer seconded. Motion passed (6-0).

Old Post Office Gallery Program: Nomination of PAAC Member for Artist Selection Committee

Jung expressed interest in filling the role for 2026.

Johnson moved to appoint Anita Jung to the selection committee, Knoche seconded. Motion passed (6-0).

2026 Public Art Matching Grant Program Approval

Staff reviewed the staff memo and changes that the Committee directed for the 2026 grant round at the October 2, 2026 PAAC meeting. Truitt asked for clarification on commodities and supplies as a matching fund source and staff explained the cost of supplies would be considered matching revenue.

Jung moved to approve the 2026 grant program guidelines and \$15,000 budget amount, Finer seconded. Motion passed (6-0).

January PAAC Meeting Date

Staff noted the January meeting date would regularly land on the New Year's Day holiday and requested direction to reschedule or cancel the January meeting.

Jung asked if results from the Arts Alliance Feasibility Study will be completed by the January PAAC meeting. Staff responded that it would not.

Truitt suggested the January PAAC meeting would be helpful to orient the new and current PAAC members.

Knoche moved to approve rescheduling the January PAAC meeting to January 8, 2026 at 3:30 p.m., Jung seconded. Motion passed (6-0).

Staff Updates

Staff presented a plaque recognizing Andrea Truitt's eight years of service to the Public Art Advisory Committee, which terminates December 31, 2026. Truitt expressed her appreciation for the Committee members and the work.

Old or New Business

None.

Adjournment

Knoche moved to adjourn. Jung seconded. Motion passed (6-0). Meeting adjourned at 4:14 p.m.

**Public Art Advisory Committee
Attendance Record
2024-2025**

Name	Term Expires	12/5/24	2/6/25	3/6/25	4/3/25	5/1/25	6/5/25	7/10/25	9/4/25	10/2/25	11/6/25	12/4/25
Ron Knoche	N/A	X	X*	X	X*	X	X	X	X*	X*	X	X
Juli Seydell-Johnson	N/A	X	X	X	X	X*	X	---	X*	X	X	X
Steve Miller	12/31/23	---	---	---	---	---	---	---	---	---	---	---
Eddie Boyken	12/31/24	---	---	---	---	---	---	---	---	---	---	---
Andrea Truitt	12/31/25	X	X	X	X	X	X	X	X	X	X	X
Anita Jung	6/30/23	X	O	O	O	O/E	O/E	X	X	X	X	X
Jenny Gringer	12/31/23	---	---	---	---	---	---	---	---	---	---	---
Jeremy Endsley	12/31/25	O/E	X	X	O/E	---	---	---	---	---	---	---
Nate Sullivan	6/30/26	O/E	X	O/E	X	X	O/E	X	X	O/E	O/E	O
Leslie Finer	12/31/26	X	X	X	X	X	X	X	X	O/E	X	X
Rachel Kinker	12/31/27	X	X	O/E	X	X	X	X	X	X	---	---
Sophie Donta	12/31/26	X	O/E	X	X	X	X	X	O/E	X	X	X
Stephanie Brunia	12/31/25	---	---	---	---	---	---	X	X	X	O/E	O/E

Key:
 X = Present
 X* = Delegate attended
 O = Absent
 O/E = Absent/Excused
 --- = Not a member



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Senior Center Commission: October 23

Attachments: [Senior Center Commission: October 23](#)

MINUTES
SENIOR CENTER COMMISSION
October 23, 2025
Room 311, Iowa City Senior Center

Members Present: Nancy Ostrognai, Kate Milster, Lee McKnight, Warren Paris, Betty Rosse

Members Absent: Jay Gilchrist, Mary McCall

Staff Present: LaTasha DeLoach, Kristin Kromray

Others Present: None

CALL TO ORDER:

The meeting was called to order by McKnight at 4:00 PM.

RECOMMENDATIONS TO COUNCIL:

None.

APPROVAL OF MINUTES FROM THE SEPTEMBER 18, 2025, MEETING:

Motion: To accept the minutes from the September 18, 2025 meeting.
Motion carried on a 5/0 vote. Milster/Paris

PUBLIC DISCUSSION:

None.

OPERATIONAL OVERVIEW:

DeLoach reported the new program guide is now available. The Soul Train Block Party was a well-received event. The Senior Center has a new Grandbabies program in partnership with the Iowa City Public Library.

The window and door project continues. They are currently painting the exterior windows. The exterior doors will be replaced soon. The kitchen is currently closed for cleaning before the start of the project to restore digital controls to the HVAC system. This work will include changes to ductwork in a few areas of the building. The skywalk entrance door gap will be fixed soon.

DeLoach presented information on the Gray Wave, which is a term used for the number of people that are currently retiring. There are approximately 10,000

people retiring every day in the United States. By 2030 there will be more people in Iowa over the age of 65 than people under 18. More seniors will be coming to the Iowa City area for healthcare. DeLoach wants the Senior Center to be ready for this significant increase and posed the question of what more the Senior Center could be doing.

DeLoach presented a few ideas around the theme of better connecting with new members. They include a presentation at the new member lunches, creating a social connections calendar, involving evening and weekend staff in connecting with new members, and mid-life mixer events to foster connections.

McKnight asked how participation is going in Senior Center classes. DeLoach noted that some classes fill right away with a wait list. She noted some classes can tend to be slow to build but then are popular over the long term. Milster noted that the senior college could be here more often. She also wondered about name tags being used in classes. Transportation to the Senior Center was also discussed. DeLoach also noted that Michelle Buhman has been working with an organization to create a survey that helps connect people with services and give recommendations, it is called the Better Age survey.

The Original Mature Groovers are working on a series for early next year on Afrofuturism. This will be in place of a Black History Ball. The series, which will be called Parable of the Future: Black Future Fest, will be in partnership with PS1's Center for Afrofuturist studies, Film Scene, and the Iowa City Public Library. Events will take place in January and February and will include a film series, book panel discussion of two Octavia Butler books, a community art project, a fashion show, and an art show.

The Senior Center had a Hispanic Heritage event two weekends ago. Rosse asked why the press does not attend these events. DeLoach noted that for large programs the Senior Center works with the City's communications staff in putting out a press release.

DeLoach reported that the Senior Center's Program Specialist, Michelle Buhman, is going to retire at the end of December.

COMMISSION OVERVIEW:

DeLoach noted that a request for proposal is in the works for interior renovations. Paris asked about the kitchen. It will be part of the interior renovation planning process. McKnight asked about lobby furniture which will also be included. Milster requested more seating on the 3rd floor. DeLoach noted that there will like be policy reviews at an upcoming meeting.

Meeting Adjourned.

Senior Center Commission Attendance Record

Name	Term Expires	11/21/24	12/19/24	1/16/25	2/20/25	3/20/25	4/17/25	5/15/25	6/19/25	7/17/25	8/21/25	9/18/25	10/23/25
Betty Rosse	12/31/26	X	O/E	X	X	NM	O/E	X	NM	X	X	X	X
Jay Gilchrist	12/31/25	X	X	X	X	NM	X	X	NM	X	X	X	O/E
Mary McCall	12/31/27	--	--	X	O/E	NM	X	O/E	NM	O/E	X	X	O/E
Angela McConville	12/31/24	O/E	X	--	--	--	--	--	--	--	--	--	--
Lee McKnight	12/31/27	O/E	O/E	O/E	X	NM	X	X	NM	X	X	X	X
Kathryn Milster	12/31/27	--	--	X	X	NM	X	X	NM	X	X	X	X
Nancy Ostrognai	12/31/26	X	X	X	X	NM	X	X	NM	X	X	X	X
Ross Taylor	12/31/24	O	O	--	--	--	--	--	--	--	--	--	--
Warren Paris	12/31/25	X	X	O/E	X	NM	X	X	NM	X	X	X	X

Key: X =Present

O =Absent

O/E =Absent/Excused

NM =No meeting

-- = Not a member



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution authorizing the City Manager to sign a 28E Agreement with the Iowa Department of Revenue for tobacco and vapor products enforcement.

Prepared By: Susan Dulek, First Ass't. City Attorney
Reviewed By: Geoff Fruin, City Manager
Matt Ties, Sgt. Police Dept.
Fiscal Impact: none
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [Resolution Agreement](#)

Executive Summary:

The Iowa Dept. of Revenue is authorized to provide enforcement for Iowa's tobacco and vapor products laws and is willing to provide funding to the City for FY26 for engaging in tobacco and vapor products compliance checks at retail businesses. This resolution approves an agreement whereby the Dept. of Revenue will pay the City \$75 per compliance check. This is substantially similar to previous agreements for alcohol compliance checks

Resolution No. _____

Resolution authorizing the City Manager to sign a 28E Agreement with the Iowa Department of Revenue for tobacco and vapor products enforcement.

Whereas, the Iowa Department of Revenue is authorized to provide enforcement for Iowa's tobacco, alternative nicotine, and vapor products laws; and

Whereas, the Iowa Department of Revenue is willing to provide funding for FY26 to the City for engaging in compliance checks to enforce Iowa's tobacco, alternative nicotine, and vapor products laws; and

Whereas, it is in the interest of the City to sign the attached 28E Agreement for Tobacco, Alternative Nicotine and Vapor Products Enforcement.

Now, therefore, be it resolved by the City Council of the City of Iowa City, Iowa, that:

The City Manager is hereby authorized to sign the attached 28E Agreement for Tobacco, Alternative Nicotine and Vapor Products Enforcement.

Passed and approved this _____ day of February, 2026.

Mayor

Attest: _____
City Clerk

Approved by

City Attorney's Office

It was moved by _____ and seconded by _____ the Resolution be adopted, and upon roll call there were:

Ayes:

Nays:

Absent:

Alter

Bergus

Harmsen

Moe

Salih

Teague

Weilein

28E AGREEMENT FOR TOBACCO, ALTERNATIVE NICOTINE AND VAPOR PRODUCT ENFORCEMENT

This agreement ("Agreement") is made and entered into on the Effective Date by and between the Iowa Department of Revenue ("IDR"), and CITY OF IOWA CITY ("Department"), collectively referred to as "Parties." The parties agree as follows:

SECTION 1. IDENTITY OF PARTIES

- 1.1 **IDR.** IDR is an agency of the State of Iowa which is authorized, pursuant to Iowa Code chapter 453A and a contract with the Iowa Department of Health and Human Services, to provide enforcement for Iowa's tobacco, alternative nicotine, and vapor products laws. IDR's address for the purposes of this Agreement is: 1918 SE Hulsizer Road, Ankeny, Iowa 50021.
- 1.2 **Department.** The Department operates a duly-recognized Iowa law enforcement agency. The Department's address is: 410 E WASHINGTON ST IOWA CITY IA 52240-1825.

SECTION 2. PURPOSE. Parties have entered into this Agreement for the purpose of providing and funding tobacco, alternative nicotine, and vapor product enforcement activities in compliance with Iowa Code section 453A.2. The legal authority for this Agreement is Iowa Code chapter 28E, Iowa Code section 453A.2, and BHTHPTR26036 Contract between the Iowa Department of Health and Human Services and Iowa Department of Revenue.

SECTION 3. TERM. The term of the Agreement shall be from the aforementioned date through June 30, 2026, unless earlier terminated in accordance with the terms of the Agreement.

SECTION 4. FILING. Pursuant to Iowa Code section 28E.8, IDR shall electronically file the Agreement with the Iowa Secretary of State, after the Parties have executed the Agreement.

SECTION 5. RESPONSIBILITIES OF THE PARTIES.

5.1 Responsibilities of the Department.

5.1.1 **Local Tobacco, Alternative Nicotine and Vapor Product Enforcement.** The Department shall provide tobacco, alternative nicotine, and vapor product enforcement of Iowa Code chapter 453A.

5.1.2 Compliance Checks.

5.1.2.1 "Compliance Check" or "Compliance Checks" means activity to enforce tobacco, alternative nicotine, and vapor product laws in accordance with Iowa Code section 453A.2 within the jurisdiction of the Department. Compliance Check also may include enforcement of Iowa Code section 453A.2 within additional jurisdictions upon agreement of the Parties. IDR shall make available to the Department the location of each tobacco, alternative nicotine, and vapor product permit holder subject to a Compliance Check by the Department at <https://govconnect.iowa.gov/TAP/LawEnforcement/> /.

5.1.2.2 The Department shall perform one (1) **Compliance Check** of each tobacco, alternative nicotine and vapor product permit holder within the jurisdiction of the Department during the term of the Agreement. Please note that alternative nicotine, and vapor products are age-restricted pursuant to Iowa Code section 453A.2 and are therefore included in the I-pledge program. Attempts to purchase alternative nicotine and vapor products may be conducted at any retailer that sells these products.

5.1.2.3 **The Department shall not begin to conduct any retailer Compliance Checks until October 1st, 2025.**

5.1.2.4 The Compliance Check shall be completed and submitted for reimbursement to IDR by **February 15, 2026**. The Department should try to complete a Compliance Check of all seasonal businesses, such as golf courses, marinas, and bait shops, before the businesses close for the 2025 business year, but not before October 1, 2025. If the Department is unable to complete the Compliance Checks on seasonal businesses prior to the businesses close for the 2025 business year, the Department shall work with IDR to establish a plan for completing these Compliance Checks.

5.1.2.5 The Department shall conduct a second Compliance Check on any retailer that is found to be non-compliant during the first inspection. The second Compliance Check on the non-compliant retailer shall be completed and entered no later than **May 15, 2026**.

5.1.2.6 Clerks that fail Compliance Checks shall be ticketed criminally.

5.1.2.7 The Department shall, within seven (7) business days, notify the retail owner or manager of any violation. Within seventy-two (72) hours of the Department issuing a citation for a violation of Iowa Code § 453A.2(1) to a permit-holder or employee of a permit-holder, the Department must notify the local permit-issuing authority that issued the tobacco, alternative nicotine, and vapor product permit to the retailer where the offense was committed.

5.1.2.8 If the Department fails to complete and submit reimbursement for Compliance Checks to IDR by **February 15, 2026**, IDR will consult with the Department to establish a plan for completing the remaining Compliance Checks. In the event that the Department fails to execute the agreed upon plan, the Department agrees that IDR may authorize the Iowa State Patrol or other law enforcement agency to conduct any remaining Compliance Checks.

5.1.3 **Underage Purchaser Volunteers.** Utilization of underage purchaser volunteers is strongly encouraged, where feasible. The Department may compensate the underage purchasers involved in the Compliance Checks in a manner consistent with Section 6. Underage purchasers from the age of sixteen to twenty years old may be utilized in the program. Keep in mind that the federal government (SYNAR) ***will not allow underage purchasers under the age of sixteen*** to be used to conduct Compliance Checks. Please ensure that the officers assigned to conduct the Compliance Checks do not work with an underage purchaser younger than age of sixteen. If utilizing multiple underage purchasers to perform Compliance Checks, please ensure that a representative mix of 16, 17, 18, 19 and 20 year old underage purchasers are used when feasible.

5.1.4 **Routine Enforcement.** In addition to conducting Compliance Checks, the Department agrees to regularly enforce underage tobacco, alternative nicotine and vapor product laws by ticketing underage offenders.

5.1.5 **Civil Proceedings.** The Department shall cooperate with city, county, and state prosecutors if civil permit proceedings are initiated against a tobacco, alternative nicotine, and vapor product permit holder. The Department shall also cooperate in proceedings against cited clerks and underage persons. Cooperation shall include, but shall not be limited to, sharing investigative reports and copies of issued citations, as well as providing witness statements and testimony.

- 5.1.6 **Compliance Reports**. The Department shall provide monthly reports to IDR in the manner prescribed by IDR.
- 5.1.7 **Miscellaneous**. The Department shall be responsible for the day-to-day administration of its tobacco, alternative nicotine, and vapor product enforcement activities. The Department shall provide all office space, equipment, and personnel necessary to conduct tobacco, alternative nicotine, and vapor product enforcement activities under the Agreement. The Department is solely responsible for the selection, hiring, disciplining, firing, and compensation of its officers.

5.2 **Responsibilities of IDR**.

- 5.2.1 **Enforcement Guidance**. IDR shall provide guidance on tobacco, alternative nicotine, and vapor product enforcement to the Department, if needed, and cooperate with the Department in the performance of the Agreement.
- 5.2.2 **Payment**. IDR shall pay the Department in the manner described in Section 6 of this Agreement.
- 5.2.3 **Cooperation**. If IDR believes that any officer of the Department fails to perform duties in a manner that is consistent with the Agreement, IDR shall notify the Department. The Department shall then take such action as necessary to investigate and, if appropriate, discipline or reassign the officer away from tobacco, alternative nicotine, and vapor product enforcement activities. IDR shall have no authority to discipline or reassign an officer, except that IDR shall have the authority to stipulate that a particular officer not be assigned to provide services under the Agreement.
- 5.2.4 **Insurance, Benefits, and Compensation**. IDR shall not provide for, nor pay, any employment costs of the Department's officers including, but not limited to, worker's compensation, unemployment insurance, health insurance, life insurance, and any other benefits or compensation, nor make any payroll payments with respect to the Department's officers. IDR shall have no liability whatsoever for all such employment costs or other expenses relating to, or for the benefit of, the Department's officers.

SECTION 6. PAYMENT TO DEPARTMENT.

- 6.1 **Method of Payment**. In consideration for providing the services required by the Agreement, the Department shall be paid on a flat fee basis of seventy-five dollars (\$75) per reported Compliance Check. The flat fee payment for each Compliance Check constitutes the full and exclusive remuneration for the Compliance Checks. For example, compensation of underage purchasers is the sole responsibility of the Department and is to be paid from the flat fee payment.
- 6.2 **Eligible Claims**. Compliance Checks that are conducted on or after October 1, 2025 are eligible for payment provided that the results are reported in accordance with Section 5. Any Compliance Checks that were funded by a non-departmental entity are not eligible for payment.
- 6.3 **Allocations**. The costs of the services referred to in Section 6.1 shall be allocated as follows:
- 6.3.1 **Sole Activity**. Money paid to the Department, pursuant to the Agreement, shall be used to fund overtime of full- or part-time peace officer positions solely for tobacco, alternative nicotine and vapor product enforcement activities described in the Agreement. Money also shall be used for compensation, if any, of underage purchasers. In addition, the Department may use money paid pursuant to the Agreement for reasonable Department expenditures, including, but not limited to, officer training and equipment, provided that such expenditures do not impair the Department's ability to perform tobacco, alternative nicotine and vapor product enforcement activities.

6.4 **Payment in Arrears.** IDR shall verify the Department's performance and compliance with this Agreement before making payment. IDR shall pay all approved invoices in arrears and in conformance with Iowa Code section 8A.514. IDR may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code section 8A.514. Unless otherwise agreed in writing by the Parties, the Department shall not be entitled to receive any other payment or compensation from IDR or the State of Iowa for any Compliance Checks not compliant with this Agreement. The Department shall be solely responsible for paying all costs, expenses, and charges it incurs in connection with its performance under this Agreement.

SECTION 7. ADMINISTRATION OF AGREEMENT. IDR and the Department shall jointly administer the Agreement.

SECTION 8. NO SEPARATE ADMINISTRATIVE ENTITY. No new or separate legal or administrative entity is created by the Agreement.

SECTION 9. NO PROPERTY ACQUIRED. IDR and the Department, in connection with the performance of the Agreement, shall acquire no real or personal property.

SECTION 10. TERMINATION.

10.1 **Termination for Convenience.** Following twenty (20) days written notice, either party may terminate the Agreement, in whole or in part, for convenience without the payment of any penalty or incurring any further obligation to the non-terminating party. Following termination for convenience, the non-terminating party shall be entitled to compensation, upon submission of invoices and proper proof of claim, for services provided under the Agreement to the terminating party up to and including the date of termination.

10.2 **Termination Due to Lack of Funds or Change in the Law.** Notwithstanding anything in this Agreement to the contrary, and subject to the limitations set forth below, IDR shall have the right to terminate this Agreement without penalty and without any advance notice as a result of any of the following:

10.2.1 The legislature or governor fail in the sole opinion of IDR to appropriate funds sufficient to allow IDR to either meet its obligations under this Agreement or to operate as required and to fulfill its obligations under this Agreement;

10.2.2 If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by IDR to make any payment hereunder are insufficient or unavailable for any other reason as determined by IDR in its sole discretion;

10.2.3 If IDR's authorization to conduct its business or engage in activities or operations related to the subject matter of this Agreement is withdrawn or materially altered or modified;

10.2.4 If IDR's duties, programs or responsibilities are modified or materially altered;

10.2.5 If there is a decision of any court, administrative law judge, or an arbitration panel or any law, rule, regulation, or order is enacted, promulgated, or issued that materially or adversely affects IDR's ability to fulfill any of its obligations under this Agreement. IDR shall provide the Department with written notice of termination pursuant to this section.

10.3 **Termination for Cause.** The occurrence of any one or more of the following events shall constitute cause for any party to declare another party in default of its obligations under the Agreement:

- 10.3.1 Failure to observe and perform any covenant, condition or obligation created by the Agreement;
 - 10.3.2 Failure to make substantial and timely progress toward performance of the Agreement;
 - 10.3.3 Failure of the party's work product and services to conform with any specifications noted herein;
 - 10.3.4 Infringement of any patent, trademark, copyright, trade dress or any other intellectual property right.
- 10.4 **Notice of Default.** If there occurs a default event under Section 10.3, the non- defaulting party shall provide written notice to the defaulting party requesting that the breach or noncompliance be immediately remedied. In the event that the breach or noncompliance continues to be evidenced ten days beyond the date specified in the written notice, the non-defaulting party may either:
- 10.4.1 Immediately terminate the Agreement without additional written notice; or,
 - 10.4.2 Enforce the terms and conditions of the Agreement and seek any available legal or equitable remedies.

SECTION 11. CONTACT PERSON. At the time of execution of the Agreement, each party shall designate, in writing, a Contact Person to serve until the expiration of the Agreement or the designation of a substitute Contact Person. During the term of the Agreement, each Contact Person shall be available to meet, as otherwise mutually agreed, to plan the services being provided under the Agreement.

SECTION 12. CONTRACT ADMINISTRATION.

- 12.1 **Amendments.** The Agreement may be amended in writing from time to time by mutual consent of the parties. All amendments to the Agreement must be fully executed by the parties.
- 12.2 **Third Party Beneficiaries.** There are no third party beneficiaries to the Agreement. The Agreement is intended only to benefit IDR and the Department.
- 12.3 **Choice of Law and Forum.** The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Agreement without regard to the conflict of law provisions of Iowa law. Any and all litigation commenced in connection with this Agreement shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to IDR or the State of Iowa.
- 12.4 **Assignment and Delegation.** The Agreement may not be assigned, transferred, or conveyed in whole or in part without the prior written consent of the other party.
- 12.5 **Integration.** The Agreement represents the entire Agreement between the parties and neither party is relying on any representation that may have been made which is not included in the Agreement.
- 12.6 **Headings or Captions.** The paragraph headings or captions are for identification purposes only and do not limit nor construe the contents of the paragraphs.
- 12.7 **Not a Joint Venture.** Nothing in the Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, association of any kind or agent and principal relationship between the parties. Each party shall be deemed an independent contractor acting

toward the expected mutual benefits. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon the other party to the Agreement.

- 12.8 **Supersedes Former Agreements.** The Agreement supersedes all prior Agreements between IDR and the Department for the services provided in connection with the Agreement.
- 12.9 **Waiver.** Except as specifically provided for in a waiver signed by duly authorized representatives of IDR and the Department, failure by any party at any time to require performance by the other party or to claim a breach of any provision of the Agreement shall not be construed as affecting any subsequent breach, the right to require performance with respect thereto, or to claim a breach with respect thereto.

- 12.10 **Notices.** Any and all notices, designations, consents, offers, acceptances, or any other communication provided for herein shall be given in writing by a reliable carrier which shall be addressed to the person listed below at the address specified. From time to time, the Parties may change the name and address of an individual designated to receive notice. Such change of the designated person shall be in writing to the other Party and as provided herein. Such change shall not require an amendment to this Agreement. Each such notice shall be deemed to have been provided:

12.10.1 At the time it is actually received; or,

12.10.2 Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery; or,

12.10.3 Within five (5) days after it is deposited in the U.S. Mail in the case of registered U.S. Mail. Party: IDR

Name: Jessica Ekman

Title: Tobacco Program Coordinator

Address: 1918 SE Hulsizer Road

City, State Zip Code: Ankeny, IA 50021

Phone Number: (515) 281-7434

E-mail Address: jessica.ekman@iowa.gov

Party: City of Iowa City

Name: Dustin Liston

Title: Police Chief

Address: 410 E. Washington St.

City, State, Zip Code: Iowa City, IA 52240

Phone Number: 319-356-5270

E-mail Address: DListon@iowa-city.org

- 12.11 **Cumulative Rights.** The various rights, powers, options, elections and remedies of any party provided in the Agreement, shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies, or priorities allowed any party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal

remedy to which any party may be entitled as long as any default remains in any way unremedied, unsatisfied, or un-discharged.

- 12.12 **Severability**. If any provision of the Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of the Agreement.
- 12.13 **Time is of the Essence**. Time is of the essence with respect to the performance of the terms of the Agreement.
- 12.14 **Authorization**. Each party to the Agreement represents and warrants to the other that:
- 12.14.1 It has the right, power, and authority to enter into and perform its obligations under the Agreement.
- 12.14.2 It has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery, and performance of the Agreement, and the Agreement constitutes a legal, valid, and binding obligation upon itself in accordance with its terms.
- 12.15 **Successors in Interest**. All the terms, provisions, and conditions of the Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.
- 12.16 **Record Retention and Access**. The Department shall maintain accurate, current, and complete records of the financial activity of this Agreement which sufficiently and properly document and calculate all charges billed to IDR throughout the term of this Agreement and for a period of at least three years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later. The Department shall permit IDR, the Auditor of the State, or any other authorized representative of the State and, where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt, and transcribe any pertinent books, documents, papers, electronically or optically stored and created records, or other records of the Department relating to invoices or payments or any other documentation or materials pertaining to this Agreement, wherever such records may be located. The Department shall not impose a charge for audit or examination of the Department's books and records. Based on the audit findings, IDR reserves the right to address the Department's board or other managing entity regarding performance and expenditures.
- 12.17 **Additional Provisions**. The parties agree that any Addendum, Rider, or Exhibit, attached hereto by the parties, shall be deemed incorporated herein by reference.
- 12.18 **Further Assurances and Corrective Instruments**. The parties agree that they shall, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of the Agreement.

SECTION 13. EXECUTION.

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the Agreement and have caused their duly authorized representatives to execute the Agreement.

Iowa Department of Revenue

CITY OF OWA CITY

Name:

Name: Geoff Fruin

Title:

Title: City Manager

Signature Date:

Signature Date:



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution rescinding Resolution No. 25-192 authorizing conveyance of the eastern approximate one-half of Outlot C in Iowa City Industrial Campus.

Prepared By: Susan Dulek, First Ass't. City Attorney
Reviewed By: Geoff Fruin, City Manager
Fiscal Impact: none
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [Resolution](#)

Executive Summary:

Resolution No. 25-192 authorized the conveyance of the eastern approximate one-half of Outlot C of the Iowa City Industrial Campus pursuant to a purchase agreement with PJP Holdings, LLC. Subsequently PJP Holdings, LLC terminated the purchase agreement during its due diligence period consistent with the terms of said agreement.

Resolution No. _____

Resolution rescinding Resolution No. 25-192 authorizing conveyance of the eastern approximate one-half of Outlot C in Iowa City Industrial Campus.

Whereas, Resolution No. 25-192 authorized the conveyance of the eastern approximate one-half of Outlot C of the Iowa City Industrial Campus pursuant to a purchase agreement with PJP Holdings, LLC; and

Whereas, subsequently PJP Holdings, LLC terminated the purchase agreement consistent with the terms of said agreement, which did not require action by the City Council; and

Whereas, although Resolution No. 25-192 was never recorded, it should be rescinded for purposes of the public record.

Now, therefore, be it resolved by the City Council of the City of Iowa City, Iowa, that:

Resolution No. 25-192 is rescinded.

Passed and approved this _____ day of February, 2026.

Mayor

Approved by:

Attest: _____

City Clerk

City Attorney's Office



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution Approving Final Plat of Cardinal Pointe West - Part Five, a Resubdivision of Outlot E of Cardinal Pointe West First Addition, Iowa City, Iowa. (SUB25-0007)

Reviewed By: Alexandra Bright - Asst. City Attorney

Attachments: [SUB25-0007 Staff Report](#)
[Final Plat Cardinal Pointe West - Part 5](#)
[SUB25-0007 Resolution](#)

STAFF REPORT

To: City Council
Item: SUB25-0007
Cardinal Pointe West - Part 5

Prepared by: Anne Russett, Senior Planner
Date: February 3, 2026

GENERAL INFORMATION:

Owner/Applicant: Crossing Land, LLC
755 Mormon Trek Blvd
Iowa City, IA 52246

Contact Person: Gina Landau
Navigate Homes
755 Mormon Trek Blvd
Iowa City, IA 52246
gina@navigatehomesiowa.com

Requested Action: Approval of final plat

Purpose: Approval of Cardinal Pointe West – Part 5; a resubdivision of Outlot E of Cardinal Pointe West – Part 1

Location: West of Ava Circle and South of Kennedy Parkway

Location Map:



Size: 13.60 acres

Existing Land Use and Zoning: Undeveloped, Interim Development Research Park (ID-RP)

Surrounding Land Use and Zoning: North: Undeveloped, City of Coralville
South: Deer Creek Rd SE, Highway 218

East: OPD/RS-5, Low Density
Single-family Residential with
Planned Development Overlay; ID-
RP, Interim Development Research
Park
West: ID-RP, Interim Development
Research Park

Comprehensive Plan: Conservation Design – Clear Creek
Master Plan

District Plan: None

File Date: December 15, 2025

60 Day Limitation Period: February 3, 2026

BACKGROUND INFORMATION:

The applicant, Crossing Land LLC, is requesting approval of a final plat for Cardinal Pointe West – Part 5, the resubdivision of Outlot E Cardinal Pointe West – Part 1. This area was originally platted in 2016. The proposed subdivision would create 19 residential lots, an outlot for the mailbox cluster, an outlot for stormwater management, and an outlot that will remain private open space. In January 2026, the City Council adopted a rezoning ordinance rezoning this property from Interim Development – Research Park (ID-RP) to Medium Density Single-Family Residential (RS-8) for 4.75 acres and Rural Residential (RR-1) for 8.85 acres.

The subject property and the surrounding areas were annexed into the city between 1969 and 1972. Since 1983 the area has been zoned to reflect possible development of an office park along Highway 218. In 2002, the City Council signed a Memorandum of Understanding for the Clear Creek Master Plan including a concept that envisioned a “conservation-type” development including residential and commercial uses in the area surrounding Camp Cardinal Boulevard.

In 2015, a rezoning and preliminary plat application (REZ15-0018 and SUB15-0023) were approved for the land immediately east of the project site. This rezoning resulted in 16.81 acres of land being rezoned from ID-RP to RS-5 to allow for the development of 31 residential lots.

In 2017, a rezoning and preliminary plat application (REZ17-0011 and SUB17-0008) was approved for the land east of the project site. This rezoning resulted in 28.03 acres of land being rezoned from ID-RP to RS-12 for 5.35 acres, RM-12 for 3.30 acres, and RR-1 for 19.38 acres. This rezoning resulted in 16 residential lots including 9 single-family dwellings, 6 duplex lots, and 1 multifamily lot.

In 2021, a rezoning and preliminary plat application (REZ20-0013 and SUB21-0002) was approved for land southeast of the project site. This rezoning resulted in 27 acres of land being rezoned to RR-1 for 12.80 acres, RS-12 for 6.05 acres, RM-12 for 3.46 acres. And RM-20 for 4.88 acres. This rezoning resulted in 19 residential lots including 1 multifamily lot, 6 duplex lots, 12 single-family dwellings, and one outlot for future development.

The rezoning approved earlier this year, and the requested approval of this final plat are the next phase in the overall Cardinal Pointe West development.

ANALYSIS:

The final plat is in general compliance with the subdivision regulations. The proposed subdivision has access through an extension of Kennedy Parkway and the creation of a new street – Landau Court. All 19 lots will have access off Landau Court. The lots meet the minimum requirements for

lot frontage, lot width, and lot size for detached single-family units in the RS-8 zone.

Although the subdivision code discourages cul-de-sacs, staff determined that one was appropriate in this case. The subdivision code allows cul-de-sacs where it can be demonstrated that environmental constraints, existing development, access limitations along arterial streets, or other unusual features prevent the extension of the street to the property line or to interconnect with other streets within or abutting the subdivision. Specifically, the subject property is located just east of Hwy 218. There are no existing streets that can be extended to the east or the south. Additionally, the extension of Hwy 965 is proposed in this area. Kennedy Parkway will eventually connect with 965; however, not having an exact alignment of the 965-extension made extending Kennedy Parkway further than proposed difficult. These unknowns, combined with Hwy 218 acting as a barrier, and having no existing streets to connect to limited options for a highly connected network in this location.

Neighborhood Open Space: Neighborhood open space obligations are determined at the time of preliminary plat. A preliminary plat was approved in 2015 for the subject property. No additional open space requirements will be required at this time.

Transportation & Infrastructure: Access to the proposed lots is provided via Landau Court through an extension of Kennedy Parkway. A five-foot-wide sidewalk will be required on both sides of the street. A pedestrian crossing is proposed at the beginning of the cul-de-sac to provide access to the mailbox cluster.

Environmentally Sensitive Areas: The subject parcel contains regulated sensitive features, including critical slopes and woodlands. A sensitive areas development plan was submitted with the Final Plat and was administratively approved by City staff. Additionally, the Final Plat includes a conservation easement over the majority of Outlot C to preserve these regulated sensitive features.

NEXT STEPS:

Once the final plat and legal documents are approved, the applicant will move forward with building the infrastructure needed to support the development. Building permit applications will follow the infrastructure.

STAFF RECOMMENDATION:

Staff recommends approval of SUB25-0007, an application submitted by Crossing Land, LLC, for a Final Plat for Cardinal Point West – Part 5, a 13.60-acre resubdivision of Outlot E Cardinal Pointe West – Part 1, Iowa City, Iowa.

ATTACHMENTS:

1. Final Plat

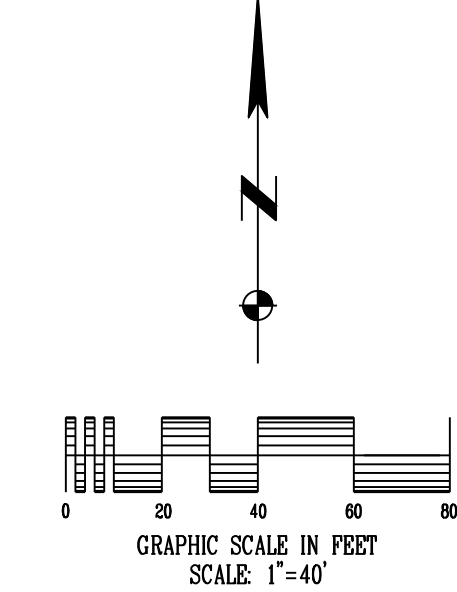
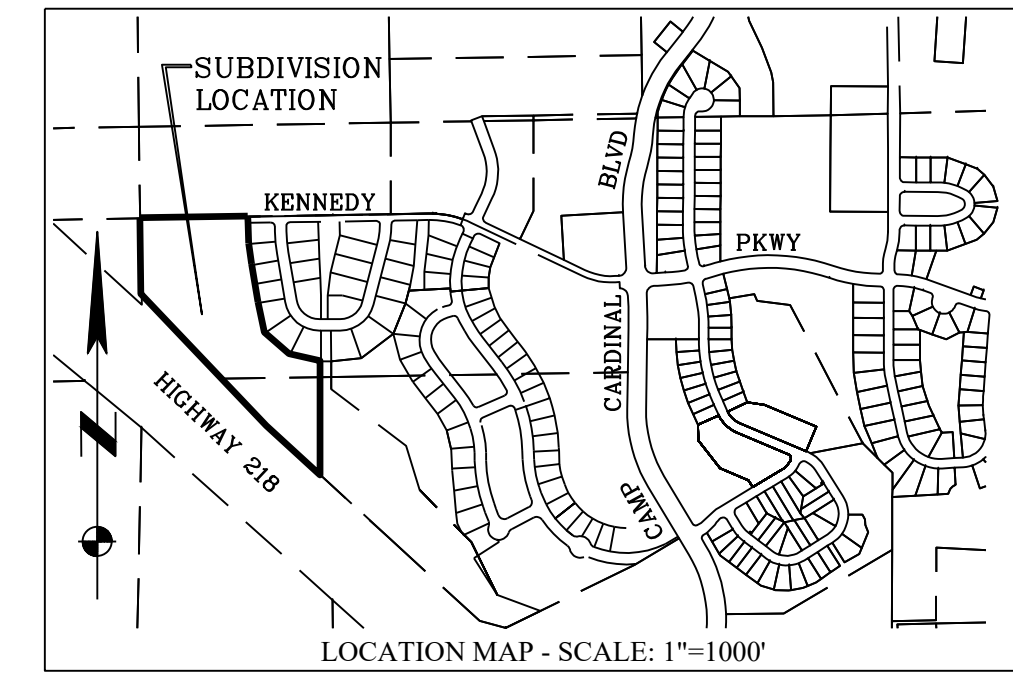
Approved by:



Danielle Sitzman, AICP, Development Services Coordinator
Department of Neighborhood and Development Services

FINAL PLAT
CARDINAL POINTE WEST-PART FIVE
 IN THE CITY OF IOWA CITY, JOHNSON COUNTY, IOWA
 A RESUBDIVISION OF OUTLOT E OF CARDINAL POINTE WEST FIRST ADDITION
 IN THE CITY OF IOWA CITY, JOHNSON COUNTY, IOWA

INDEX LEGEND	SPACE RESERVED FOR RECORDING PURPOSES
LOCATION: OUTLOT E OF CARDINAL POINTE WEST-PART ONE	
REQUESTOR: CROSSING LAND, LLC	
PROPRIETOR: CROSSING LAND, LLC	
Surveyor: GREGG E. SAMPSON, P.L.S.	
Company/Return to: SUSAN FORINASH HALL & HALL ENGINEERS, INC. 1860 BOYSON ROAD HIAMATHA, IOWA 52233 1-319-362-9548	



Curve	Delta	Tangent	Length	Radius	Chord	Chord Brg
C1	20° 15' 59"	68.45'	135.47'	383.00'	134.77'	S77° 07' 01"E
C2	4° 01' 00"	13.43'	26.85'	383.00'	26.84'	S68° 59' 31"E
C3	16° 14' 59"	54.68'	108.62'	383.00'	108.26'	S79° 07' 31"E
C4	133° 26' 14"	418.33'	419.21'	180.00'	330.69'	N65° 46' 35"E
C5	5° 01' 10"	7.89'	15.77'	180.00'	15.76'	N1° 34' 03"E
C6	14° 16' 46"	22.55'	44.86'	180.00'	44.74'	N11° 13' 01"E
C7	14° 16' 46"	22.55'	44.86'	180.00'	44.74'	N25° 29' 47"E
C8	14° 10' 19"	22.38'	44.52'	180.00'	44.41'	N39° 43' 20"E
C9	14° 10' 19"	22.38'	44.52'	180.00'	44.41'	N60° 15' 49"E
C10	14° 07' 49"	22.31'	44.39'	180.00'	44.28'	N74° 24' 53"E
C11	14° 07' 49"	22.31'	44.39'	180.00'	44.28'	N88° 32' 42"E
C12	14° 07' 49"	22.31'	44.39'	180.00'	44.28'	S77° 19' 28"E
C13	14° 07' 49"	22.31'	44.39'	180.00'	44.28'	S63° 11' 39"E
C14	8° 37' 26"	13.57'	27.09'	180.00'	27.07'	S51° 49' 01"E
C15	251° 00' 07"	85.52'	267.23'	61.00'	99.32'	S77° 59' 45"W
C16	3° 37' 55"	1.93'	3.87'	61.00'	3.87'	S45° 41' 21"E
C17	37° 34' 16"	20.75'	40.00'	61.00'	39.29'	S25° 05' 15"E
C18	37° 34' 16"	20.75'	40.00'	61.00'	39.29'	S12° 29' 01"W
C19	37° 34' 16"	20.75'	40.00'	61.00'	39.29'	S50° 03' 16"W
C20	37° 34' 16"	20.75'	40.00'	61.00'	39.29'	S87° 37' 32"W
C21	46° 19' 11"	26.09'	49.31'	61.00'	47.98'	N50° 25' 45"W
C22	50° 45' 58"	28.94'	54.05'	61.00'	52.30'	N1° 53' 10"W
C23	100° 54' 56"	10.90'	15.85'	9.00'	13.88'	S26° 57' 39"E
C24	103° 31' 25"	152.28'	216.82'	120.00'	188.51'	N50° 49' 10"E
C25	82° 28' 32"	105.19'	172.74'	120.00'	158.20'	N57° 02' 43"E
C26	16° 44' 59"	17.67'	35.08'	120.00'	34.96'	N7° 25' 57"E
C27	133° 26' 14"	348.61'	349.34'	150.00'	275.57'	N65° 46' 35"E
C28	4° 17' 53"	4.50'	9.00'	120.00'	9.00'	S79° 34' 04"E
C29	6° 22' 10"	10.02'	20.01'	180.00'	20.00'	N49° 59' 34"E
C30	86° 18' 29"	14.06'	22.60'	15.00'	20.52'	N44° 05' 46"W
C31	89° 59' 59"	15.00'	23.56'	15.00'	21.21'	S44° 03' 28"W

I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

Signed: _____ Date: _____

GREGG E. SAMPSON, P.L.S. Iowa License No. 14809
 My license renewal date is December 31, 2026
 ENTIRE SUBMISSION IS COVERED BY THIS SEAL UNLESS SPECIFIED BELOW:

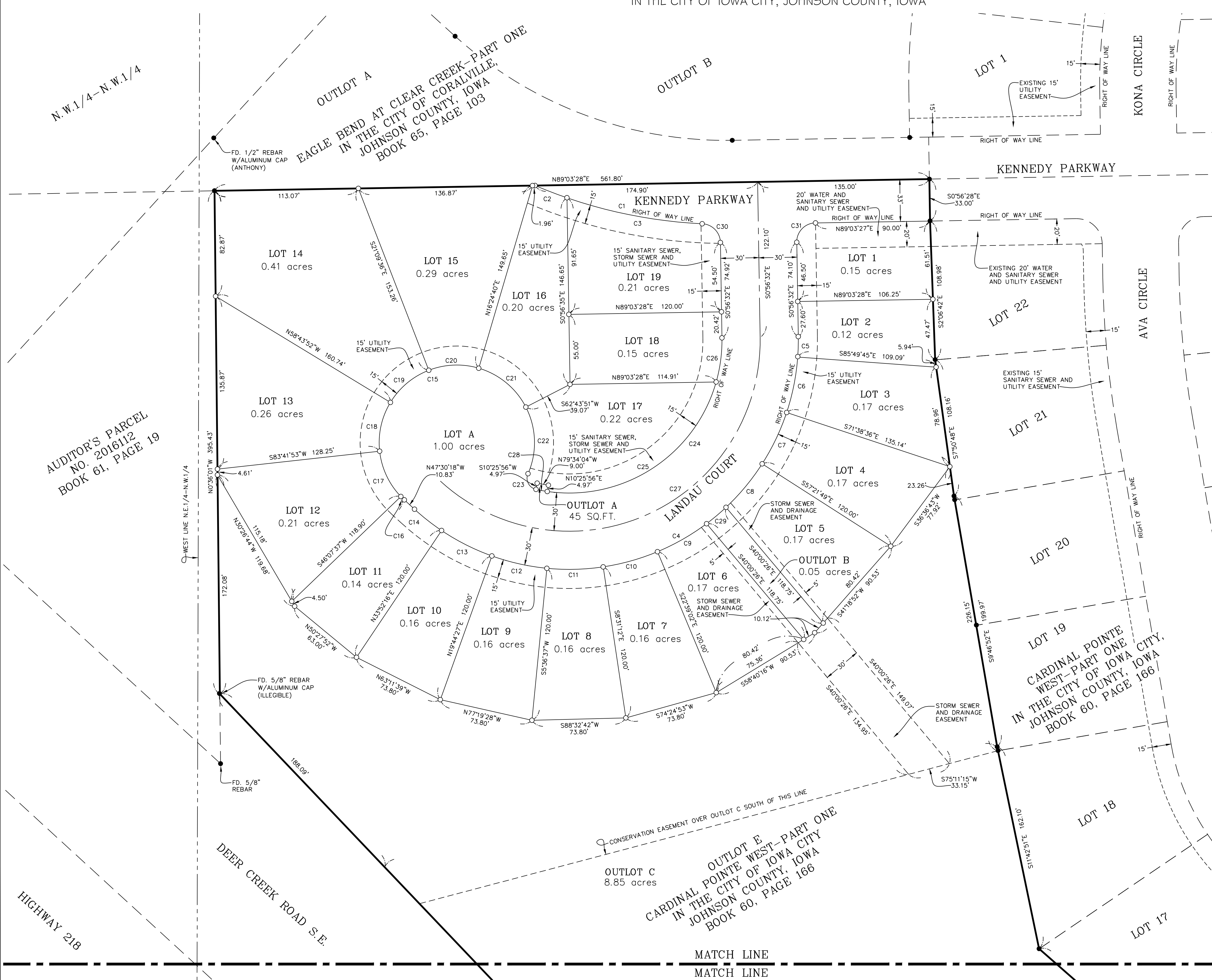
Revision	Description

Revision Number & Date

HALL & HALL ENGINEERS, INC.
 1860 BOYSON ROAD, HIAMATHA, IOWA 52233
 PHONE: (319) 362-9548 FAX: (319) 362-7596
 CIVIL ENGINEERING • LANDSCAPE ARCHITECTURE
 LAND SURVEYING • LAND DEVELOPMENT PLANNING
 www.halleng.com

FINAL PLAT
CARDINAL POINTE WEST-PART FIVE
 IN THE CITY OF IOWA CITY, JOHNSON COUNTY, IOWA

Designed by: DLK
 Drawn by: DLK
 Checked by: GES
 Date: 1/8/2026
 Field Book No: OT 115
 Scale: 1"=40'
 Sheet: 1 of 2
 Project Number: 20034-16-5



MATCH LINE
 MATCH LINE

N. W. 1/4 - N. W. 1/4

OUTLOT A
 EAGLE BEND AT CLEAR CREEK - PART ONE
 IN THE CITY OF CORALVILLE,
 JOHNSON COUNTY, IOWA
 BOOK 65, PAGE 103

OUTLOT B

LOT 1

KONA CIRCLE

KENNEDY PARKWAY

AVA CIRCLE

LANDAU COURT

CARDINAL POINTE
 WEST-PART ONE
 IN THE CITY OF IOWA CITY,
 JOHNSON COUNTY, IOWA
 BOOK 60, PAGE 166

DEER CREEK ROAD S.E.

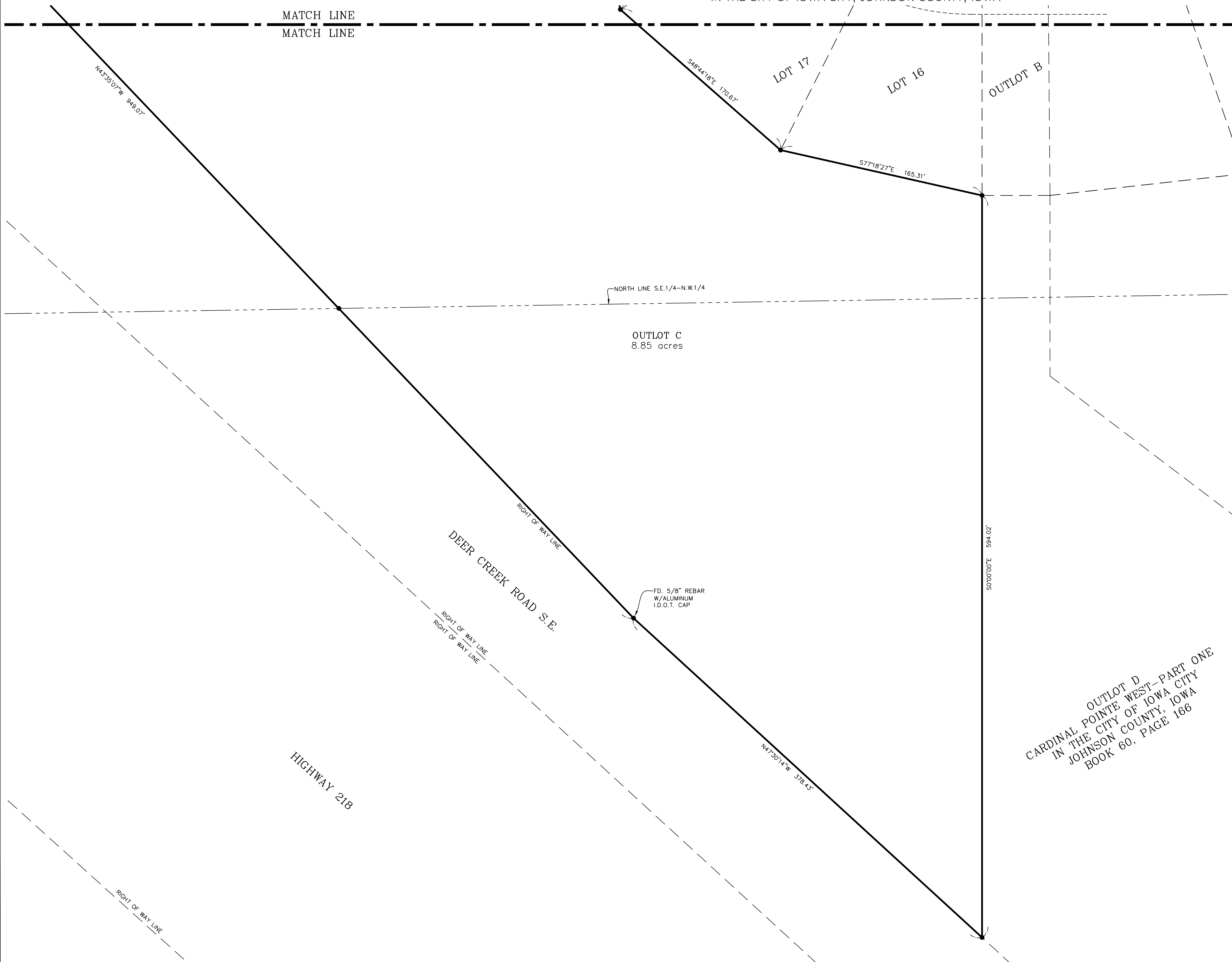
OUTLOT C
 8.85 acres

OUTLOT E
 CARDINAL POINTE WEST-PART ONE
 IN THE CITY OF IOWA CITY,
 JOHNSON COUNTY, IOWA
 BOOK 60, PAGE 166

AUDITOR'S PARCEL
 NO. 2016112
 BOOK 61, PAGE 19

HIGHWAY 218

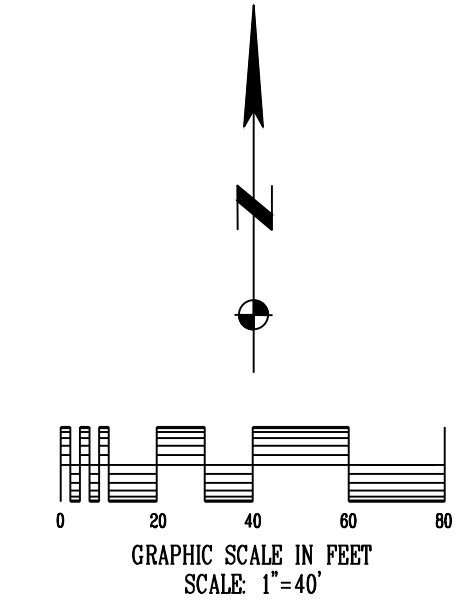
FINAL PLAT
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 A RESUBDIVISION OF OUTLOT E OF CARDINAL POINTE WEST FIRST ADDITION
 IN THE CITY OF IOWA CITY, JOHNSON COUNTY, IOWA



APPLICANT:
 NAVIGATE HOMES
 2303 JONES BLVD. STE. B
 CORALVILLE, IOWA 52241

OWNER:
 CROSSING LAND, LLC
 2303 JONES BLVD. STE. B
 CORALVILLE, IOWA 52241

OWNER'S ATTORNEY:
 EREK SITTING
 321 EAST MARKET STREET
 SUITE 200
 P.O. BOX 2150
 IOWA CITY, IOWA 52245



SURVEY LEGEND

○	SET 1/2" REBAR W/YELLOW PLASTIC CAP NO. 14809
●	FD. 1/2" REBAR W/YELLOW PLASTIC CAP NO. 18769 UNLESS OTHERWISE NOTED
----	EASEMENT LINE
---	PLAT LOT LINE
---	PLAT BOUNDARY
---	1/4-1/4 SECTION LINE
---	EXISTING LOT LINE
---	CENTERLINE

LEGAL DESCRIPTION:
 OUTLOT E OF CARDINAL POINTE WEST - PART ONE IN THE CITY OF IOWA CITY, JOHNSON COUNTY, IOWA.
 DESCRIBED PARCEL CONTAINS 13.60 ACRES.

- NOTES:**
- LOT A IS BEING DEDICATED TO THE CITY OF IOWA CITY AT THIS TIME AS PUBLIC STREET RIGHT OF WAY.
 - OUTLOT A IS FOR A MAIL BOX CLUSTER. OUTLOT B IS FOR STORM SEWER AND STORM WATER CONVEYANCE AND A STORM WATER MANAGEMENT EASEMENT IS BEING ESTABLISHED OVER ALL OF OUTLOT B AT THIS TIME. OUTLOT B WILL BE PRIVATELY OWNED AND MAINTAINED. OUTLOT C IS TO BE PRIVATELY OWNED AND MAINTAINED AND IS PARTIALLY RESERVED FOR A CONSERVATION EASEMENT AS SHOWN HEREON.
 - DISTANCES ARE IN FEET AND DECIMALS THEREOF.
 - BEARINGS ARE BASED ON: NAD83 (2011) (EPOCH 2010.000) IOWA RCS ZONE 10 (CEDAR RAPIDS) AS OBSERVED USING THE IOWA REAL TIME NETWORK.
 - DATE OF SURVEY FIELD WORK: 8/1/2025
 - NOTES ON THIS PLAT ARE NOT INTENDED TO CREATE ANY VESTED PRIVATE INTEREST IN ANY STATED USE RESTRICTION OR COVENANT OR CREATE ANY THIRD PARTY BENEFICIARIES TO ANY NOTED USE RESTRICTION OR COVENANT.

PLAT/PLAN APPROVED by the City of Iowa City, Iowa	
MAYOR	DATE
CLERK	DATE
CHAIRPERSON OF THE PLANNING COMMISSION	DATE
UTILITY EASEMENTS AS SHOWN HEREON, MAY OR MAY NOT INCLUDE SANITARY SEWER LINES, AND/OR STORM SEWER LINES, AND/OR WATER LINES; SEE CONSTRUCTION PLANS FOR DETAILS.	
UTILITY EASEMENTS, AS SHOWN HEREON, ARE ADEQUATE FOR THE INSTALLATION AND MAINTENANCE OF THE FACILITIES REQUIRED BY THE FOLLOWING AGENCIES:	
MIDAMERICAN ENERGY CO.	DATE
MEDIACOM	DATE
LUMEN	DATE
METRONET	DATE

OUTLOT D
 CARDINAL POINTE WEST-PART ONE
 IN THE CITY OF IOWA CITY
 JOHNSON COUNTY, IOWA
 BOOK 60, PAGE 166

Revision Description

Revision Number & Date	Description

Revision Number & Date

HALL & HALL ENGINEERS, INC.
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Designed by: DLK
 Drawn by: DLK
 Checked by: GES
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 Scale: 1"=40'
 Sheet: 2 of 2
 Project Number: 20034-16-5

CAD File: I:\Projects\20034\20034-16-5 Cardinal Pointe West - Part 5-Kennedy Pkwy\DWG\Plats\20034-16-5 F01 PART FIVE 302024.dwg Date Plotted: Jan 08, 2026 - 2:59pm Plotted By: DLK

Resolution No. _____

Resolution Approving Final Plat of Cardinal Pointe West – Part Five, a Resubdivision of Outlot E of Cardinal Pointe West First Addition, Iowa City, Iowa. (SUB25-0007)

Whereas, the owners, Crossing Land, LLC, filed with the City Clerk the final plat of Cardinal Pointe West – Part Five, A Resubdivision of Outlot E of Cardinal Pointe West First Addition, Iowa City, Iowa, Johnson County, Iowa; and

Whereas, said subdivision is located on the following-described real estate in Iowa City, Johnson County, Iowa, to wit:

Outlot E of Cardinal Pointe West – Part One in the City of Iowa City, Johnson County, Iowa.

Described parcel is 13.60 acres.

Whereas, the Neighborhood and Development Services Department and the Public Works Department examined the proposed final plat and subdivision, and recommended approval; and

Whereas, a dedication has been made to the public, and the subdivision has been made with the free consent and in accordance with the desires of the owners and proprietors; and

Whereas, said final plat and subdivision are found to conform with Chapter 354, Code of Iowa (2025) and all other state and local requirements.

Now, therefore, be it resolved by the City Council of the City of Iowa City, Iowa, that:

1. The said final plat and subdivision located on the above-described real estate be and the same are hereby approved.
2. The City accepts the dedication of the streets and easements as provided by law.
3. The Mayor and City Clerk of the City of Iowa City, Iowa, are hereby authorized and directed, upon approval by the City Attorney, to execute all legal documents relating to said subdivision, and to certify a copy of this resolution, which shall be affixed to the final plat after passage and approval by law. The City Clerk shall record the legal documents and the plat at the office of the County Recorder of Johnson County, Iowa at the expense of the owner/subdivider.

Passed and approved this _____ day of _____, 2026.

Mayor

Approved By

Attest: _____
City Clerk

City Attorney's Office

It was moved by _____ and seconded by _____ the Resolution be adopted, and upon roll call there were:

Ayes:

Nays:

Absent:

_____ Alter

_____ Bergus

_____ Harmsen

_____ Moe

_____ Salih

_____ Teague

_____ Weilein



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City of Iowa City, Iowa, Under the Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes.

Prepared By: Nicole Davies, Finance Director
Reviewed By: Geoff Fruin, City Manager
Eric Goers, City Attorney
Fiscal Impact: Adopted as part of the FY2026 Budget and 2025-2029
Capital Improvement Plan.
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [Loan and Disbursement Agreement 2026B Taxable Sewer SRF](#)
[Delivery Certificate 2026B Taxable Sewer SRF](#)
[Transcript Certificate 2026B Taxable Sewer SRF](#)
[Note 2026B Taxable Sewer SRF](#)
[Resolution](#)

Executive Summary:

On the February 3rd City Council agenda, there are two separate resolutions for the City Council to consider in order to complete the issuance of two Capital Loan Notes for capital improvement projects at the Wastewater Treatment Plant. The first resolution authorizes the issuance of a \$3,000,000 Taxable Sewer Revenue Capital Loan Note. The second resolution authorizes the issuance of a \$31,941,000 Sewer Revenue Capital Loan Note.

Background / Analysis:

On April 2, 2024 the City approved a 0% interim planning and design loan through the Iowa Water Pollution Control Works Program (the "SRF Program"). These funds covered engineering and design for two improvement projects at the South Wastewater Treatment Plant, the Digester Complex Rehabilitation and the Digester Gas Improvements.

This short-term loan will be combined into two larger Sewer Revenue Capital Loan Notes. A Taxable 10 Year Capital Loan Note of \$3,000,000 at an interest rate of 3.89% and a Tax Exempt 20 Year Capital Loan Note for \$31,941,000 at an interest rate of 2.90%. There will

also be an additional .25% interest charge for both notes for administrative fees. These Capital Loan Notes will fund the remaining costs of these two projects. The total cost for both projects is currently estimated at \$44,000,000. Any costs above the loan amount will be paid from the City's available sewer cash reserves.

The borrowing of loan funds by the City through the SRF program involves the same procedures applicable to the issuance and sale of municipal bonds generally. Although the Iowa Finance Authority (the "Authority") has agreed to make the City a loan under the terms of a Loan and Disbursement Agreement, that loan will be secured and evidenced by a Sewer Revenue Capital Loan Note that will be issued to the Authority at the time the loan is closed, which is anticipated to be February 20, 2026. The City's bond attorney, Kristin Billingsley Cooper, and the City's municipal advisor, Maggie Burger, are assisting the City with the loan process.

Loan And Disbursement Agreement
\$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B

This Loan and Disbursement Agreement (the “Agreement”) is made and entered into as of February 20, 2026, by and between the City of Iowa City, Iowa (the “Participant”) and the Iowa Finance Authority, an agency and public instrumentality of the State of Iowa (the “Issuer”).

Whereas, the Issuer, in cooperation with the Iowa Department of Natural Resources (the “Department”), is authorized to undertake the creation, administration and financing of the Iowa Water Pollution Control Works Financing Program (the “Program”) established in the Code of Iowa, Sections 16.131 through 16.135 and Sections 455B.291 through 455B.299, including, among other things, the making of loans to Iowa municipalities for purposes of the Program; and

Whereas, the Participant desires to participate in the Program as a means of financing all or part of the construction of certain wastewater treatment facilities serving the Participant and its residents; and

Whereas, to assist in financing the Project (defined herein), the Issuer desires to make a loan to the Participant in the amount set forth in Section 2 hereof; and

Now, Therefore, the parties agree as follows:

Section 1. Definitions. In addition to other definitions set forth herein, the following terms as used in this Agreement shall, unless the context clearly requires otherwise, have the following meanings:

(a) “Bonds” shall mean any State Revolving Fund Revenue Bonds that were or in the future are issued by the Issuer for the purpose of providing moneys to finance the Loan to the Participant.

(b) “Code” shall mean the Internal Revenue Code of 1986, as amended, and all lawfully promulgated regulations thereunder.

(c) “Project” shall mean the particular construction activities approved by the Department and being undertaken by the Participant with respect to its Wastewater Treatment System, as described in the Resolution.

(d) “Regulations” shall mean the administrative rules of the Department relating to the Program, set forth in Title 567, Chapter 92 of the Iowa Administrative Code, and the administrative rules of the Issuer relating to the Program set forth in Title 265, Chapter 26 of the Iowa Administrative Code.

(e) “Resolution” shall mean the resolution of the City Council of the Participant providing for the authorization and issuance of the Revenue Bond, attached hereto as Exhibit B, adopted on February 3, 2026, approving and authorizing the execution of this Agreement and the issuance of the Revenue Bond (defined herein).

05/01/2020

(f) “Wastewater Treatment System” shall mean the wastewater treatment system of the Participant, all facilities being used in conjunction therewith and all appurtenances and extensions thereto, including but not limited to the wastewater treatment system project which the Participant is financing under this Agreement.

Section 2. Loan; Purchase of Revenue Bond. The Issuer agrees to purchase a duly authorized and issued sewer revenue bond or capital loan note of the Participant (the “Revenue Bond”) in order to make a loan to the Participant, and will disburse proceeds as set forth herein. The Participant agrees to borrow and accept from the Issuer, a loan in the principal amount of \$3,000,000 (the “Loan”).

The Participant shall use the proceeds of the Loan strictly (a) to finance a portion of the costs of construction of the Project and (b), where applicable, to reimburse the Participant for a portion of the costs of the Project, which portion was paid or incurred in anticipation of reimbursement through the Program and which is eligible for such reimbursement under and pursuant to the Regulations and the Code.

Section 3. Disbursements. Proceeds of the Loan shall be made available to the Participant in the form of one or more periodic disbursements as provided in this Section. The Issuer thereafter shall make disbursements of a portion of the Loan for payment of costs of the Project upon receipt of the following:

- (a) a completed payment request on a form acceptable to and available from the Issuer;
 - (b) current construction payment estimates;
 - (c) engineering service statements;
 - (d) purchase orders or invoices for items not included within other contracts;
- and
- (e) evidence that the costs for which the disbursement is requested have been incurred.

Solely with respect to the request for the final disbursement of proceeds of the Loan, the Participant shall submit to the Issuer (via the Department), in addition to items (a) through (e) above, a certification of completion and acceptance of the Project by the Participant or evidence of an acceptable settlement if the Project is subject to a dispute between the Participant and any contractor.

Disbursements shall be made in a timely fashion following the receipt of the information as set forth above. Unless otherwise agreed to in writing by the Issuer, funds shall be payable to the Participant via automated clearinghouse system transfer to the account specified by the Participant.

Section 4. Completion of Project. The Participant covenants and agrees (i) to exercise its best efforts in accordance with prudent wastewater treatment utility practices to complete the

Project; and (ii) to provide from its own fiscal resources all monies, in excess of the total amount of Loan proceeds it receives under the Agreement, required to complete the Project.

Section 5. Repayment of Loan; Issuance of Revenue Bonds. The Participant's obligation to repay the Loan and interest thereon shall be evidenced by the Revenue Bond in the principal amount of the Loan, complying in all material respects with the Regulations and being in substantially the form set forth in the Resolution, which Resolution is attached hereto as Exhibit B. The Revenue Bond shall be delivered to the Issuer as the original purchaser and registered holder thereof at the closing of the Loan. The Revenue Bond shall be accompanied by a legal opinion of bond counsel, in form satisfactory to the Issuer, to evidence the legality, security position and tax-exempt status of interest on the Revenue Bond. The parties agree that a payment of principal of or interest on the Revenue Bond shall be deemed to be a payment of the same on the Loan and a payment of principal of or interest on the Loan shall be deemed to be a payment of the same on the Revenue Bond. Unless otherwise agreed to in writing by the Issuer, all payments of principal and interest due under the Loan shall be made via automated clearinghouse transfer, from an account specified by the Participant.

The Revenue Bond shall be dated the date of delivery to the Issuer, with interest and the Servicing Fee (together, the "Interest Rate" as set forth in Section 6 hereof) payable semiannually on June 1 and December 1 of each year (unless the resolution authorizing a previous series of outstanding bonds on a parity with the Revenue Bond requires interest to be paid on other interest payment dates, in which case such other dates shall apply) from the date of each disbursement of a part of the Loan from the Issuer to the Participant (which are initially expected to be on approximately the dates set forth on Exhibit A attached hereto and incorporated herein). The first repayment of principal of the Loan shall be due and payable not later than one year after substantial completion of the Project and payments of principal, interest and the Servicing Fee shall continue thereafter until the Loan is paid in full. Following the final disbursement of Loan proceeds to the Participant, Exhibit A shall be adjusted by the Issuer, with the approval of the Participant, based upon actual disbursements to the Participant under the Agreement. Such revised Exhibit A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace that initially attached hereto and to the Revenue Bond.

The Revenue Bond shall be subject to optional redemption by the Participant at a price of par plus accrued interest (i) on any date upon receipt of written consent by the Issuer, or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any such optional redemption of the Revenue Bond by the Participant may be made from any funds regardless of source, in whole or from time to time in part, upon not less than thirty (30) days' notice of redemption by e-mail, facsimile or by certified or registered mail to the Issuer (or any other registered owner of the Revenue Bond). The Revenue Bond is also subject to mandatory redemption in the event the costs of the Project are less than initially projected, in which case the amount of the Loan shall be reduced to an amount equal to the actual Project costs disbursed. The Participant and the Issuer agree that following such adjustment, the principal amount due under the Revenue Bond shall be automatically reduced to equal the principal amount of the adjusted Loan.

The Revenue Bond and the interest thereon and any additional obligations as may be hereafter issued and outstanding from time to time under the conditions set forth in the Resolution

shall be payable solely and only from the Net Revenues (as defined in the Resolution) of the Wastewater Treatment System of the Participant, a sufficient portion of which has been and shall be ordered set aside and pledged for such purpose under the provisions of the Resolution. Neither this Agreement nor the Revenue Bond is a general obligation of the Participant, and under no circumstance shall the Participant be in any manner liable by reason of the failure of the aforesaid Net Revenues to be sufficient to pay the Revenue Bond and the interest thereon or to otherwise discharge the Participant's obligation hereunder.

Section 6. Interest Rate, Initiation Fee and Servicing Fees. (a) The Participant agrees to pay to the Issuer, as additional consideration for the Loan, a loan initiation fee (the "Initiation Fee") equal to one-half of one percent (0.50%) of the amount of the Loan (but not to exceed \$100,000.00) (\$15,000.00), which shall be due and payable on the date of this Agreement. Unless the Issuer shall be otherwise notified by the Participant that the Participant intends to pay such Initiation Fee from other funds, and has received such other funds from the Participant on the date hereof, the Issuer shall be authorized to deduct the full amount of the Initiation Fee from the proceeds of the Loan being made hereunder, and such deduction by the Issuer shall be deemed to be an expenditure by the Participant of the Loan proceeds.

(b) The Participant agrees to pay a Loan servicing fee (the "Servicing Fee") to the Issuer in an amount equal to 0.25% per annum of the principal amount of the Loan outstanding. The Servicing Fee shall be paid as described in Section 5 and Section 6(c) hereof.

(c) The Loan shall bear interest at 3.89% per annum (the "Rate"). As described in Section 5, payments hereunder shall be calculated based on the Rate plus the Servicing Fee (such 4.14%, the "Interest Rate").

Section 7. Compliance with Applicable Laws, Performance Under Loan Agreement; Rates. The Participant covenants and agrees (i) to comply with all applicable State of Iowa and federal laws, rules and regulations (including but not limited to the Regulations), judicial decisions, and executive orders in the performance of the Agreement and in the financing, construction, operation, maintenance and use of the Project and the Wastewater Treatment System; (ii) to maintain its Wastewater Treatment System in good repair, working order and operating condition; (iii) to cooperate with the Issuer in the observance and performance of their respective duties, covenants, obligations and agreements under the Agreement; (iv) to comply with all terms and conditions of the Resolution; and (v) to establish, levy and collect rents, rates and other charges for the products and services provided by its Wastewater Treatment System, which rents, rates and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such Wastewater Treatment System, (B) to produce and maintain Net Revenues at a level not less than 110% of the amount of principal and interest on the Revenue Bond and any other obligations secured by a pledge of the Net Revenues falling due in the same year, (C) to comply with all covenants pertaining thereto contained in, and all other provisions of, any bond resolution, trust indenture or other security agreement, if any, relating to any bonds or other evidences of indebtedness issued or to be issued by the Participant, (D) to pay the debt service requirements on any bonds, notes or other evidences of indebtedness, whether now outstanding or incurred in the future, secured by such revenues or other receipts and issued to finance improvements to the Wastewater Treatment System and to make any other payments required by the laws of the State of Iowa, (E) to generate funds sufficient to fulfill the terms of all other contracts and agreements

made by the Participant, including, without limitation, the Agreement and the Revenue Bond and (F) to pay all other amounts payable from or constituting a lien or charge on the operating revenues of its Wastewater Treatment System.

Section 8. Intentionally Omitted.

Section 9. Insurance; Audits; Disposal of Property. The Participant covenants and agrees (a) to maintain insurance on, or to self-insure, the insurable portions of the Wastewater Treatment System of a kind and in an amount which normally would be carried by private companies engaged in a similar type of business, (b) to keep proper books and accounts adapted to the Wastewater Treatment System, showing the complete and correct entry of all transactions relating thereto, and to cause said books and accounts to be audited or examined by an independent auditor or the State Auditor (i) at such times and for such periods as may be required by the federal Single Audit Act of 1984, OMB Circular A-133 or State law, and (ii) at such other times and for such other periods as may be requested at any time and from time to time by the Issuer (which requests may require an audit to be performed for a period that would not otherwise be required to be audited under State law), and (c) unless the Participant has received a waiver and consent from the Issuer, it shall not sell, lease or in any manner dispose of the Wastewater Treatment System, or any capital part thereof, including any and all extensions and additions which may be made thereto, until the Revenue Bond shall have been paid in full or otherwise discharged as provided in the Resolution; provided, however, that the Participant may dispose of any property which in the judgment of its governing body is no longer useful or profitable to use in connection with the operation of the Wastewater Treatment System or essential to the continued operation thereof.

Section 10. Maintenance of Documents; Access. The Participant agrees to maintain its project accounts in accordance with generally accepted accounting principles (“GAAP”) as issued by the Governmental Accounting Standards Board, including GAAP requirements relating to the reporting of infrastructure assets.

The Participant agrees to permit the Issuer or its duly authorized representative access to all files and documents relating to the Project for purposes of conducting audits and reviews in accordance with any of the Regulations.

Section 11. Continuing Disclosure. As a means of enabling the Issuer to comply with the “continuing disclosure” requirements set forth in Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, the Participant agrees, during the term of the Loan, but only upon written notification from the Issuer to the Participant that this Section 11 applies to such Participant for a particular fiscal year, to provide the Issuer with (i) the comprehensive audit report of the Participant, prepared and certified by an independent auditor or the State Auditor, or unaudited financial information if the audit is not available, not later than 180 days after the end of each fiscal year for which this section applies and (ii) such other information and operating data as the Issuer may reasonably request from time to time with respect to the Wastewater Treatment System, the Project or the Participant.

The Participant hereby consents to the inclusion of all or any portion of the foregoing information and materials in a public filing made by the Issuer under the Rule. The Participant agrees to indemnify and hold harmless the Issuer, and its officers, directors, employees and agents

from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the disclosure of information permitted under this Section; provided that no such indemnification shall be required for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Issuer in the disclosure of such information.

Section 12. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to constitute an “Event of Default” under this Agreement:

(a) Failure by the Participant to pay, or cause to be paid, any Loan repayment (including the Servicing Fee) required to be paid under this Agreement when due, which failure shall continue for a period of fifteen (15) days.

(b) Failure by the Participant to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Participant (other than the Loan and the Revenue Bond), the payment of which are secured by operating revenues of the Wastewater Treatment System.

(c) Failure by the Participant to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under the Agreement or the Resolution, other than the obligation to make Loan repayments, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Participant by the Issuer, unless the Issuer shall agree in writing to an extension of such time prior to its expiration or the failure stated in such notice is correctable but cannot be corrected in the applicable period, in which case the Issuer may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) days from the delivery of the written notice referred to above if corrective action is commenced by the Participant within the applicable period and diligently pursued until the Event of Default is corrected.

Section 13. Remedies on Default. Whenever an Event of Default shall have occurred and be continuing, the Issuer shall have the right to take any action authorized under the Regulations, the Revenue Bond or this Agreement and to take whatever other action at law or equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Participant under the Agreement or the Resolution.

Section 14. Amendments. This Agreement may not be amended, supplemented or modified except by a writing executed by all of the parties hereto.

Section 15. Termination. The Participant understands and agrees that the Loan may be terminated at the option of the Issuer if construction of the Project has not commenced within one year of the date of execution of this Agreement, all as set forth in the Regulations.

Section 16. Rule of Construction. This Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of that statute.

In the event of any inconsistency or conflict between the terms and conditions of the Revenue Bond and this Agreement or the Regulations, the parties acknowledge and agree that the terms of this Agreement or the Regulations, as the case may be, shall take precedence over any such terms of the Revenue Bond and shall be controlling, and that the payment of principal and interest on the Loan shall at all times conform to the schedule set forth on Exhibit A, as adjusted, and the Regulations.

Section 17. Federal Requirements. The Participant agrees to comply with all applicable federal requirements including, but not limited to, Davis-Bacon wage requirements and the requirements relating to the use of American iron and steel products.

Section 18. Application of Uniform Electronic Transactions Act. The Issuer and the Participant agree this Agreement and all documents related thereto and referenced herein may be entered into and provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Section 19. Repayment of Planning and Design Loan. The Participant entered into an Interim Loan and Disbursement Agreement with the Issuer to provide funds to pay the costs of planning and designing the Project. The Participant agrees to repay the Interim Loan and Disbursement Agreement on the date of this Agreement. Unless the Participant notifies the Issuer that the Participant intends to repay the Interim Loan and Disbursement Agreement from other funds, and the Issuer has received such other funds from the Participant on the date hereof, the Issuer shall be authorized to deduct the full amount due under the Interim Loan and Disbursement Agreement from the proceeds of the Loan being made hereunder, and such deduction by the Issuer shall be deemed to be an expenditure by the Participant of the Loan proceeds.

In Witness Whereof, we have hereunto affixed our signatures all as of the date first above written.

City of Iowa City, Iowa

By: _____
Mayor

Attest:

City Clerk

In Witness Whereof, I have hereunto affixed my signature all as of the date first above written.

Iowa Finance Authority

By: _____
Its:

Exhibit A

**Estimated Disbursements and
Debt Service Repayment Schedule**

Exhibit B

Authorization/Issuance Resolution of Participant

4896-6715-8920-1\10714-157

Delivery Certificate

We, the undersigned City officials, do hereby certify that we are the officers, respectively below indicated, of a municipal corporation in the State of Iowa, known as the City of Iowa City, Iowa; that in pursuance of the provisions of Sections 384.24A and 384.83, Code of Iowa, there have been heretofore lawfully authorized and this day by us lawfully executed, issued, caused to be registered and authenticated and delivered one fully registered Taxable Sewer Revenue Capital Loan Note, Series 2026B, of said City of Iowa City, Iowa, in the amount of \$3,000,000, dated the date of delivery, bearing interest at the rate of 3.89% per annum set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference.

The Note has been executed with the manual signature of the Mayor and the manual signature of the Clerk of said City.

The Note has been delivered to:

Iowa Finance Authority of Des Moines, Iowa,

and has been paid for in accordance with the terms of the contract of sale and at a price of par.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City, or the titles of the undersigned officers to their respective positions, or the validity of the Note, or the pledge of the net earnings of the municipal sewer system, (the "System"), to the payment of the Note or the power and duty of the City to construct, own and operate its System as a revenue producing undertaking and to provide, charge and apply adequate rates and charges for the full and prompt payment of the principal and interest of the Note, and that none of the proceedings or authority for the issuance of the Note has been repealed, revoked, rescinded, or modified in any manner.

We further certify that each of the officers whose signatures appear on the Note were in occupancy and possession of their respective offices at the time the Note was executed and do hereby adopt and affirm their signatures appearing in the Note.

We further certify that the present financial condition of the City is as follows:

Total sewer revenue bonded indebtedness, including above-mentioned Sewer Revenue Capital Loan Note	\$34,941,000
All other indebtedness of any kind, payable from Sewer Revenues	\$0

In Witness Whereof, we have hereunto affixed our hands at Iowa City, Iowa, this
_____ day of _____, 2026.

Mayor

City Clerk

Finance Director

(Seal)

Transcript Certificate

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting Clerk of the City of Iowa City, Iowa, and that as such Clerk I have in my possession or have access to the complete corporate records of said City and of its City Council and officials, and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true and complete copy of all the corporate records in relation to the authorization, issuance and disposition of a \$3,000,000 Taxable Sewer Revenue Capital Loan Note, Series 2026B, of said City dated the date of delivery, and that said transcript hereto attached contains a true and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time, in relation to the authorization, issuance and disposition of said Note, and that said City Council consists of a Mayor and six (6) Council Members, and that said offices were duly and lawfully filled by the individuals listed in the attached transcript as of the dates and times referred to therein.

I further certify that said City is and throughout the period of said proceedings has been governed under the Mayor/Council form of municipal government authorized by Chapter 372, Code of Iowa, under the provisions of its charter as recorded with the Secretary of State.

I further certify that all meetings of the City Council of said City at which action was taken in connection with said Note were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the City Council and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested such notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the City Council all pursuant to the provisions and in accordance with the conditions of the local rules of the City Council and Chapter 21, Code of Iowa.

I further certify that no City officer or employee has any interest in the contract for the sale of the Note or any matter incidental thereto, according to my best knowledge and belief.

WITNESS my hand and the seal of the City hereto attached this _____ day of _____, 2026, at Iowa City, Iowa.

City Clerk, City of Iowa City, State of Iowa

(Seal)

Finally, the below stated officers whose signatures appear hereafter are now the duly qualified and acting officials of the City, possessed of the offices as designated below, to-wit:

Mayor

Bruce Teague

(Original Signature)

City Clerk

Kellie Grace

(Original Signature)

Finance Director

Nicole Davies

(Original Signature)

State of Iowa

)

) SS

County of Johnson

)

Subscribed and sworn to before me by Bruce Teague, Kellie Grace and Nicole Davies on this _____ day of _____, 2026.

Notary Public in and for Johnson County,
Iowa

(Seal)

REGISTERED
Certificate No. R-1

REGISTERED
Principal Amount \$3,000,000

UNITED STATES OF AMERICA
STATE OF IOWA
COUNTY OF JOHNSON
CITY OF IOWA CITY
TAXABLE SEWER REVENUE CAPITAL LOAN NOTE
SERIES 2026B
TAXABLE FOR FEDERAL INCOME TAX PURPOSES

<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Note Date</u>
3.89%	June 1, 2037	February 20, 2026

The City of Iowa City, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Iowa Finance Authority
Des Moines, Iowa

or registered assigns, the principal sum of Three Million Dollars in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 3.89% per annum, payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2037. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

THE HOLDERS OF THE NOTES SHOULD TREAT THE INTEREST AS SUBJECT TO FEDERAL INCOME TAX.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' written notice of redemption, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Treasurer, Iowa City, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith, and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

In Testimony Whereof, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Treasurer of the City of Iowa City, Iowa, all as of the _____ day of _____, 2026.

Date of authentication: _____

City of Iowa City, State of Iowa

This is one of the Notes described in the within mentioned Resolution, as registered by the City Treasurer

By: _____
Mayor

City Treasurer, Registrar

Attest:

By: _____
Authorized Signature

By: _____
City Clerk

Registrar and Transfer Agent: City Treasurer
Paying Agent: City Treasurer

(Seal)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) _____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
Address of Transferee(s) _____
Social Security or Tax Identification _____
Number of Transferee(s) _____
Transferee is a(n):
Individual* _____ Corporation _____
Partnership _____ Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with rights of survivorship and not as tenants in common
- IA UNIF TRANS MIN ACT - Custodian
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED THOUGH NOT IN THE ABOVE LIST
4921-3158-6697-1\10714-157

Estimated Schedule
City of Iowa City
Taxable Sewer Revenue Bond
CS1921138



Loan summary

Loan Closing Date	Feb 20, 2026
Final Disbursement Date	Oct 6, 2028
Final Maturity Date	Jun 1, 2037
Loan Period in Years	10
Total Loaned Amount	\$ 3,000,000.00
0.5% Initiation Fee	15,000.00
Net Proceeds to Borrower	\$ 2,985,000.00
Annual Interest Rate	3.89%
Total Interest	\$ 756,633.89
Servicing Fee Rate	0.25%
Total Servicing Fees	\$ 48,626.86
Total Loan Costs	\$ 820,260.75

Estimated Draw Schedule

Initiation Fee -	Feb 20, 2026	15,000.00
Partial P&D Payoff (C1429P) -	Feb 20, 2026	1,101,105.70
Estimated Draw #1-	Mar 6, 2026	188,389.43
Estimated Draw #2-	Jun 19, 2026	188,389.43
Estimated Draw #3-	Oct 2, 2026	188,389.43
Estimated Draw #4-	Jan 15, 2027	188,389.43
Estimated Draw #5-	Apr 30, 2027	188,389.43
Estimated Draw #6-	Aug 13, 2027	188,389.43
Estimated Draw #7-	Nov 26, 2027	188,389.43
Estimated Draw #8-	Mar 10, 2028	188,389.43
Estimated Draw #9-	Jun 23, 2028	188,389.43
Estimated Draw #10-	Oct 6, 2028	188,389.43
Total Loaned Amount		3,000,000.00

Payment Date	Beginning Balance	Principal	Interest	Servicing Fee	Total Loan Payment	Total Annual Debt Service	Ending Balance
Jun 1, 2026	1,304,495.13	0.00	25,372.43	1,630.62	27,003.05	27,003.05	1,304,495.13
Dec 1, 2026	1,681,273.99		32,700.78	2,101.59	34,802.37		1,681,273.99
Jun 1, 2027	2,058,052.85	0.00	40,029.13	2,572.57	42,601.69	77,404.07	2,058,052.85
Dec 1, 2027	2,246,442.28		43,693.30	2,808.05	46,501.36		2,246,442.28
Jun 1, 2028	2,623,221.14	249,000.00	51,021.65	3,279.03	303,300.68	349,802.03	2,374,221.14
Dec 1, 2028	2,751,000.00		53,506.95	3,438.75	56,945.70		2,751,000.00
Jun 1, 2029	2,751,000.00	259,000.00	53,506.95	3,438.75	315,945.70	372,891.40	2,492,000.00
Dec 1, 2029	2,492,000.00		48,469.40	3,115.00	51,584.40		2,492,000.00
Jun 1, 2030	2,492,000.00	269,000.00	48,469.40	3,115.00	320,584.40	372,168.80	2,223,000.00
Dec 1, 2030	2,223,000.00		43,237.35	2,778.75	46,016.10		2,223,000.00
Jun 1, 2031	2,223,000.00	280,000.00	43,237.35	2,778.75	326,016.10	372,032.20	1,943,000.00
Dec 1, 2031	1,943,000.00		37,791.35	2,428.75	40,220.10		1,943,000.00
Jun 1, 2032	1,943,000.00	292,000.00	37,791.35	2,428.75	332,220.10	372,440.20	1,651,000.00
Dec 1, 2032	1,651,000.00		32,111.95	2,063.75	34,175.70		1,651,000.00
Jun 1, 2033	1,651,000.00	304,000.00	32,111.95	2,063.75	338,175.70	372,351.40	1,347,000.00
Dec 1, 2033	1,347,000.00		26,199.15	1,683.75	27,882.90		1,347,000.00
Jun 1, 2034	1,347,000.00	317,000.00	26,199.15	1,683.75	344,882.90	372,765.80	1,030,000.00
Dec 1, 2034	1,030,000.00		20,033.50	1,287.50	21,321.00		1,030,000.00
Jun 1, 2035	1,030,000.00	330,000.00	20,033.50	1,287.50	351,321.00	372,642.00	700,000.00
Dec 1, 2035	700,000.00		13,615.00	875.00	14,490.00		700,000.00
Jun 1, 2036	700,000.00	343,000.00	13,615.00	875.00	357,490.00	371,980.00	357,000.00
Dec 1, 2036	357,000.00		6,943.65	446.25	7,389.90		357,000.00
Jun 1, 2037	357,000.00	357,000.00	6,943.65	446.25	364,389.90	371,779.80	0.00

**Items to Include on Agenda
for the Council Meeting on February 3, 2026**

City of Iowa City, Iowa

\$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B.

- Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Iowa City, Iowa, and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City of Iowa City, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes.

Notice Must Be Given Pursuant to Iowa Code
Chapter 21 and the Local Rules of the City.

February 3, 2026

The City Council of the City of Iowa City, State of Iowa, met in _____
session, in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at
_____ o'clock _____.M., on the above date. There were present Mayor
_____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "A Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City of Iowa City, Iowa, Under The Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes", and moved its adoption. Council Member _____ seconded the motion to adopt. The roll was called and the vote was:

Ayes: _____

Nays: _____

Whereupon the Mayor declared the following Resolution duly adopted:

Resolution No. _____

A Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City of Iowa City, Iowa, Under the Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes

Whereas, the City Council of the City of Iowa City, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal sewer system, sometimes hereinafter referred to as the "System", and said revenues have not been pledged, there being no current obligations outstanding secured by said System, and said revenues and are available for the payment of Taxable Sewer Revenue Capital Loan Notes, Series 2026B, subject to the following premises; and

Whereas, the Issuer proposes to issue its Taxable Sewer Revenue Capital Loan Notes, Series 2026B, to the extent of \$3,000,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

Whereas, the notice of intention of Issuer to take action for the issuance of not to exceed \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, has heretofore been duly published and no objections to such proposed action have been filed, and, simultaneously, the Issuer is also issuing \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A).

Now, Therefore, Be It Resolved by the City Council of the City of Iowa City, State of Iowa:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- ◆ "Additional Obligations" shall mean any sewer revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.
- ◆ "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser relating to the Loan made to the City under the Program.
- ◆ "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.
- ◆ "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan.
- ◆ "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body.
- ◆ "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year.
- ◆ "Governing Body" shall mean the City Council, or its successor in function with respect to the operation and control of the System.
- ◆ "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State.
- ◆ "Issuer" and "City" shall mean the City of Iowa City, Iowa.

◆ "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes.

◆ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses.

◆ "Notes" or "Note" shall mean \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, authorized to be issued by this Resolution.

◆ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from the Issuer at the time of their original issuance.

◆ "Parity Obligations" shall mean sewer revenue notes, bonds, or other obligations payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Obligations as authorized to be issued under the terms of this Resolution. The City intends to issue \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, simultaneously with this issuance, which upon closing will be Parity Obligations with the Notes.

◆ "Paying Agent" shall mean the City Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's Agent to provide for the payment of principal of and interest on the Notes as the same shall become due.

◆ "Permitted Investments" shall mean:

- direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;
- cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);
- obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

- Export - Import Bank
- Farm Credit System Financial Assistance Corporation
- USDA - Rural Development
- General Services Administration

- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;
- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;
- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);
- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;
- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on

the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- Iowa Public Agency Investment Trust.

- ◆ "Program" shall mean the Iowa Water Pollution Control Works Financing Program undertaken by the Original Purchaser.

- ◆ "Project" shall mean the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project.

- ◆ "Project Fund" shall mean the Loan Account maintained under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs.

- ◆ "Registrar" shall be the City Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.

- ◆ "System" shall mean the municipal sewer system utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all wastewater treatment facilities, including all wastewater treatment facilities, sanitary sewers, force mains, pumping stations and all related property and improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

- ◆ "Treasurer" shall mean the City Finance Director or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.83 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Iowa City, in the County of Johnson, Iowa, each to be designated as "Taxable Sewer Revenue Capital Loan Note, Series 2026B", in the aggregate amount of \$3,000,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the Net Revenues of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Taxable Sewer Revenue Capital Loan Notes, Series 2026B, of the City in the amount of \$3,000,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "Taxable Sewer Revenue Capital Loan Note, Series 2026B", be dated the date of delivery, and bear interest at the rate of 3.89% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2037. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying

Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes shall be in the denomination of \$1,000 or multiples thereof and may at the request of the Original Purchaser be initially issued as a single Note in the denomination of \$3,000,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' written notice of redemption to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Treasurer is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentation of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

(6)			(6)
(7)			(8)
(1)			
(2)	(3)	(4)	(5)
(9)			
(9a)			
(10) (Continued on the back of this Bond)			
(11)(12)(13)	(14)		(15)

Figure 1
(Front)

<p>(10) (Continued)</p>		<p>(16)</p>
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Figure 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "State of Iowa"
"County of Johnson"
"City of Iowa City"
"Taxable Sewer Revenue Capital Loan Note"

"Series 2026B"

Item 2, figure 1 = Rate: 3.89%
Item 3, figure 1 = Final Maturity: _____
Item 4, figure 1 = Note Date: _____

Item 6, figure 1 = "Registered"
Item 7, figure 1 = Certificate No. R-1
Item 8, figure 1 = Principal Amount: _____

Item 9, figure 1 = The City of Iowa City, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Iowa Finance Authority

Item 10, figure 1 = or registered assigns, the principal sum of Three Million Dollars in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 3.89% per annum, payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2037. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

THE HOLDERS OF THE NOTES SHOULD TREAT THE INTEREST AS SUBJECT TO FEDERAL INCOME TAX.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester

Rehabilitation project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' written notice of redemption, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Treasurer, Iowa City, Iowa, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

In Testimony Whereof, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Treasurer of the City of Iowa City, Iowa, all as of the _____ day of _____, 2026.

- Item 11, figure 1 = Date of authentication:
- Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Treasurer.

City Treasurer

By: _____
Registrar

- Item 13, figure 1 = Registrar and Transfer Agent: City Treasurer
- Paying Agent: City Treasurer

See Reverse For Certain Definitions

- Item 14, figure 1 = (Seal)
- Item 15, figure 1 = (Signature Block)

City of Iowa City, State of Iowa

By: manual or facsimile _____
Mayor

ATTEST:

By: manual or facsimile _____
City Clerk

- Item 17, figure 2 = [Assignment Block]
[Information Required for Registration]

Assignment

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) _____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or bond(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

Information Required For Registration Of Transfer

Name of Transferee(s) _____

Address of Transferee(s) _____

Social Security or Tax Identification

Number of Transferee(s) _____

Transferee is a(n):

Individual* _____ Corporation _____

Partnership _____ Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with rights of survivorship and not as tenants in common

IA UNIF TRANS MIN ACT - Custodian

(Cust) (Minor)

Under Iowa Uniform Transfers to Minors Act.....

(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the

System without priority by reason of number or time of sale or delivery; and the Net Revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Sewer Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Sewer Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.
- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Sewer Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the

next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the Net Revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the 10th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Resolution.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be

liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

- (a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.
- (b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.
- (c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.
- (d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.
- (e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.
- (f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the

Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Funds.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the Net Revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or Net Revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the Net Revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or Additional Obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent Auditor, independent consulting engineer, or independent municipal advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the Net Revenues of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the independent municipal advisor or by the Independent Auditor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Obligations been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Obligations.

Section 22. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time

outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 23. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 24. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 25. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 26. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 27. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 28. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 29. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of

the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

Passed And Approved this 3rd day of February, 2026.

Mayor

Attest:

City Clerk

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned City Clerk of the City of Iowa City, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

Witness my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, of the City of Iowa City, Iowa, Under the Provisions of the City Code of Iowa, and Providing for a Method of Payment of Said Notes; Approval of the Tax Exemption Certificate.

Prepared By: Nicole Davies, Finance Director
Reviewed By: Geoff Fruin, City Manager
Eric Goers, City Attorney
Fiscal Impact: Adopted as part of the FY2026 Budget and 2025-2029
Capital Improvement Plan.
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [Tax Exemption Certificate 2026A Sewer SRF](#)
[Loan and Disbursement Agreement 2026A Sewer SRF](#)
[Transcript Certificate 2026A Sewer SRF](#)
[Delivery Certificate 2026A Sewer SRF](#)
[Note 2026A Sewer SRF](#)
[Resolution](#)

Executive Summary:

On the February 3rd City Council agenda, there are two separate resolutions for the City Council to consider in order to complete the issuance of two Capital Loan Notes for capital improvement projects at the Wastewater Treatment Plan. The first resolution authorizes the issuance of a \$3,000,000 Taxable Sewer Revenue Capital Loan Note. The second resolution authorizes the issuance of a \$31,941,000 Sewer Revenue Capital Loan Note.

Background / Analysis:

On April 2, 2024 the City approved a 0% interim planning and design loan through the Iowa Water Pollution Control Works Program (the "SRF Program"). These funds covered engineering and design for two improvement projects at the South Wastewater Treatment Plant, the Digester Complex Rehabilitation and the Digester Gas Improvements.

This short-term loan will be combined into two larger Sewer Revenue Capital Loan Notes. A

Taxable 10 Year Capital Loan Note of \$3,000,000 at an interest rate of 3.89% and a Tax Exempt 20 Year Capital Loan Note for \$31,941,000 at an interest rate of 2.90%. There will also be an additional .25% interest charge for both notes for administrative fees. These Capital Loan Notes will fund the remaining costs of these two projects. The total cost for both projects is currently estimated at \$44,000,000. Any costs above the loan amount will be paid from the City's available sewer cash reserves.

The borrowing of loan funds by the City through the SRF program involves the same procedures applicable to the issuance and sale of municipal bonds generally. Although the Iowa Finance Authority (the "Authority") has agreed to make the City a loan under the terms of a Loan and Disbursement Agreement, that loan will be secured and evidenced by a Sewer Revenue Capital Loan Note that will be issued to the Authority at the time the loan is closed, which is anticipated to be February 20, 2026. The City's bond attorney, Kristin Billingsley Cooper, and the City's municipal advisor, Maggie Burger, are assisting the City with the loan process.

Tax Exemption Certificate

of

City of Iowa City, County of Johnson
State of Iowa, Issuer

\$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A

This instrument was prepared by:

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309
(515) 243-7611

Tax Exemption Certificate

City of Iowa City, Iowa

This Tax Exemption Certificate made and entered into on February 20, 2026, by the City of Iowa City, State of Iowa (the "Issuer").

Introduction

This Certificate is executed and delivered in connection with the issuance by the Issuer of its \$31,941,000 Sewer Revenue Capital Loan Note, Series 2026A (the "Bonds"). The Bonds are issued pursuant to the provisions of the Resolution of the Issuer authorizing the issuance of the Bonds. Such Resolution provides that the covenants contained in this Certificate constitute a part of the Issuer's contract with the owners of the Bonds.

The Issuer recognizes that under the Code (as defined below) the tax-exempt status of the interest received by the owners of the Bonds is dependent upon, among other things, the facts, circumstances, and reasonable expectations of the Issuer as to future facts not in existence at this time, as well as the observance of certain covenants in the future. The Issuer covenants that it will take such action with respect to the Bonds as may be required by the Code, and pertinent legal regulations issued thereunder in order to establish and maintain the tax-exempt status of the Bonds, including the observance of all specific covenants contained in the Resolution and this Certificate.

ARTICLE I

Definitions

The following terms as used in this Certificate shall have the meanings set forth below. The terms defined in the Resolution shall retain the meanings set forth therein when used in this Certificate. Other terms used in this Certificate shall have the meanings set forth in the Code or in the Regulations.

"Annual Debt Service" means the principal of and interest on the Bonds scheduled to be paid during a given Bond Year.

"Bonds" means the \$31,941,000 aggregate principal amount of a Sewer Revenue Capital Loan Note of the Issuer issued in registered form pursuant to the Resolution.

"Bond Counsel" means Ahlers & Cooney, P.C., Des Moines, Iowa, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any State of the United States of America.

"Bond Fund" means the Sinking Fund described in the Resolution.

"Bond Year", as defined in Regulation 1.148-1(b), means a one-year period beginning on the day after expiration of the preceding Bond Year. The first Bond Year shall be the one-year or shorter period beginning on the Closing Date and ending on a principal or interest payment date, unless Issuer selects another date.

"Bond Yield" means that discount rate which produces an amount equal to the Issue Price of the Bonds when used in computing the present value of all payments of principal and interest to be paid on the Bonds, using semiannual compounding on a 360-day year as computed under Regulation 1.148-4.

"Certificate" means this Tax Exemption Certificate.

"Closing" means the delivery of the Bonds in exchange for the agreed upon purchase price.

"Closing Date" means the date of Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and any statutes which replace or supplement the Internal Revenue Code of 1986.

"Computation Date" means each five-year period from the Closing Date through the last day of the fifth and each succeeding fifth Bond Year.

"Excess Earnings" means the amount earned on all Nonpurpose Investments minus the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the Bond Yield, plus any income attributable to such excess.

"Final Bond Retirement Date" means the date on which the Bonds are actually paid in full.

"Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by the United States.

"Gross Proceeds", as defined in Regulation 1.148-1(b), means any Proceeds of the Bonds and any replacement proceeds (as defined in Regulation 1.148-1(c)) of the Bonds.

"Gross Proceeds Funds" means the Project Fund and any other fund or account held for the benefit of the owners of the Bonds or containing Gross Proceeds of the Bonds except the Bond Fund and the Rebate Fund.

"Issue Price", as defined in Regulation 1.148-1(b), means the initial offering price of the Bonds to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bonds were sold to the public. The Purchasers have certified the Issue Price to be not more than \$31,941,000.

"Issuer" means the City of Iowa City, State of Iowa.

"Minor Portion of the Bonds", as defined in Regulation 1.148-2(g), means the lesser of five (5) percent of Proceeds or \$100,000. The Minor Portion of the Bonds is computed to be \$100,000.

"Nonpurpose Investments" means any investment property which is acquired with Gross Proceeds and is not acquired to carry out the governmental purpose of the Bonds, and may include but is not limited to U.S. Treasury bonds, corporate bonds, or certificates of deposit.

"Proceeds", as defined in Regulation 1.148-1(b), means Sale Proceeds, investment proceeds and transferred proceeds of the Bonds.

"Project" means the acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project, as more fully described in the Resolution.

"Project Fund" means the fund established in the Resolution.

"Purchaser" means the Iowa Finance Authority, Des Moines, Iowa, constituting the initial purchaser of the Bonds from the Issuer.

"Rebate Amount" means the amount computed as described in this Certificate.

"Rebate Fund" means the fund to be created, if necessary, pursuant to this Certificate.

"Rebate Payment Date" means a date chosen by the Issuer which is not more than 60 days following each Computation Date or the Final Bond Retirement Date.

"Refunded Bonds" means \$1,722,242.30 of the \$3,322,000 Sewer Revenue Capital Loan Notes Anticipation Project Note, Series 2024 issued April 26, 2024.

"Refunding Bonds" mean the Bonds.

"Regulations" means the Income Tax Regulations, amendments and successor provisions promulgated by the Department of the Treasury under Sections 103, 148 and 149 of the Code, or other Sections of the Code relating to "arbitrage bonds", including without limitation Regulations 1.148-1 through 1.148-11, 1.149(b)-1, 1.149-d(1), 1.150-1 and 1.150-2.

"Replacement Proceeds" include, but are not limited to, sinking funds, amounts that are pledged as security for an issue, and amounts that are replaced because of a sufficiently direct nexus to a governmental purpose of an issue.

"Resolution" means the resolution of the Issuer adopted on February 3, 2026 authorizing the issuance of the Bonds.

"Sale Proceeds", as defined in Regulation 1.148-1(b), means any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation and accrued interest other than pre-issuance accrued interest.

"Sinking Fund" means the Bond Fund.

"Tax Exempt Obligations" means bonds or other obligations the interest on which is excludable from the gross income of the owners thereof under Section 103 of the Code and include certain regulated investment companies, stock in tax-exempt mutual funds and demand deposit SLGS.

"Taxable Obligations" means all investment property, obligations or securities other than Tax Exempt Obligations.

"Verification Certificate" means the certificate attached to this Certificate as Exhibit A, establishing that the Purchaser will not reoffer or sell the Bonds to the public.

ARTICLE II

Specific Certifications, Representations And Agreements

The Issuer hereby certifies, represents and agrees as follows:

Section 2.1 Authority to Certify and Expectations

(a) The undersigned officer of the Issuer along with other officers of the Issuer, are charged with the responsibility of issuing the Bonds.

(b) This Certificate is being executed and delivered in part for the purposes specified in Section 1.148-2(b)(2) of the Regulations and is intended (among other purposes) to establish reasonable expectations of the Issuer at this time.

(c) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-2(b)(2) of the Regulations.

(d) The certifications, representations and agreements set forth in this Article II are made on the basis of the facts, estimates and circumstances in existence on the date hereof, including the following: (1) with respect to amounts expected to be received from delivery of the Bonds, amounts actually received, (2) with respect to payments of amounts into various funds or accounts, review of the authorizations or directions for such payments made by the Issuer pursuant to the Resolution and this Certificate, (3) with respect to the Issue Price, the certifications of the Purchaser as set forth in the Verification Certificate, (4) with respect to expenditure of the Proceeds of the Bonds, actual expenditures and reasonable expectations of the Issuer as to when the Proceeds will be spent for purposes of the Project, (5) with respect to Bond Yield, review of the Verification Certificate, and (6) with respect to the amount of governmental and Code Section 501(c)(3) bonds to be issued during the calendar year, the budgeting and present planning of Issuer. The Issuer has no reason to believe such facts, estimates or circumstances are untrue or incomplete in any material way.

(e) To the best of the knowledge and belief of the undersigned officer of the Issuer, there are no facts, estimates or circumstances that would materially change the representations, certifications or agreements set forth in this Certificate, and the expectations herein set out are reasonable.

(f) No arrangement exists under which the payment of principal or interest on the Bonds would be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof.

(g) After the expiration of any applicable temporary periods, and excluding investments in a bona fide debt service fund or reserve fund, not more than five percent (5%) of the Proceeds of the Bonds will be (a) used to make loans which are guaranteed by the United States or any agency or instrumentality thereof, or (b) invested in federally insured deposits or accounts.

(h) The Issuer will file with the Internal Revenue Service in a timely fashion Form 8038-G, Information Return for Tax-Exempt Governmental Obligations, with respect to the Bonds and such other reports required to comply with the Code and applicable Regulations.

(i) The Issuer will take no action which would cause the Bonds to become "private activity bonds" as defined in Section 141(a) of the Code, including any use of the Project by any person other than a governmental unit if such use will be as other than a member of the general public. None of the Proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit.

(j) The Issuer will make no change in the nature or purpose of the Project except as provided in Section 6.1 hereof.

(k) Except as provided in Section 6.1 hereof, the Issuer will not establish any sinking fund, bond fund, reserve fund, debt service fund or other fund reasonably expected to be used to pay debt service on the Bonds (other than the Bond Fund and any Reserve Fund), exercise its option to redeem Bonds prior to maturity or effect a refunding of the Bonds.

(l) Except for the Bonds described as \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, no bonds or other obligations of the Issuer (1) were sold in the 15 days preceding the date of sale of the Bonds, (2) were sold or will be sold within the 15 days after the date of sale of the Bonds, (3) have been delivered in the past 15 days or (4) will be delivered in the next 15 days pursuant to a common plan of financing for the issuance of the Bonds and payable out of substantially the same source of revenues.

(m) None of the Proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer used directly or indirectly to acquire obligations having a yield higher than the Bond Yield.

(n) No portion of the Bonds will be issued for the purpose of investing such portion at a higher yield than the Bond Yield.

(o) The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause them to be "arbitrage bonds" as defined in Section 148(a) of the Code. The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause the interest on the Bonds to be includable in the gross income of the owners of the Bonds under the Code. The Issuer will not intentionally use any portion of the Proceeds to acquire higher yielding investments.

(p) The Issuer will not use the Proceeds of the Bonds to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage.

(q) The Issuer has not issued more Bonds, issued the Bonds earlier, or allowed the Bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Bonds.

(r) The Issuer has not employed a device in connection with the issuance of the Bonds to obtain a material financial advantage (based on arbitrage) apart from savings attributable to lower interest rates. The Issuer will not realize any material financial advantage (based on arbitrage or otherwise) in connection with the issuance of the Bonds, or in connection with any transaction or series of transactions connected with the issuance of the Bonds, apart from savings attributable to lower interest rates.

(s) The Bonds will not be Hedge Bonds as described in Section 149(g)(3) of the Code because the Issuer reasonably expects that it will meet the Expenditure Test set forth in Section

2.5(b) hereof and that not more than 50% of the Proceeds will be invested in Nonpurpose Investments having a substantially guaranteed yield for four or more years.

Section 2.2 Receipts and Expenditures of Sale Proceeds

Sale Proceeds received at Closing are expected to be deposited and expended as follows:

- (a) \$128,500 representing costs of issuing the Bonds and the Initiation Fee for the Loan will be used within six months of the Closing Date to pay the costs of issuance of the Bonds (with any excess remaining on deposit in the Project Fund); and
- (b) \$1,722,242.30 will be used to redeem the Refunded Bonds on February 20, 2026; and
- (b) \$30,090,257.70 will be deposited into the Project Fund and will be used together with earnings thereon to pay the costs of the Project and will not exceed the amount necessary to accomplish the governmental purposes of the Bonds.

Section 2.3 Purpose of Bonds

The Issuer is issuing the Bonds to pay costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project.

The Issuer is issuing the Bonds to refund the Refunded Bonds prior to maturity in order to implement long-term financing for the Project.

Section 2.4 Facts Supporting Tax-Exemption Classification

The Bonds are considered to be governmental bonds, not subject to the provisions of the alternate minimum tax. Proceeds of the Bonds will be used for the purpose of paying costs of construction of certain improvements and extensions to the Sewer System Utility of the City, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project. All of the financed facilities are owned by the City and are expected to be used by the public generally, including industrial users. There are no contractual arrangements or agreements between the City and any contributing industry using the Sewer System Utility, and there are no other lease, management contract or other similar arrangements with respect to the Sewer System Utility. Contributing industries using the Sewer System Utility may be or become subject to additional surcharges above the current user charges, depending on the strength and volume of the waste they generate. All such surcharges, however, are or will be imposed by virtue of City ordinances applicable to all entities meeting the standards set forth therein. No other charges or payments will be imposed or paid to the City by any contributing industry for wastewater treatment services or Project-related construction and acquisition beyond those mandated by ordinance for certain classes of users.

No amount of Proceeds of the Bonds is to be used directly or indirectly to make or finance loans to persons other than governmental units.

Section 2.5 Facts Supporting Temporary Periods for Proceeds

(a) Time Test. Not later than six months after the Closing Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the net Sale Proceeds of the Bonds.

(b) Expenditure Test. Not less than 85% of the net Sale Proceeds will be expended for Project costs, including the reimbursement of other funds expended to date, within a three-year temporary period from the Closing Date.

(c) Due Diligence Test. Not later than six months after Closing, work on the Project will have commenced and will proceed with due diligence to completion.

(d) Due Diligence Test. The Issuer has incurred a substantial binding obligation to accomplish the refunding. The refunding will proceed with due diligence to completion.

(e) Proceeds of the Bonds representing less than six months accrued interest on the Bonds will be spent within six months of this date to pay interest on the Bonds, and will be invested without restriction as to yield for a temporary period not in excess of six months.

Section 2.6 Resolution Funds at Restricted or Unrestricted Yield

(a) Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer has not and does not expect to create or establish any other bond fund, reserve fund, or similar fund or account for the Bonds. The Issuer has not and will not pledge any moneys or Taxable Obligations in order to pay debt service on the Bonds or restrict the use of such moneys or Taxable Obligations so as to give reasonable assurances of their availability for such purposes.

(b) Any monies which are invested beyond a temporary period are expected to constitute less than a major portion of the Bonds or to be restricted for investment at a yield not greater than one-eighth of one percent above the Bond Yield.

(c) The Issuer has established and will use the Bond Fund primarily to achieve a proper matching of revenues and debt service within each Bond Year and the Issuer will apply moneys deposited into the Bond Fund to pay the principal of and interest on the Bonds. Such Fund will be depleted at least once each Bond Year except for a reasonable carryover amount. The carryover amount will not exceed the greater of (1) one year's earnings on the Bond Fund or (2) one-twelfth of Annual Debt Service. The Issuer will spend moneys deposited from time to time into such fund within 13 months after the date of deposit. Revenues, intended to be used to pay debt service on the Bonds, will be deposited into the Bond Fund as set forth in the Resolution. The Issuer will spend interest earned on moneys in such fund not more than 12

months after receipt. Accordingly, the Issuer will treat the Bond Fund as a bona fide debt service fund as defined in Regulation 1.148-1(b).

Investment of amounts on deposit in the Bond Fund will not be subject to arbitrage rebate requirements as the Bonds meet the safe harbor set forth in Regulation 1.148-3(k), because the average annual debt service on the Bonds will not exceed \$2,500,000.

- (d) The Minor Portion of the Bonds will be invested without regard to yield.

Section 2.7 Pertaining to Yields

(a) The purchase price of all Taxable Obligations to which restrictions apply under this Certificate as to investment yield or rebate of Excess Earnings, if any, has been and shall be calculated using (i) the price taking into account discount, premium and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Issuer will acquire all such Taxable Obligations directly from the United States Treasury or in an arm's length transaction without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Issuer will not pay or permit the payment of any amounts (other than to the United States) to reduce the yield on any Taxable Obligations. Obligations pledged to the payment of debt service on the Bonds, or deposited into any reserve fund after they have been acquired by the Issuer will be treated as though they were acquired for their fair market value on the date of such pledge or deposit. Obligations on deposit in any reserve fund on the Closing Date shall be treated as if acquired for their fair market value on the Closing Date.

- (b) Qualified guarantees have not been used in computing yield.

(c) The Bond Yield has been computed as not less than 2.900247 percent. This Bond Yield has been computed on the basis of a purchase price for the Bonds equal to the Issue Price.

ARTICLE III

Rebate

Section 3.1 Records

Sale Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer will maintain adequate records for funds created by the Resolution and this Certificate including all deposits, withdrawals, transfers from, transfers to, investments, reinvestments, sales, purchases, redemptions, liquidations and use of money or obligations until six years after the Final Bond Retirement Date.

Section 3.2 Rebate Fund

(a) In the Resolution, the Issuer has covenanted to pay to the United States the Rebate Amount, an amount equal to the Excess Earnings on the Gross Proceeds Funds, if any, at the

times and in the manner required or permitted and subject to stated special rules and allowable exceptions or exemptions.

(b) The Issuer may establish a fund pursuant to the Resolution and this Certificate which is herein referred to as the Rebate Fund. The Issuer will invest and expend amounts on deposit in the Rebate Fund in accordance with this Certificate.

(c) Moneys in the Rebate Fund shall be held by the Issuer or its designee and, subject to Sections 3.4, 3.5 and 6.1 hereof, shall be held for future payment to the United States as contemplated under the provisions of this Certificate and shall not constitute part of the trust estate held for the benefit of the owners of the Bonds or the Issuer.

(d) The Issuer will pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States.

Section 3.3 Exceptions to Rebate

The Issuer reasonably expects that the Bonds are eligible for one or more exceptions from the arbitrage rebate rules set forth in the Regulations. If the Bonds are ineligible, or become ineligible, for an exception to the arbitrage rebate rules, the Issuer will comply with the provisions of this Article III. A description of the applicable rebate exception(s) is as follows:

- Election to Treat as Construction Bonds.

The Bonds qualify as a "construction issue" as defined in Section 148(f)(4)(C)(vi) of the Code. The Issuer reasonably expects that more than 75 percent of the "available construction proceeds" ("ACP") of the Bonds, as defined in Section 148(f)(4)(C)(vi) of the Code, will be used for construction expenditures and that not less than the following percentages of the available construction proceeds will be spent within the following periods:

- 1) 10 percent spent within six months of the Closing Date;
- 2) 45 percent spent within one year of the Closing Date;
- 3) 75 percent spent within eighteen months of the Closing Date;
- 4) 100 percent spent within two years of the Closing Date (subject to 5 percent retainage for not more than one year).

In any event, the Issuer expects that the 5% reasonable retainage will be spent within a three-year period beginning on the Closing Date. A failure to spend an amount that does not exceed the lesser of (i) 3% of the issue price or (ii) \$250,000, is disregarded if the Issuer exercises due diligence to complete the Project.

- Election with respect to future earnings

Pursuant to Section 1.148-7(h)(i)(3) of the Regulations, the Issuer shall calculate the amount of future earnings to be used in determining compliance with the first three spending

periods based on its reasonable expectations that the average annual interest rate on investments of the ACP will be not more than 4%. Compliance with the final spending period shall be calculated using actual earnings.

If the Issuer fails to meet the foregoing expenditure schedule, the Issuer shall comply with the arbitrage rebate requirements of the Code.

Section 3.4 Calculation of Rebate Amount

(a) As soon after each Computation Date as practicable, the Issuer shall, if necessary, calculate and determine the Excess Earnings on the Gross Proceeds Funds (the "Rebate Amount"). All calculations and determinations with respect to the Rebate Amount will be made on the basis of actual facts as of the Computation Date and reasonable expectations as to future events.

(b) If the Rebate Amount exceeds the amount currently on deposit in the Rebate Fund, the Issuer may deposit an amount in the Rebate Fund such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount, the Issuer may withdraw such excess amount provided that such withdrawal can be made from amounts originally transferred to the Rebate Fund and not from earnings thereon, which may not be transferred, and only if such withdrawal may be made without liquidating investments at a loss.

Section 3.5 Rebate Requirements and the Bond Fund

It is expected that the Bond Fund described in the Resolution and Section 2.6(c) of this Certificate will be treated as a bona fide debt service fund as defined in Regulation 1.148-1(b). As such, any amount earned during a Bond Year on the Bond Fund and amounts earned on such amounts, if allocated to the Bond Fund, will not be taken into account in calculating the Rebate Amount for the reasons outlined in Section 2.6(c) hereof. However, should the Bond Fund cease to be treated as a bona fide debt service fund, the Bond Fund will become subject to the rebate requirements set forth in Section 3.4 hereof.

Section 3.6 Investment of the Rebate Fund

(a) Immediately upon a transfer to the Rebate Fund, the Issuer may invest all amounts in the Rebate Fund not already invested and held in the Rebate Fund, to the extent possible, in (1) SLGS, such investments to be made at a yield of not more than one-eighth of one percent above the Bond Yield, (2) Tax Exempt Obligations, (3) direct obligations of the United States or (4) certificates of deposit of any bank or savings and loan association. All investments in the Rebate Fund shall be made to mature not later than the next Rebate Payment Date.

(b) If the Issuer invests in SLGS, the Issuer shall file timely subscription forms for such securities (if required). To the extent possible, amounts received from maturing SLGS shall be reinvested immediately in zero yield SLGS maturing on or before the next Rebate Payment Date.

Section 3.7 Payment to the United States

(a) On each Rebate Payment Date, the Issuer will pay to the United States at least ninety percent (90%) of the Rebate Amount less a computation credit of \$1,000 per Bond Year for which the payment is made.

(b) The Issuer will pay to the United States not later than sixty (60) days after the Final Bond Retirement Date all the rebatable arbitrage as of such date and any income attributable to such rebatable arbitrage as described in Regulation 1.148-3(f)(2).

(c) If necessary, on each Rebate Payment Date, the Issuer will mail a check to the Internal Revenue Service Center, Ogden, UT 84201. Each payment shall be accompanied by a copy of Form 8038-T, Arbitrage Rebate, filed with respect to the Bonds or other information reporting form as is required to comply with the Code and applicable Regulations.

Section 3.8 Records

(a) The Issuer will keep and retain adequate records with respect to the Bonds, the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund until six years after the Final Bond Retirement Date. Such records shall include descriptions of all calculations of amounts transferred to the Rebate Fund, if any, and descriptions of all calculations of amounts paid to the United States as required by this Certificate. Such records will also show all amounts earned on moneys invested in such funds, and the actual dates and amounts of all principal, interest and redemption premiums (if any) paid on the Bonds.

(b) Records relating to the investments in such Funds shall completely describe all transfers, deposits, disbursements and earnings including:

(i) a complete list of all investments and reinvestments of amounts in each such Fund including, if applicable, purchase price, purchase date, type of security, accrued interest paid, interest rate, dated date, principal amount, date of maturity, interest payment dates, date of liquidation, receipt upon liquidation, market value of such investment on the Final Bond Retirement Date if held by the Issuer on the Final Bond Retirement Date, and market value of the investment on the date pledged to the payment of the Bonds, or the Closing Date if different from the purchase date.

(ii) the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such Fund.

Section 3.9 Additional Payments

The Issuer hereby agrees to pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States, but which is not available in a fund related to the Bonds for transfer to the Rebate Fund or payment to the United States.

ARTICLE IV

Investment Restrictions

Section 4.1 Avoidance of Prohibited Payments

The Issuer will not enter into any transaction that reduces the amount required to be deposited into the Rebate Fund or paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to either party. The Issuer will not invest or direct the investment of any funds in a manner which reduces an amount required to be paid to the United States because such transaction results in a small profit or larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to the Issuer. In particular, notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will not invest or direct the investment of any funds in a manner which would violate any provision of this Article IV.

Section 4.2 Market Price Requirement

(a) The Issuer will not purchase or direct the purchase of Taxable Obligations for more than the then available market price for such Taxable Obligations. The Issuer will not sell, liquidate or direct the sale or liquidation of Taxable Obligations for less than the then available market price.

(b) For purposes of this Certificate, United States Treasury obligations purchased directly from the United States Treasury will be deemed to be purchased at the market price.

Section 4.3 Investment in Certificates of Deposit

(a) Notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Fund, the Bond Fund, and the Rebate Fund, in a certificate of deposit of a bank or savings bank which is permitted by law and by the Resolution only if (1) the price at which such certificate of deposit is purchased or sold is the bona fide bid price quoted by a dealer who maintains an active secondary market in certificates of deposit of the same type or (2) if there is no active secondary market in such certificates of deposit, the certificate of deposit must have a yield (A) as high or higher than the yield on comparable obligations traded on an active secondary market, as certified by a dealer who maintains such a market, and (B) as high or higher than the yield available on comparable obligations of the United States Treasury.

(b) The certificate of deposit described in part 2(A) of paragraph 4.3(a) above must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the bank or savings bank issuing the certificate of deposit.

Section 4.4 Investment Pursuant to Investment Contracts and Agreements

The Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund pursuant to an investment contract (including a repurchase agreement) only if all of the following requirements are satisfied:

(a) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

- (1) The bid specifications are in writing and are timely forwarded to potential providers.
- (2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.
- (3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of paragraph (d)(6)(iii)(B)(1) or (2) of section 1.148-5 of the Regulations.
- (4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.
- (5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.
- (6) All potential providers have an equal opportunity to bid and no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.
- (7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(b) The bids received by the Issuer meet all of the following requirements:

- (1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (d)(6)(iii)(A) of section 1.148-5 of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction

is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (d)(6)(iii)(B)(1) of section 1.148-5 of the Regulations is from a reasonably competitive provider, within the meaning of paragraph (d)(6)(iii)(A)(7) of section 1.148-5 of the Regulations.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(c) The winning bid meets the following requirements:

(1) Guaranteed investment contracts. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) Other investments. If the investment is not a guaranteed investment contract, the winning bid is the lowest cost bona fide bid (including any broker's fees).

(d) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(e) The Issuer will retain the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (d)(6)(iii)(D) of section 1.148-5 of the Regulations.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

Section 4.5 Records

The Issuer will maintain records of all purchases, sales, liquidations, investments, reinvestments, redemptions, disbursements, deposits, and transfers of amounts on deposit.

Section 4.6 Investments to be Legal

All investments required to be made pursuant to this Certificate shall be made to the extent permitted by law. In the event that any such investment is determined to be ultra vires, it shall be liquidated and the proceeds thereof shall be invested in a legal investment, provided that prior to reinvesting such proceeds, the Issuer shall obtain an opinion of Bond Counsel to the effect that such reinvestment will not cause the Bonds to become arbitrage bonds under Sections 103, 148, 149, or any other applicable provision of the Code.

ARTICLE V

General Covenants

The Issuer hereby covenants to perform all acts within its power necessary to ensure that the reasonable expectations set forth in Article II hereof will be realized. The Issuer reasonably expects to comply with all covenants contained in this Certificate.

ARTICLE VI

Amendments And Additional Agreements

Section 6.1 Opinion of Bond Counsel; Amendments

The various provisions of this Certificate need not be observed and this Certificate may be amended or supplemented at any time by the Issuer if the Issuer receives an opinion or opinions of Bond Counsel that the failure to comply with such provisions will not cause any of the Bonds to become "arbitrage bonds" under the Code and that the terms of such amendment or supplement will not cause any of the Bonds to become "arbitrage bonds" under the Code, or otherwise cause interest on any of the Bonds to become includable in gross income for federal income tax purposes.

Section 6.2 Additional Covenants, Agreements

The Issuer hereby covenants to make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) such agreements as may be necessary to comply with any changes in law or regulations in order to preserve the tax-exempt status of the Bonds to the extent that it may lawfully do so. The Issuer further covenants (1) to impose such limitations on the investment or use of moneys or investments related to the Bonds, (2) to make such payments to the United States Treasury, (3) to maintain such records, (4) to perform such calculations, and (5) to perform such other lawful acts as may be necessary to preserve the tax-exempt status of the Bonds.

Section 6.3 Amendments

Except as otherwise provided in Section 6.1 hereof, all the rights, powers, duties and obligations of the Issuer shall be irrevocable and binding upon the Issuer and shall not be subject to amendment or modification by the Issuer.

ARTICLE VII

FURTHER CERTIFICATIONS WITH RESPECT TO REFUNDING BONDS

- (a) Property financed with the Proceeds of the Refunded Bonds will not be sold or disposed of, in whole or in part, prior to the last maturity date of either the obligations or the last maturity of the Bonds.
- (b) All of the Proceeds of the Refunded Bonds were used to provide facilities used in the regular operations of the Issuer and neither the facilities nor the output thereof have been or are expected to be used in the trade or business of any person other than the Issuer.
- (c) Reimbursement Allocations and Original Expenditures, if any, reimbursed from proceeds of the Refunded Bonds complied with the Reimbursement Regulations in effect at the time of issuance of the Refunded Bonds.
- (d) The Proceeds of the Refunding Bonds will be used for a current refunding and the Refunding Bonds are issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Bonds for payment of debt service on the Refunded Bonds. The Proceeds of the Refunding Bonds will be invested in materially higher yield acquired obligations for a temporary period of not to exceed 90 days.

In Witness Whereof, the Issuer has caused this Certificate to be executed by its duly authorized officer, all as of the day first above written.

Finance Director, City of Iowa City, State of
Iowa

(Seal)

EXHIBIT A

Verification Certificate of the Purchaser

The undersigned officer of the Iowa Finance Authority (the "Purchaser"), hereby certifies as follows:

1. The Purchaser and the City of Iowa City, Iowa (the "Issuer"), have entered into a Loan and Disbursement Agreement (the "Agreement"), providing for the purchase of a \$31,941,000 Sewer Revenue Capital Loan Note of the City dated as of the date of delivery (the "Notes").

2. The Agreement is in full force and effect and has not been repealed, rescinded or amended.

3. The Purchaser hereby confirms that the Notes were purchased at par and will not be reoffered to the public, the terms of purchase being as follows:

Principal Amount Issued	Principal Amount Sold	Interest Rate	Price (% of par) (do not include accrued interest)
\$31,941,000	None	2.90%	100%

IN WITNESS WHEREOF, the Purchaser has caused this Verification Certificate to be executed by its duly authorized officer this _____ day of _____, 2026.

Iowa Finance Authority

By: _____

Its: _____

Loan And Disbursement Agreement
\$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A

This Loan and Disbursement Agreement (the “Agreement”) is made and entered into as of February 20, 2026, by and between the City of Iowa City, Iowa (the “Participant”) and the Iowa Finance Authority, an agency and public instrumentality of the State of Iowa (the “Issuer”).

Whereas, the Issuer, in cooperation with the Iowa Department of Natural Resources (the “Department”), is authorized to undertake the creation, administration and financing of the Iowa Water Pollution Control Works Financing Program (the “Program”) established in the Code of Iowa, Sections 16.131 through 16.135 and Sections 455B.291 through 455B.299, including, among other things, the making of loans to Iowa municipalities for purposes of the Program; and

Whereas, the Participant desires to participate in the Program as a means of financing all or part of the construction of certain wastewater treatment facilities serving the Participant and its residents; and

Whereas, to assist in financing the Project (defined herein), the Issuer desires to make a loan to the Participant in the amount set forth in Section 2 hereof; and

Now, Therefore, the parties agree as follows:

Section 1. Definitions. In addition to other definitions set forth herein, the following terms as used in this Agreement shall, unless the context clearly requires otherwise, have the following meanings:

(a) “Bonds” shall mean any State Revolving Fund Revenue Bonds that were or in the future are issued by the Issuer for the purpose of providing moneys to finance the Loan to the Participant.

(b) “Code” shall mean the Internal Revenue Code of 1986, as amended, and all lawfully promulgated regulations thereunder.

(c) “Project” shall mean the particular construction activities approved by the Department and being undertaken by the Participant with respect to its Wastewater Treatment System, as described in the Resolution.

(d) “Regulations” shall mean the administrative rules of the Department relating to the Program, set forth in Title 567, Chapter 92 of the Iowa Administrative Code, and the administrative rules of the Issuer relating to the Program set forth in Title 265, Chapter 26 of the Iowa Administrative Code.

(e) “Resolution” shall mean the resolution of the City Council of the Participant providing for the authorization and issuance of the Revenue Bond, attached as Exhibit B, adopted on February 3, 2026, approving and authorizing the execution of this Agreement and the issuance of the Revenue Bond (defined herein). 05.01/2020

(f) “Wastewater Treatment System” shall mean the wastewater treatment system of the Participant, all facilities being used in conjunction therewith and all appurtenances and extensions thereto, including but not limited to the wastewater treatment system project which the Participant is financing under this Agreement.

Section 2. Loan; Purchase of Revenue Bond. The Issuer agrees to purchase a duly authorized and issued sewer revenue bond or capital loan note of the Participant (the “Revenue Bond”) in order to make a loan to the Participant, and will disburse proceeds as set forth herein. The Participant agrees to borrow and accept from the Issuer, a loan in the principal amount of \$31,941,000 (the “Loan”).

The Participant shall use the proceeds of the Loan strictly (a) to finance a portion of the costs of construction of the Project and (b), where applicable, to reimburse the Participant for a portion of the costs of the Project, which portion was paid or incurred in anticipation of reimbursement through the Program and which is eligible for such reimbursement under and pursuant to the Regulations and the Code.

Section 3. Disbursements. Proceeds of the Loan shall be made available to the Participant in the form of one or more periodic disbursements as provided in this Section. The Issuer thereafter shall make disbursements of a portion of the Loan for payment of costs of the Project upon receipt of the following:

- (a) a completed payment request on a form acceptable to and available from the Issuer;
 - (b) current construction payment estimates;
 - (c) engineering service statements;
 - (d) purchase orders or invoices for items not included within other contracts;
- and
- (e) evidence that the costs for which the disbursement is requested have been incurred.

Solely with respect to the request for the final disbursement of proceeds of the Loan, the Participant shall submit to the Issuer (via the Department), in addition to items (a) through (e) above, a certification of completion and acceptance of the Project by the Participant or evidence of an acceptable settlement if the Project is subject to a dispute between the Participant and any contractor.

Disbursements shall be made in a timely fashion following the receipt of the information as set forth above. Unless otherwise agreed to in writing by the Issuer, funds shall be payable to the Participant via automated clearinghouse system transfer to the account specified by the Participant.

Section 4. Completion of Project. The Participant covenants and agrees (i) to exercise its best efforts in accordance with prudent wastewater treatment utility practices to complete the

Project; and (ii) to provide from its own fiscal resources all monies, in excess of the total amount of Loan proceeds it receives under the Agreement, required to complete the Project.

Section 5. Repayment of Loan; Issuance of Revenue Bonds. The Participant's obligation to repay the Loan and interest thereon shall be evidenced by the Revenue Bond in the principal amount of the Loan, complying in all material respects with the Regulations and being in substantially the form set forth in the Resolution, which Resolution is attached hereto as Exhibit B. The Revenue Bond shall be delivered to the Issuer as the original purchaser and registered holder thereof at the closing of the Loan. The Revenue Bond shall be accompanied by a legal opinion of bond counsel, in form satisfactory to the Issuer, to evidence the legality, security position and tax-exempt status of interest on the Revenue Bond. The parties agree that a payment of principal of or interest on the Revenue Bond shall be deemed to be a payment of the same on the Loan and a payment of principal of or interest on the Loan shall be deemed to be a payment of the same on the Revenue Bond. Unless otherwise agreed to in writing by the Issuer, all payments of principal and interest due under the Loan shall be made via automated clearinghouse transfer, from an account specified by the Participant.

The Revenue Bond shall be dated the date of delivery to the Issuer, with interest and the Servicing Fee (together, the "Interest Rate" as set forth in Section 6 hereof) payable semiannually on June 1 and December 1 of each year (unless the resolution authorizing a previous series of outstanding bonds on a parity with the Revenue Bond requires interest to be paid on other interest payment dates, in which case such other dates shall apply) from the date of each disbursement of a part of the Loan from the Issuer to the Participant (which are initially expected to be on approximately the dates set forth on Exhibit A attached hereto and incorporated herein). The first repayment of principal of the Loan shall be due and payable not later than one year after substantial completion of the Project and payments of principal, interest and the Servicing Fee shall continue thereafter until the Loan is paid in full. Following the final disbursement of Loan proceeds to the Participant, Exhibit A shall be adjusted by the Issuer, with the approval of the Participant, based upon actual disbursements to the Participant under the Agreement. Such revised Exhibit A thereafter shall be deemed to be incorporated herein by reference and made a part hereof and shall supersede and replace that initially attached hereto and to the Revenue Bond.

The Revenue Bond shall be subject to optional redemption by the Participant at a price of par plus accrued interest (i) on any date upon receipt of written consent by the Issuer, or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any such optional redemption of the Revenue Bond by the Participant may be made from any funds regardless of source, in whole or from time to time in part, upon not less than thirty (30) days' notice of redemption by e-mail, facsimile or by certified or registered mail to the Issuer (or any other registered owner of the Revenue Bond). The Revenue Bond is also subject to mandatory redemption in the event the costs of the Project are less than initially projected, in which case the amount of the Loan shall be reduced to an amount equal to the actual Project costs disbursed. The Participant and the Issuer agree that following such adjustment, the principal amount due under the Revenue Bond shall be automatically reduced to equal the principal amount of the adjusted Loan.

The Revenue Bond and the interest thereon and any additional obligations as may be hereafter issued and outstanding from time to time under the conditions set forth in the Resolution

shall be payable solely and only from the Net Revenues (as defined in the Resolution) of the Wastewater Treatment System of the Participant, a sufficient portion of which has been and shall be ordered set aside and pledged for such purpose under the provisions of the Resolution. Neither this Agreement nor the Revenue Bond is a general obligation of the Participant, and under no circumstance shall the Participant be in any manner liable by reason of the failure of the aforesaid Net Revenues to be sufficient to pay the Revenue Bond and the interest thereon or to otherwise discharge the Participant's obligation hereunder.

Section 6. Interest Rate, Initiation Fee and Servicing Fees.

(a) The Participant agrees to pay to the Issuer, as additional consideration for the Loan, a loan initiation fee (the "Initiation Fee") equal to one-half of one percent (0.50%) of the amount of the Loan (but not to exceed \$100,000.00) (\$100,000.00), which shall be due and payable on the date of this Agreement. Unless the Issuer shall be otherwise notified by the Participant that the Participant intends to pay such Initiation Fee from other funds, and has received such other funds from the Participant on the date hereof, the Issuer shall be authorized to deduct the full amount of the Initiation Fee from the proceeds of the Loan being made hereunder, and such deduction by the Issuer shall be deemed to be an expenditure by the Participant of the Loan proceeds.

(b) The Participant agrees to pay a Loan servicing fee (the "Servicing Fee") to the Issuer in an amount equal to 0.25% per annum of the principal amount of the Loan outstanding. The Servicing Fee shall be paid as described in Section 5 and Section 6(c) hereof.

(c) The Loan shall bear interest at 2.90% per annum (the "Rate"). As described in Section 5, payments hereunder shall be calculated based on the Rate plus the Servicing Fee (such 3.15%, the "Interest Rate").

Section 7. Compliance with Applicable Laws, Performance Under Loan Agreement; Rates. The Participant covenants and agrees (i) to comply with all applicable State of Iowa and federal laws, rules and regulations (including but not limited to the Regulations), judicial decisions, and executive orders in the performance of the Agreement and in the financing, construction, operation, maintenance and use of the Project and the Wastewater Treatment System; (ii) to maintain its Wastewater Treatment System in good repair, working order and operating condition; (iii) to cooperate with the Issuer in the observance and performance of their respective duties, covenants, obligations and agreements under the Agreement; (iv) to comply with all terms and conditions of the Resolution; and (v) to establish, levy and collect rents, rates and other charges for the products and services provided by its Wastewater Treatment System, which rents, rates and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such Wastewater Treatment System, (B) to produce and maintain Net Revenues at a level not less than 110% of the amount of principal and interest on the Revenue Bond and any other obligations secured by a pledge of the Net Revenues falling due in the same year, (C) to comply with all covenants pertaining thereto contained in, and all other provisions of, any bond resolution, trust indenture or other security agreement, if any, relating to any bonds or other evidences of indebtedness issued or to be issued by the Participant, (D) to pay the debt service requirements on any bonds, notes or other evidences of indebtedness, whether now outstanding or incurred in the future, secured by such revenues or other receipts and issued to finance improvements to the Wastewater Treatment System and to make any other payments required by the laws of the State

of Iowa, (E) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Participant, including, without limitation, the Agreement and the Revenue Bond and (F) to pay all other amounts payable from or constituting a lien or charge on the operating revenues of its Wastewater Treatment System.

Section 8. Exclusion of Interest from Gross Income. Unless otherwise agreed to by the Issuer in writing, the Participant covenants and agrees as follows:

(a) The Participant shall not take any action or omit to take any action which would result in a loss of the exclusion of the interest on the Bonds from gross income for federal income taxation as that status is governed by Section 103(a) of the Code.

(b) The Participant shall not take any action or omit to take any action, which action or omission would cause its Revenue Bond or the Bonds (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) to be “private activity bonds” within the meaning of Section 141(a) of the Code. Accordingly, unless the Participant receives the prior written approval of the Issuer, the Participant shall not (A) permit any of the proceeds of the Bonds loaned to the Participant or the Project financed with such proceeds to be used, either directly or indirectly, in any manner that would constitute “private business use” within the meaning of Section 141(b)(6) of the Code, taking into account for this purpose all such use by persons other than governmental units on an aggregate basis, (B) use, either directly or indirectly, any of the proceeds of the Bonds loaned to the Participant to make or finance loans to persons other than governmental units (as such term is used in Section 141(c) of the Code) or (C) use, either directly or indirectly, any of the proceeds of the Bonds loaned to the Participant to acquire any “non-governmental output property” within the meaning of Section 141(d)(2) of the Code.

(c) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds or take any action or omit to take any action, which use or action or omission would (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(d) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds to pay the principal of or interest on any issue of State or local governmental obligations (“refinancing of indebtedness”) unless the Participant shall establish to the satisfaction of the Issuer that such refinancing of indebtedness will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes and the Participant delivers an opinion to such effect of bond counsel acceptable to the Issuer.

(e) The Participant shall not directly or indirectly use or permit the use of any proceeds of the Bonds to reimburse the Participant for any portion of the cost of the Project unless such cost was paid or incurred by the Participant in anticipation of reimbursement from the proceeds of the Bonds or other State or local governmental borrowing in

accordance with the Code, published rulings of the Internal Revenue Service and the Regulations.

(f) The Participant shall not use the proceeds of the Bonds (assuming solely for this purpose that the proceeds of the Bonds loaned to the Participant represent all of the proceeds of the Bonds) in any manner which would cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code or “hedge bonds” within the meaning of Section 149(g) of the Code.

(g) The Participant shall comply with all provisions of the Code relating to the rebate of any profits from arbitrage attributable to the Participant, and shall indemnify and hold the Issuer harmless therefrom.

Section 9. Insurance; Audits; Disposal of Property. The Participant covenants and agrees (a) to maintain insurance on, or to self-insure, the insurable portions of the Wastewater Treatment System of a kind and in an amount which normally would be carried by private companies engaged in a similar type of business, (b) to keep proper books and accounts adapted to the Wastewater Treatment System, showing the complete and correct entry of all transactions relating thereto, and to cause said books and accounts to be audited or examined by an independent auditor or the State Auditor (i) at such times and for such periods as may be required by the federal Single Audit Act of 1984, OMB Circular A-133 or State law, and (ii) at such other times and for such other periods as may be requested at any time and from time to time by the Issuer (which requests may require an audit to be performed for a period that would not otherwise be required to be audited under State law), and (c) unless the Participant has received a waiver and consent from the Issuer, it shall not sell, lease or in any manner dispose of the Wastewater Treatment System, or any capital part thereof, including any and all extensions and additions which may be made thereto, until the Revenue Bond shall have been paid in full or otherwise discharged as provided in the Resolution; provided, however, that the Participant may dispose of any property which in the judgment of its governing body is no longer useful or profitable to use in connection with the operation of the Wastewater Treatment System or essential to the continued operation thereof.

Section 10. Maintenance of Documents; Access. The Participant agrees to maintain its project accounts in accordance with generally accepted accounting principles (“GAAP”) as issued by the Governmental Accounting Standards Board, including GAAP requirements relating to the reporting of infrastructure assets.

The Participant agrees to permit the Issuer or its duly authorized representative access to all files and documents relating to the Project for purposes of conducting audits and reviews in accordance with any of the Regulations.

Section 11. Continuing Disclosure. As a means of enabling the Issuer to comply with the “continuing disclosure” requirements set forth in Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, the Participant agrees, during the term of the Loan, but only upon written notification from the Issuer to the Participant that this Section 11 applies to such Participant for a particular fiscal year, to provide the Issuer with (i) the comprehensive audit report of the Participant, prepared and certified by an independent auditor or the State Auditor, or unaudited financial information if the audit is not available, not later than 180 days after the end of each fiscal

year for which this section applies and (ii) such other information and operating data as the Issuer may reasonably request from time to time with respect to the Wastewater Treatment System, the Project or the Participant.

The Participant hereby consents to the inclusion of all or any portion of the foregoing information and materials in a public filing made by the Issuer under the Rule. The Participant agrees to indemnify and hold harmless the Issuer, and its officers, directors, employees and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorney fees) which such indemnified party may incur by reason of or in connection with the disclosure of information permitted under this Section; provided that no such indemnification shall be required for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Issuer in the disclosure of such information.

Section 12. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to constitute an “Event of Default” under this Agreement:

(a) Failure by the Participant to pay, or cause to be paid, any Loan repayment (including the Servicing Fee) required to be paid under this Agreement when due, which failure shall continue for a period of fifteen (15) days.

(b) Failure by the Participant to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Participant (other than the Loan and the Revenue Bond), the payment of which are secured by operating revenues of the Wastewater Treatment System.

(c) Failure by the Participant to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under the Agreement or the Resolution, other than the obligation to make Loan repayments, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Participant by the Issuer, unless the Issuer shall agree in writing to an extension of such time prior to its expiration or the failure stated in such notice is correctable but cannot be corrected in the applicable period, in which case the Issuer may not unreasonably withhold its consent to an extension of such time up to one hundred twenty (120) days from the delivery of the written notice referred to above if corrective action is commenced by the Participant within the applicable period and diligently pursued until the Event of Default is corrected.

Section 13. Remedies on Default. Whenever an Event of Default shall have occurred and be continuing, the Issuer shall have the right to take any action authorized under the Regulations, the Revenue Bond or this Agreement and to take whatever other action at law or equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Agreement or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Participant under the Agreement or the Resolution.

Section 14. Amendments. This Agreement may not be amended, supplemented or modified except by a writing executed by all of the parties hereto.

Section 15. Termination. The Participant understands and agrees that the Loan may be terminated at the option of the Issuer if construction of the Project has not commenced within one year of the date of execution of this Agreement, all as set forth in the Regulations.

Section 16. Rule of Construction. This Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of that statute.

In the event of any inconsistency or conflict between the terms and conditions of the Revenue Bond and this Agreement or the Regulations, the parties acknowledge and agree that the terms of this Agreement or the Regulations, as the case may be, shall take precedence over any such terms of the Revenue Bond and shall be controlling, and that the payment of principal and interest on the Loan shall at all times conform to the schedule set forth on Exhibit A, as adjusted, and the Regulations.

Section 17. Federal Requirements. The Participant agrees to comply with all applicable federal requirements including, but not limited to, Davis-Bacon wage requirements and the requirements relating to the use of American iron and steel products.

Section 18. Application of Uniform Electronic Transactions Act. The Issuer and the Participant agree this Agreement and all documents related thereto and referenced herein may be entered into and provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Section 19. Repayment of Planning and Design Loan. The Participant entered into an Interim Loan and Disbursement Agreement with the Issuer to provide funds to pay the costs of planning and designing the Project. The Participant agrees to repay the Interim Loan and Disbursement Agreement on the date of this Agreement. Unless the Participant notifies the Issuer that the Participant intends to repay the Interim Loan and Disbursement Agreement from other funds, and the Issuer has received such other funds from the Participant on the date hereof, the Issuer shall be authorized to deduct the full amount due under the Interim Loan and Disbursement Agreement from the proceeds of the Loan being made hereunder, and such deduction by the Issuer shall be deemed to be an expenditure by the Participant of the Loan proceeds.

In Witness Whereof, we have hereunto affixed our signatures all as of the date first above written.

City of Iowa City, Iowa

By: _____
Mayor

Attest:

City Clerk

In Witness Whereof, I have hereunto affixed my signature all as of the date first above written.

Iowa Finance Authority

By: _____
Its:

Exhibit A

**Estimated Disbursements and
Debt Service Repayment Schedule**

Exhibit B

Authorization/Issuance Resolution of Participant

4925-2018-3176-1\10714-145

TRANSCRIPT CERTIFICATE

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting Clerk of the City of Iowa City, Iowa, and that as such Clerk I have in my possession or have access to the complete corporate records of said City and of its City Council and officials, and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true and complete copy of all the corporate records in relation to the authorization, issuance and disposition of a \$31,941,000 Sewer Revenue Capital Loan Note, Series 2026A, of said City dated the date of delivery, and that said transcript hereto attached contains a true and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time, in relation to the authorization, issuance and disposition of said Note, and that said City Council consists of a Mayor and six (6) Council Members, and that said offices were duly and lawfully filled by the individuals listed in the attached transcript as of the dates and times referred to therein.

I further certify that said City is and throughout the period of said proceedings has been governed under the Mayor/Council form of municipal government authorized by Chapter 372, Code of Iowa, under the provisions of its charter as recorded with the Secretary of State.

I further certify that all meetings of the City Council of said City at which action was taken in connection with said Note were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the City Council and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested such notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the City Council all pursuant to the provisions and in accordance with the conditions of the local rules of the City Council and Chapter 21, Code of Iowa.

I further certify that no City officer or employee has any interest in the contract for the sale of the Note or any matter incidental thereto, according to my best knowledge and belief.

WITNESS my hand and the seal of the City hereto attached this _____ day of _____, 2026, at Iowa City, Iowa.

City Clerk, City of Iowa City, State of Iowa

(SEAL)

Finally, the below stated officers whose signatures appear hereafter are now the duly qualified and acting officials of the City, possessed of the offices as designated below, to-wit:

Mayor

Bruce Teague

(Original Signature)

City Clerk

Kellie Grace

(Original Signature)

Finance Director

Nicole Davies

(Original Signature)

STATE OF IOWA

)

) SS

COUNTY OF JOHNSON

)

Subscribed and sworn to before me by Bruce Teague, Kellie Grace and Nicole Davies on this _____ day of _____, 2026.

Notary Public in and for Johnson County,
Iowa

(SEAL)

Delivery Certificate

We, the undersigned City officials, do hereby certify that we are the officers, respectively below indicated, of a municipal corporation in the State of Iowa, known as the City of Iowa City, Iowa; that in pursuance of the provisions of Sections 384.24A and 384.83, Code of Iowa, there have been heretofore lawfully authorized and this day by us lawfully executed, issued, caused to be registered and authenticated and delivered one fully registered Sewer Revenue Capital Loan Note, Series 2026A, of said City of Iowa City, Iowa, in the amount of \$31,941,000, dated the date of delivery, bearing interest at the rate of 2.90% per annum set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference.

The Note has been executed with the manual signature of the Mayor and the manual signature of the Clerk of said City.

The Note has been delivered to:

Iowa Finance Authority of Des Moines, Iowa,

and has been paid for in accordance with the terms of the contract of sale and at a price of par.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City, or the titles of the undersigned officers to their respective positions, or the validity of the Note, or the pledge of the net earnings of the municipal sewer system, (the "System"), to the payment of the Note or the power and duty of the City to construct, own and operate its System as a revenue producing undertaking and to provide, charge and apply adequate rates and charges for the full and prompt payment of the principal and interest of the Note, and that none of the proceedings or authority for the issuance of the Note has been repealed, revoked, rescinded, or modified in any manner.

We further certify that each of the officers whose signatures appear on the Note were in occupancy and possession of their respective offices at the time the Note was executed and do hereby adopt and affirm their signatures appearing in the Note.

We further certify that the present financial condition of the City is as follows:

Total sewer revenue bonded indebtedness, including above-mentioned Sewer Revenue Capital Loan Note	\$34,941,000
All other indebtedness of any kind, payable from Sewer Revenues	\$0

In Witness Whereof, we have hereunto affixed our hands at Iowa City, Iowa, this
_____ day of _____, 2026.

Mayor

City Clerk

Finance Director

(Seal)

REGISTERED
Certificate No. R-1

REGISTERED
Principal Amount \$31,941,000

UNITED STATES OF AMERICA
STATE OF IOWA
COUNTY OF JOHNSON
CITY OF IOWA CITY
SEWER REVENUE CAPITAL LOAN NOTE
SERIES 2026A

Interest Rate
2.90%

Final Maturity Date
June 1, 2047

Note Date
February 20, 2026

The City of Iowa City, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Iowa Finance Authority
Des Moines, Iowa

or registered assigns, the principal sum of Thirty-One Million Nine Hundred Forty-One Dollars in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 2.90% per annum, payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any

funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' written notice of redemption, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Treasurer, Iowa City, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith, and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

In Testimony Whereof, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the City Treasurer of the City of Iowa City, Iowa, all as of the _____ day of _____, 2026.

Date of authentication: _____

City of Iowa City, State of Iowa

This is one of the Notes described in the within mentioned Resolution, as registered by the City Treasurer

By: _____
Mayor

City Treasurer, Registrar

Attest:

By: _____
Authorized Signature

By: _____
City Clerk

Registrar and Transfer Agent: City Treasurer
Paying Agent: City Treasurer

(Seal)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) _____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) _____
Address of Transferee(s) _____
Social Security or Tax Identification _____
Number of Transferee(s) _____
Transferee is a(n):
Individual* _____ Corporation _____
Partnership _____ Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with rights of survivorship and not as tenants in common
- IA UNIF TRANS MIN ACT - Custodian
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

Estimated Schedule
City of Iowa City
Tax-Exempt Sewer Revenue Bond
CS1921138



Loan summary

Loan Closing Date	Feb 20, 2026
Final Disbursement Date	Oct 6, 2028
Final Maturity Date	Jun 1, 2047
Loan Period in Years	20
Total Loaned Amount	\$ 31,941,000.00
0.5% Initiation Fee	100,000.00
Net Proceeds to Borrower	\$ 31,841,000.00
Annual Interest Rate	2.90%
Total Interest	\$ 10,884,749.14
Servicing Fee Rate	0.25%
Total Servicing Fees	\$ 938,340.44
Total Loan Costs	\$ 11,923,089.58

Estimated Draw Schedule

Initiation Fee -	Feb 20, 2026	100,000.00
Partial P&D Payoff (C1429P) -	Feb 20, 2026	1,722,242.30
Estimated Draw #1-	Mar 6, 2026	3,011,875.77
Estimated Draw #2-	Jun 19, 2026	3,011,875.77
Estimated Draw #3-	Oct 2, 2026	3,011,875.77
Estimated Draw #4-	Jan 15, 2027	3,011,875.77
Estimated Draw #5-	Apr 30, 2027	3,011,875.77
Estimated Draw #6-	Aug 13, 2027	3,011,875.77
Estimated Draw #7-	Nov 26, 2027	3,011,875.77
Estimated Draw #8-	Mar 10, 2028	3,011,875.77
Estimated Draw #9-	Jun 23, 2028	3,011,875.77
Estimated Draw #10-	Oct 6, 2028	3,011,875.77
Total Loaned Amount		31,941,000.00

Payment Date	Beginning Balance	Principal	Interest	Servicing Fee	Total Loan Payment	Total Annual Debt Service	Ending Balance
Jun 1, 2026	4,834,118.07	0.00	70,094.71	6,042.65	76,137.36	76,137.36	4,834,118.07
Dec 1, 2026	10,857,869.61		157,439.11	13,572.34	171,011.45		10,857,869.61
Jun 1, 2027	16,881,621.15	0.00	244,783.51	21,102.03	265,885.53	436,896.98	16,881,621.15
Dec 1, 2027	19,893,496.92		288,455.71	24,866.87	313,322.58		19,893,496.92
Jun 1, 2028	25,917,248.46	1,172,000.00	375,800.10	32,396.56	1,580,196.66	1,893,519.24	24,745,248.46
Dec 1, 2028	30,769,000.00		446,150.50	38,461.25	484,611.75		30,769,000.00
Jun 1, 2029	30,769,000.00	1,208,000.00	446,150.50	38,461.25	1,692,611.75	2,177,223.50	29,561,000.00
Dec 1, 2029	29,561,000.00		428,634.50	36,951.25	465,585.75		29,561,000.00
Jun 1, 2030	29,561,000.00	1,246,000.00	428,634.50	36,951.25	1,711,585.75	2,177,171.50	28,315,000.00
Dec 1, 2030	28,315,000.00		410,567.50	35,393.75	445,961.25		28,315,000.00
Jun 1, 2031	28,315,000.00	1,285,000.00	410,567.50	35,393.75	1,730,961.25	2,176,922.50	27,030,000.00
Dec 1, 2031	27,030,000.00		391,935.00	33,787.50	425,722.50		27,030,000.00
Jun 1, 2032	27,030,000.00	1,325,000.00	391,935.00	33,787.50	1,750,722.50	2,176,445.00	25,705,000.00
Dec 1, 2032	25,705,000.00		372,722.50	32,131.25	404,853.75		25,705,000.00
Jun 1, 2033	25,705,000.00	1,367,000.00	372,722.50	32,131.25	1,771,853.75	2,176,707.50	24,338,000.00
Dec 1, 2033	24,338,000.00		352,901.00	30,422.50	383,323.50		24,338,000.00
Jun 1, 2034	24,338,000.00	1,410,000.00	352,901.00	30,422.50	1,793,323.50	2,176,647.00	22,928,000.00
Dec 1, 2034	22,928,000.00		332,456.00	28,660.00	361,116.00		22,928,000.00
Jun 1, 2035	22,928,000.00	1,454,000.00	332,456.00	28,660.00	1,815,116.00	2,176,232.00	21,474,000.00
Dec 1, 2035	21,474,000.00		311,373.00	26,842.50	338,215.50		21,474,000.00
Jun 1, 2036	21,474,000.00	1,500,000.00	311,373.00	26,842.50	1,838,215.50	2,176,431.00	19,974,000.00
Dec 1, 2036	19,974,000.00		289,623.00	24,967.50	314,590.50		19,974,000.00
Jun 1, 2037	19,974,000.00	1,548,000.00	289,623.00	24,967.50	1,862,590.50	2,177,181.00	18,426,000.00
Dec 1, 2037	18,426,000.00		267,177.00	23,032.50	290,209.50		18,426,000.00
Jun 1, 2038	18,426,000.00	1,596,000.00	267,177.00	23,032.50	1,886,209.50	2,176,419.00	16,830,000.00
Dec 1, 2038	16,830,000.00		244,035.00	21,037.50	265,072.50		16,830,000.00
Jun 1, 2039	16,830,000.00	1,647,000.00	244,035.00	21,037.50	1,912,072.50	2,177,145.00	15,183,000.00
Dec 1, 2039	15,183,000.00		220,153.50	18,978.75	239,132.25		15,183,000.00
Jun 1, 2040	15,183,000.00	1,698,000.00	220,153.50	18,978.75	1,937,132.25	2,176,264.50	13,485,000.00
Dec 1, 2040	13,485,000.00		195,532.50	16,856.25	212,388.75		13,485,000.00
Jun 1, 2041	13,485,000.00	1,752,000.00	195,532.50	16,856.25	1,964,388.75	2,176,777.50	11,733,000.00
Dec 1, 2041	11,733,000.00		170,128.50	14,666.25	184,794.75		11,733,000.00
Jun 1, 2042	11,733,000.00	1,807,000.00	170,128.50	14,666.25	1,991,794.75	2,176,589.50	9,926,000.00
Dec 1, 2042	9,926,000.00		143,927.00	12,407.50	156,334.50		9,926,000.00
Jun 1, 2043	9,926,000.00	1,864,000.00	143,927.00	12,407.50	2,020,334.50	2,176,669.00	8,062,000.00
Dec 1, 2043	8,062,000.00		116,899.00	10,077.50	126,976.50		8,062,000.00
Jun 1, 2044	8,062,000.00	1,923,000.00	116,899.00	10,077.50	2,049,976.50	2,176,953.00	6,139,000.00
Dec 1, 2044	6,139,000.00		89,015.50	7,673.75	96,689.25		6,139,000.00
Jun 1, 2045	6,139,000.00	1,983,000.00	89,015.50	7,673.75	2,079,689.25	2,176,378.50	4,156,000.00
Dec 1, 2045	4,156,000.00		60,262.00	5,195.00	65,457.00		4,156,000.00
Jun 1, 2046	4,156,000.00	2,046,000.00	60,262.00	5,195.00	2,111,457.00	2,176,914.00	2,110,000.00
Dec 1, 2046	2,110,000.00		30,595.00	2,637.50	33,232.50		2,110,000.00
Jun 1, 2047	2,110,000.00	2,110,000.00	30,595.00	2,637.50	2,143,232.50	2,176,465.00	0.00

**Items to Include on Agenda
for the Council Meeting on February 3, 2026**

City of Iowa City, Iowa

\$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A.

- Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Iowa City, Iowa, and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, of the City of Iowa City, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes; Approval of the Tax Exemption Certificate.

Notice Must Be Given Pursuant to Iowa Code
Chapter 21 and the Local Rules of the City.

February 3, 2026

The City Council of the City of Iowa City, State of Iowa, met in _____
session, in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at
_____ o'clock _____.M., on the above date. There were present Mayor
_____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "A Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, of the City of Iowa City, Iowa, Under The Provisions of the Code of Iowa, and Providing for a Method of Payment of Said Notes; Approval of the Tax Exemption Certificate", and moved its adoption. Council Member _____ seconded the motion to adopt. The roll was called and the vote was:

Ayes: _____

Nays: _____

Whereupon the Mayor declared the following Resolution duly adopted:

Resolution No. _____

A Resolution Approving and Authorizing a Form of Loan and Disbursement Agreement by and Between the City of Iowa City, Iowa and the Iowa Finance Authority, and Authorizing and Providing for the Issuance and Securing the Payment of \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, of the City of Iowa City, Iowa, Under the Provisions of the City Code of Iowa, and Providing For a Method of Payment of Said Notes; Approval of the Tax Exemption Certificate

Whereas, the City Council of the City of Iowa City, Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the municipal sewer system, sometimes hereinafter referred to as the "System", and said revenues have not been pledged, there being no current obligations outstanding secured by said System, and are available for the payment of Sewer Revenue Capital Loan Notes, Series 2026A, subject to the following premises; and

Whereas, the Issuer proposes to issue its Sewer Revenue Capital Loan Notes, Series 2026A, to the extent of \$31,941,000, for the purpose of defraying the costs of the Project as set forth in Section 1 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan and Disbursement Agreement by and between the City and the Iowa Finance Authority, be approved and authorized; and

Whereas, the notice of intention of Issuer to take action for the issuance of not to exceed \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, has heretofore been duly published and no objections to such proposed action have been filed, and, simultaneously, the Issuer is also issuing \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B).

Now, Therefore, Be It Resolved by the City Council of the City of Iowa City, State of Iowa:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- ◆ "Additional Obligations" shall mean any sewer revenue bonds or notes or other obligations issued on a parity with the Notes in accordance with the provisions of Section 21 hereof.
- ◆ "Agreement" shall mean a Loan and Disbursement Agreement dated as of the Closing between the City and the Original Purchaser relating to the Loan made to the City under the Program.
- ◆ "City Clerk" shall mean the City Clerk or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.
- ◆ "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Loan.
- ◆ "Corporate Seal" shall mean the official seal of Issuer adopted by the Governing Body.
- ◆ "Fiscal Year" shall mean the twelve months' period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System; provided, that the requirements of a fiscal year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year.
- ◆ "Governing Body" shall mean the City Council, or its successor in function with respect to the operation and control of the System.
- ◆ "Independent Auditor" shall mean an independent firm of certified public accountants or the Auditor of State.

- ◆ "Issuer" and "City" shall mean the City of Iowa City, Iowa.
- ◆ "Loan" shall mean the principal amount allocated by the Original Purchaser to the City under the Program, equal in amount to the principal amount of the Notes.
- ◆ "Net Revenues" shall mean gross earnings of the System after deduction of Current Expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies, but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses.
- ◆ "Notes" or "Note" shall mean \$31,941,000 Sewer Revenue Capital Loan Notes, Series 2026A, authorized to be issued by this Resolution.
- ◆ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Notes from the Issuer at the time of their original issuance.
- ◆ "Parity Obligations" shall mean sewer revenue notes, bonds, or other obligations payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued and shall include Additional Obligations as authorized to be issued under the terms of this Resolution. The City intends to issue \$3,000,000 Taxable Sewer Revenue Capital Loan Notes, Series 2026B, simultaneously with this issuance, which upon closing will be Parity Obligations with the Notes.
- ◆ "Paying Agent" shall mean the City Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's Agent to provide for the payment of principal of and interest on the Notes as the same shall become due.
- ◆ "Permitted Investments" shall mean:
 - direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;
 - cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the above paragraph);
 - obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:
 - Export - Import Bank
 - Farm Credit System Financial Assistance Corporation

- USDA - Rural Development
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration

- repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;
- senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;
- U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);
- commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;
- investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- pre-refunded Municipal Obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public

accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- Iowa Public Agency Investment Trust.

- ◆ "Program" shall mean the Iowa Water Pollution Control Works Financing Program undertaken by the Original Purchaser.

- ◆ "Project" shall mean the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project.

- ◆ "Project Fund" shall mean the Loan Account maintained under the Program for the benefit of the Issuer, into which the proceeds of the Loan and the Note shall be allocated and held until disbursed to pay Project costs.

- ◆ "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.

- ◆ "Registrar" shall be the City Treasurer, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.

- ◆ "System" shall mean the municipal sewer system utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all wastewater treatment facilities, including all wastewater treatment facilities, sanitary sewers, force mains, pumping stations and all related property and improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

◆ "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.

◆ "Treasurer" shall mean the City Finance Director such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

◆ "Yield Restricted" shall mean required to be invested at a yield that is not materially higher than the yield on the Notes under Section 148(a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.82 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, serial, fully registered Revenue Notes of the City of Iowa City, in the County of Johnson, Iowa, each to be designated as "Sewer Revenue Capital Loan Note, Series 2026A", in the aggregate amount of \$31,941,000, for the purpose of paying costs of the Project. The City Council, pursuant to Sections 384.24A and 384.83 of the Code of Iowa, hereby finds and determines that it is necessary and advisable to issue said Notes authorized by the Agreement and this Resolution.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the Net Revenues of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the said Net Revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Sewer Revenue Capital Loan Notes, Series 2026A, of the City in the amount of \$31,941,000, shall be issued to evidence the obligations of the Issuer under the Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa for the aforesaid purpose. The Notes shall be designated "Sewer Revenue Capital Loan Note, Series 2026A", be dated the date of delivery, and bear interest at the rate of 2.90% per annum from the date of each advancement made under the Agreement, until payment thereof, at the office of the Paying Agent, said interest payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year until maturity as set forth on the Debt Service Schedule attached to the Agreement as Exhibit A and incorporated herein by this reference. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the 1st day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service

Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Program. Payment of principal and interest on the Notes shall at all times conform to said Debt Service Schedule and the rules of the Program.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or imprinted with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check, wire transfer or automated clearing house system transfer to the registered owner of the Note. The Notes shall be in the denomination of \$1,000 or multiples thereof and may at the request of the Original Purchaser be initially issued as a single Note in the denomination of \$31,941,000 and numbered R-1.

Section 6. Initiation Fee and Servicing Fee. In addition to the payment of principal of and interest on the Notes, the Issuer also agrees to pay the Initiation Fee and the Servicing Fee as defined and in accordance with the terms of the Agreement.

Section 7. Redemption. The Notes are subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Original Purchaser or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of the Notes may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by giving not less than thirty (30) days' written notice of redemption to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. The Notes are also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Treasurer is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the

registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentation of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and City Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

(6)			(6)
(7)			(8)
(1)			
(2)	(3)	(4)	(5)
(9)			
(9a)			
(10) (Continued on the back of this Bond)			
(11)(12)(13)	(14)		(15)

Figure 1
(Front)

<p>(10) (Continued)</p>		<p>(16)</p>
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Figure 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1 = "State of Iowa"
 "County of Johnson"
 " City of Iowa City"
 "Sewer Revenue Capital Loan Note"

"Series 2026A"

Item 2, figure 1 = Rate: 2.90%
Item 3, figure 1 = Final Maturity: _____
Item 4, figure 1 = Note Date: _____

Item 6, figure 1 = "Registered"
Item 7, figure 1 = Certificate No. R-1
Item 8, figure 1 = Principal Amount: _____

Item 9, figure 1 = The City of Iowa City, Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Iowa Finance Authority

Item 10, figure 1 = or registered assigns, the principal sum of Thirty-One Million Nine Hundred Forty-One Thousand Dollars in lawful money of the United States of America, on the maturity dates and in the principal amounts set forth on the Debt Service Schedule attached hereto and incorporated herein by this reference, with interest on said sum from the date of each advancement made under a certain Loan and Disbursement Agreement dated as of the date hereof until paid at the rate of 2.90% per annum, payable on June 1, 2026, and semi-annually thereafter on the 1st day of June and December in each year. As set forth on said Debt Service Schedule, principal shall be payable on June 1, 2028 and annually thereafter on the first day of June in the amounts set forth therein until principal and interest are fully paid, except that the final installment of the entire balance of principal and interest, if not sooner paid, shall become due and payable on June 1, 2047. Notwithstanding the foregoing or any other provision hereof, principal and interest shall be payable as shown on said Debt Service Schedule until completion of the Project, at which time the final Debt Service Schedule shall be determined and attached hereto based upon actual advancements, final costs and completion of the Project, all as provided in the administrative rules governing the Iowa Water Pollution Control Works Financing Program. Payment of principal and interest of this Note shall at all times conform to said Debt Service Schedule and the rules of the Iowa Water Pollution Control Works Financing Program.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month next preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa, for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including costs associated with Phase 1 of the Wastewater Treatment Facility Digester Rehabilitation project, and evidences amounts payable under a certain Loan and Disbursement Agreement dated as of the date hereof, in conformity to a Resolution of the City Council of the City duly passed and approved. For a complete statement of the revenues and funds from which

and the conditions under which this Note is payable, a statement of the conditions under which additional notes or bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above-described Loan and Disbursement Agreement and Resolution.

This Note is subject to optional redemption at a price of par plus accrued interest (i) on any date upon receipt of written consent of the Iowa Finance Authority or (ii) in the event that all or substantially all of the Project is damaged or destroyed. Any optional redemption of this Note may be made from any funds regardless of source, in whole or from time to time in part, in inverse order of maturity, by lot by giving thirty (30) days' written notice of redemption, to the Iowa Finance Authority (or any other registered owner of the Note). This Note is also subject to mandatory redemption as set forth in Section 5 of the Agreement.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the City Treasurer Iowa City, Iowa, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Resolution and Loan and Disbursement Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the municipal sewer system utility (the "System"), as defined and provided in said Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by said System in each year for the payment of the proper and reasonable expenses of operation and maintenance of said System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of said Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

In Testimony Whereof, said City by its City Council has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of said City impressed hereon, and authenticated by the manual or

facsimile signature of an authorized representative of the Registrar, the City Treasurer of the City of Iowa City, Iowa, all as of the _____ day of _____, 2026.

- Item 11, figure 1 = Date of authentication:
- Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the City Treasurer.

City Treasurer

By: _____
Registrar

- Item 13, figure 1 = Registrar and Transfer Agent: City Treasurer
- Paying Agent: City Treasurer

See Reverse For Certain Definitions

- Item 14, figure 1 = (Seal)
- Item 15, figure 1 = (Signature Block)

City of Iowa City, State of Iowa

By: manual or facsimile _____
Mayor

Attest:

By: manual or facsimile _____
City Clerk

- Item 17, figure 2 = [Assignment Block]
- [Information Required for Registration]

Assignment

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Social Security or Tax Identification No. _____) the within Note and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: _____

(Person(s) executing this Assignment sign(s) here)

SIGNATURE)

GUARANTEED) _____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or bond(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

Information Required For Registration Of Transfer

Name of Transferee(s) _____

Address of Transferee(s) _____

Social Security or Tax Identification

Number of Transferee(s) _____

Transferee is a(n):

Individual* _____

Corporation _____

Partnership _____

Trust _____

*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with rights of survivorship and not as tenants in common

IA UNIF TRANS MIN ACT - Custodian

(Cust) (Minor)

Under Iowa Uniform Transfers to Minors Act.....

(State)

Section 14. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the Net Revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 15. Application of Note Proceeds - Project Fund. Proceeds of the Notes shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 16. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. Said rates or charges shall be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses the System, by or through any part of the System or that in any way uses or is served by the System.

Any revenue paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 17. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Sewer Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

- Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Sewer Utility Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.
- Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay principal of and interest on the Notes and Parity Obligations. The fund shall be known as the Sewer Revenue Note Principal and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be an amount equal to 1/6th of the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus 1/12th of the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money

in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

- Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the Net Revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.
- Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which said funds are listed, on a cumulative basis on the 10th day of each month, or on the next succeeding business day when the 10th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of said funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full.

Section 18. Investments. Moneys on hand in the Project Fund and all of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation, or its equivalent successor, and the deposits of which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Iowa Code chapter 12C, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided. The provisions of this Section shall not be construed to require the Issuer to maintain separate accounts for the funds created by this Resolution.

The Sinking Fund shall be segregated in a separate account but may be invested in the same manner as other funds of the Issuer but designated as a trust fund on the books and records of the Issuer. The Sinking Fund shall not be available for any other purposes other than those specified in this Resolution.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

- (a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.
- (b) Sufficiency of Rates. On or before the beginning of each Fiscal Year the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year which are (i) adequate to pay the principal and interest requirements thereof and to create or maintain the reserves as provided in this Resolution, and (ii) not less than 110 percent of the principal and interest requirements of the next succeeding Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and changes otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.
- (c) Insurance. The Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in an improvement fund for the benefit of the System.
- (d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices and will diligently act to cause the books and accounts to be audited and reported upon by an Independent Auditor and will provide copies of the audit report to the Department, all as provided in the Agreement. The Original Purchaser and holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.
- (e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply said revenues to the funds specified in this Resolution.
- (f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided

further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes and Parity Obligations or for payments into the Sinking Funds.

(g) Fidelity Bond. That the Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Years. Copies of such budget and any amendments thereto shall be mailed to the Original Purchaser and to the Noteholders upon request.

(j) Loan and Disbursement Agreement. The Issuer will comply with the terms and conditions of the Loan and Disbursement Agreement and perform as provided thereunder.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the Net Revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or Net Revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the Net Revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of making extensions, additions, improvements or replacements to the System, or refunding any outstanding Notes, Parity Obligations or Additional

Obligations issued for such extensions, additions and improvements, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Clerk, a statement of an Independent Auditor, independent consulting engineer, or independent municipal advisor, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the then outstanding Notes or Parity Obligations for both principal of and interest on all Notes or Parity Obligations then outstanding which are payable from the Net Revenues of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an independent consulting engineer, the independent municipal advisor or by the Independent Auditor, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Bonds been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of the Additional Obligations.

Section 22. Disposition of Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States,

and that throughout the term of said Notes it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage bonds. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Notes remaining unexpended after three years from the issuance and any other funds required by the Tax Exemption Certificate to be so treated. If any investments are held with respect to the Notes and Parity Obligations, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the Notes to be classified as arbitrage bonds under Section 148(a) and (b) the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Notes for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Notes not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142(a) of the Internal Revenue Code of the United States, related statutes and regulations.

Section 23. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or

advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 24. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of bond counsel, such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 25. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body, for the payment of said obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which said obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 26. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 27. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Bonds and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any applicable provision of law or regulation of federal or state agencies; provided, however, that such

action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 28. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such Refunding Obligations as may have been issued for the purpose of refunding any of such Notes if such Refunding Obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity or interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the City Clerk.

Whenever at any time within one year from the date of the mailing of said notice there shall be filed with the City Clerk an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined,

which instrument or instruments shall refer to the proposed amendatory Resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the City Clerk.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Notwithstanding anything in this Section to the contrary, the holder or holders of 100% of the Notes and Parity Obligations may consent to any amendment of this Resolution, or waive any notices required hereunder, on such terms and under such conditions as said holders shall determine to be appropriate.

Section 29. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 30. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other Ordinances, Resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

Section 31. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Loan and Disbursement Agreement, the terms of the Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

Passed and Approved this 3rd day of February, 2026.

Mayor

Attest:

City Clerk

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned City Clerk of the City of Iowa City, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

Witness my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution Fixing Date for a Meeting on the Proposition of the Issuance of Not to Exceed \$22,000,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For Essential Corporate Purposes), and Providing for Publication of Notice Thereof.

Prepared By: Jacklyn Fleagle, Assistant Finance Director
Reviewed By: Nicole Davies, Finance Director
Geoff Fruin, City Manager
Eric Goers, City Attorney
Fiscal Impact: Adopted as part of the FY2026 Revised Budget and 2026-2030 Capital Improvement Program.
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [2026 General Obligation Bonds Project Schedule by Hearing Type](#)
[ECP-1 Notice of Hearing 2026C General Obligation Bonds Resolution](#)

Executive Summary:

There are three resolutions for the formal City Council meeting on February 3rd that are setting public hearings regarding for the issuance of the 2026 General Obligation Bonds. The hearings are being scheduled for February 17th.

Attached is a project schedule by hearing for the 2026 General Obligation Bonds. There are three hearings required for the 2026 general obligation bond issue.

Background / Analysis:

The City issues bonds every spring to fund the current year's capital improvement projects listed in the Five-Year Capital Improvement Program.

The City's bond attorney, Kristin Billingsley Cooper, determines the number of bond resolutions required based upon the purpose and classification of the bonds being issued. Iowa state code classifies general obligation bonds as either General or Essential. General obligation bonds classified as General are limited to \$1,384,499 per project and are subject to reverse referendum within 30 days of adoption of the resolution. General obligation bonds classified as Essential do not have a \$1,384,499 project expense cap and are not subject to reverse referendum.

The public hearings for the 2026 General Obligation Bond issue have a total combined issuance amount of not to exceed \$24,600,000 for projects totaling \$23,190,000. The difference between the two amounts is the estimated bond issuance costs.

**2026 General Obligation Bonds
Project Schedule by Hearing Type**

Proj. #	Project Name	Description	Type	Essential Purpose	General Purpose - BAS Upgrades, ADA Elevator Imp, Park Improvements	General Purpose - Recreation Center Improvements, Furniture/Flooring, BAS Upgrades
P3991	Carson Farms Stormwater Retention Basin	This project will construct a new lake for stormwater retention west of Highway 218, south of Rohret Road.	Waterways	\$ 1,000,000		
R4358	City Park Shelters & Restroom Replacement	This project will demolish 6 picnic shelters in Lower City Park, 4 shelters in Upper City Park and 1 restroom in Lower City Park. These will be replaced with 1 large and 4 small shelters in Lower City Park, 1 large and 2 small shelters in Upper City Park, 1 new restroom in Lower City Park, and renovate one existing restroom in Lower City Park. The replacement facilities will be in locations further from the river as outlined in the Lower City Park Master Plan and in locations of Upper City Park that account to the tree canopy and new pool layout	Parks	\$ 1,450,000		
R4389	N. Market Square Playground Replacement	Replace playground at North Market Square Park. This includes replacing rubber mat surface with engineered wood fiber. Adjacent elementary school playground has poured in place surfacing.	Parks	\$ 300,000		
R4408	Columbarium Construction/Expansion	Design and construction of a new Columbarium structure for single and double cremation niches. The scope of this project may or may not include the expansion of the current Forestview Columbarium.	Buildings	\$ 720,000		
R4421	Hwy 1/6/Riverside Trail	This project constructs approximately 1,800 feet of 10' wide trail along Highway 1/Highway 6 generally from Orchard Street to the Highway 6 Bridge over the Iowa River. It also includes approximately 250 feet of sidewalk connecting the existing sidewalks on Riverside Drive north of Highway 1/Highway 6 to the new trail and the addition of an ADA crosswalk on the west leg of Hwy 6 at Gilbert Street.	Trail	\$ 355,000		
S3946	Court Street Reconstruction	This project will reconstruct Court Street from Muscatine Avenue to 1st Avenue.	Streets	\$ 2,000,000		
S3963	Burlington Street Bridge Replacement	This project will replace both the eastbound and westbound Burlington Street bridges with one new bridge over the Iowa River. In addition, the project will include repair or replacement of the existing pedestrian overpass at Riverside Drive, realignment of Grand Avenue west of Riverside Drive, reconstruction of portions of Grand Avenue, Burlington Road and Melrose Avenue, and investigation of the feasibility of eliminating the existing dam. This project will be a joint project with the DOT.	Streets	\$ 4,000,000		
S3982	North Dodge St / ACT Circle - Signalization	This project will install traffic signals for motorists/pedestrians at the North Dodge Street / ACT Circle intersection.	Streets	\$ 3,070,000		
R4362	Napoleon Park Softball Fields 5-8 Renovation	5-8 at the Napoleon Park Softball Complex. The project will include the laser grading infields, the addition of drainage tile, new	Recreation		\$ 500,000	
R4388	ADA Elevator Improvements	A. Lee Recreation Center need ADA operating system updates including braille, visible and verbal signals to indicate which	Buildings		\$ 402,000	
R4398	Thornberry Dog Park Improvements	This project will fix the pond and replace or improve trails, fencing and other amenities.	Recreation		\$ 150,000	
R4412	Robert A Lee Recreation Center Roof	Replace or repair RALRC roof.	Buildings			\$ 953,000
Y4450	Animal Shelter BAS Upgrade	Animal Shelter BAS (Building Automation System) update/upgrade.	Buildings		\$ 55,000	
Z4414	Flooring/Furniture Station 1	and furniture replacement funds were reallocated to the fire station 1 sleeping area remodel. The current flooring and office	Buildings			\$ 95,000
Z4415	Fire Station 2 & 4 BAS Upgrade	controls software, field devices to be compatible with new controls, installation of new controllers, VFDs, perimeter heat temp	Buildings			\$ 115,000
5039	Refunding of 2016E	To refund outstanding bonds.	Other	\$ 8,025,000		
GO Bond 2026 Project Totals				\$20,920,000	\$ 1,107,000	\$ 1,163,000

Public Hearing Amount

\$22,000,000 \$ 1,300,000 \$ 1,300,000

(To be published between: February 4, 2026 and February 7, 2026)

Notice of Meeting of the City Council of the City of Iowa City, State of Iowa, on the Matter of the Proposed Issuance of Not to Exceed \$22,000,000 General Obligation Bonds of the City (For Essential Corporate Purposes), and the Hearing on the Issuance Thereof

Public Notice is hereby given that the City Council of the City of Iowa City, State of Iowa, will hold a public hearing on the 17th day of February, 2026, at 6:00 P.M., in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed \$22,000,000 General Obligation Bonds, for essential corporate purposes, to provide funds to pay costs of the opening, widening, extending, grading and drainage of the right-of-way of streets, highways, avenues, alleys, and public grounds; the construction, reconstruction, and repairing of any street and streetscape improvements, including the replacement or planting of trees in public areas, related utility work, traffic control devices, lighting, trails, sidewalks, and the acquisition of real estate for such purposes; the acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, retaining walls, viaducts, underpasses, grade crossing separations, and approaches thereto; the acquisition, construction and improvement of works and facilities useful for the collection and disposal of surface waters and streams, and for the protection of property situated within the corporate limits from floods or high waters, and for the protection of property from the effects of flood waters; the acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of cemetery facilities; and the rehabilitation and improvement of parks already owned, including facilities, equipment and improvements commonly found in city parks; and the settlement, adjustment, renewing, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, or judgments, or the funding or refunding of the same, whether or not such indebtedness was created for a purpose for which general obligation bonds might have been issued in the original instance, including the Taxable Urban Renewal Revenue Capital Loan Notes, Series 2016E.

The annual increase in property taxes as the result of the issuance on a residential property with an actual value of one hundred thousand dollars is estimated not to exceed \$59.04. This estimate only considers the impact on property taxes of financing authority established by this hearing for the above-described project(s). The bonds may be issued in one or more series over a number of years. Finance authority established by this hearing may be combined with additional finance authority, causing the estimate for the annual increase in property taxes for the entire issuance to be greater than the estimate stated herein. Changes in other levies may cause the actual annual increase in property taxes to vary.

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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.25 of the Code of Iowa.

ECP-1

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

4912-5107-1370-1\10714-155

**Items to Include on Agenda
For the Council Meeting on February 3, 2026**

City of Iowa City, Iowa

Not to Exceed \$22,000,000 General Obligation Bonds (ECP-1)

- Resolution fixing date for a meeting on the proposition to issue.

Notice Must Be Given Pursuant to Iowa Code
Chapter 21 and the Local Rules of the City.

February 3, 2026

The City Council of the City of Iowa City, State of Iowa, met in _____ session, in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "Resolution Fixing Date for a Meeting on the Proposition of the Issuance of Not to Exceed \$22,000,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For Essential Corporate 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 Proposition of the Issuance of Not to Exceed \$22,000,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For Essential Corporate Purposes), and Providing for Publication of Notice Thereof

Whereas, it is deemed necessary and advisable that the City of Iowa City, State of Iowa, should issue General Obligation Bonds, to the amount of not to exceed \$22,000,000, as authorized by Section 384.25, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out essential corporate purpose project(s) as hereinafter described; and

Whereas, before the Bonds may be issued, it is necessary to comply with the provisions of the Code, and to publish a notice of the proposal to issue such bonds and of the time and place of the meeting at which the Council proposes to take action for the issuance of the Bonds and to receive oral and/or written objections from any resident or property owner of the City to such action.

Now, Therefore, Be It Resolved by the City Council of the City of Iowa City, State of Iowa:

Section 1. That this Council meet in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the 17th day of February, 2026, for the purpose of taking action on the matter of the issuance of not to exceed \$22,000,000 General Obligation Bonds, for essential corporate purposes, the proceeds of which bonds will be used to provide funds to pay the costs of the opening, widening, extending, grading and drainage of the right-of-way of streets, highways, avenues, alleys, and public grounds; the construction, reconstruction, and repairing of any street and streetscape improvements, including the replacement or planting of trees in public areas, related utility work, traffic control devices, lighting, trails, sidewalks, and the acquisition of real estate for such purposes; the acquisition, construction, reconstruction,

enlargement, improvement, and repair of bridges, culverts, retaining walls, viaducts, underpasses, grade crossing separations, and approaches thereto; the acquisition, construction and improvement of works and facilities useful for the collection and disposal of surface waters and streams, and for the protection of property situated within the corporate limits from floods or high waters, and for the protection of property from the effects of flood waters; the acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of cemetery facilities; and the rehabilitation and improvement of parks already owned, including facilities, equipment and improvements commonly found in city parks; and the settlement, adjustment, renewing, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, or judgments, or the funding or refunding of the same, whether or not such indebtedness was created for a purpose for which general obligation bonds might have been issued in the original instance, including the Taxable Urban Renewal Revenue Capital Loan Notes, Series 2016E.

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. 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 four clear days nor more than twenty days before the date of the public meeting on the issuance of the Bonds.

Section 4. The notice of the proposed action to issue bonds shall be in substantially the following form:

(To be published between: February 4, 2026 and February 7, 2026)

Notice of Meeting of the City Council of the City of Iowa City,
State of Iowa, on the Matter of the Proposed Issuance of Not to
Exceed \$22,000,000 General Obligation Bonds of the City (For
Essential Corporate Purposes), and the Hearing on the Issuance
Thereof

Public Notice is hereby given that the City Council of the City of Iowa City, State of Iowa, will hold a public hearing on the 17th day of February, 2026, at 6:00 P.M., in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed \$22,000,000 General Obligation Bonds, for essential corporate purposes, to provide funds to pay costs of the opening, widening, extending, grading and drainage of the right-of-way of streets, highways, avenues, alleys, and public grounds; the construction, reconstruction, and repairing of any street and streetscape improvements, including the replacement or planting of trees in public areas, related utility work, traffic control devices, lighting, trails, sidewalks, and the acquisition of real estate for such purposes; the acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, retaining walls, viaducts, underpasses, grade crossing separations, and approaches thereto; the acquisition, construction and improvement of works and facilities useful for the collection and disposal of surface waters and streams, and for the protection of property situated within the corporate limits from floods or high waters, and for the protection of property from the effects of flood waters; the acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of cemetery facilities; and the rehabilitation and improvement of parks already owned, including facilities, equipment and improvements commonly found in city parks; and the settlement, adjustment, renewing, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, or judgments, or the funding or refunding of the same, whether or not such indebtedness was created for a purpose for which general obligation bonds might have been issued in the original instance, including the Taxable Urban Renewal Revenue Capital Loan Notes, Series 2016E.

The annual increase in property taxes as the result of the issuance on a residential property with an actual value of one hundred thousand dollars is estimated not to exceed \$59.04. This estimate only considers the impact on property taxes of financing authority established by this hearing for the above-described project(s). The bonds may be issued in one or more series over a number of years. Finance authority established by this hearing may be combined with additional finance authority, causing the estimate for the annual increase in property taxes for the entire issuance to be greater than the estimate stated herein. Changes in other levies may cause the actual annual increase in property taxes to vary.

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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.25 of the Code of Iowa.

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

Passed and Approved this 3rd day of February, 2026.

Mayor

Attest:

City Clerk

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned City Clerk of the City of Iowa City, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

Witness my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Iowa City, in the County of Johnson, State of Iowa, and that as such Clerk and by full authority from the Council of the City, I have caused a

Notice of Public Hearing
(Not to Exceed \$22,000,000 General Obligation Bonds) (ECP-1)

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published as required by law in the Iowa City Press-Citizen, a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and has a general circulation in the City, and that the Notice was published in all of the issues thereof published and circulated on the following date:

_____, 2026.

Witness my official signature this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution fixing date for a meeting on the proposition of the issuance of not to exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (for general corporate purposes) and providing for publication of notice thereof.

Prepared By: Jacklyn Fleagle, Assistant Finance Director
Reviewed By: Nicole Davies, Finance Director
Geoff Fruin, City Manager
Eric Goers, City Attorney
Fiscal Impact: Adopted as part of the FY2026 Revised Budget and 2026-2030 Capital Improvement Program.
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [2026 General Obligation Bonds Project Schedule by Hearing Type](#)
[GCP-2 Notice of Hearing 2026C General Obligation Bonds Resolution](#)

Executive Summary:

There are three resolutions for the formal City Council meeting on February 3rd that are setting public hearings regarding the issuance of the 2026 General Obligation Bonds. The hearings are being scheduled for February 17th.

Attached is a project schedule by hearing for the 2026 General Obligation Bonds. There are three hearings required for the 2026 general obligation bond issue.

Background / Analysis:

The City issues bonds every spring to fund the current year's capital improvement projects listed in the Five-Year Capital Improvement Program.

The City's bond attorney, Kristin Billingsley Cooper, determines the number of bond resolutions required based upon the purpose and classification of the bonds being issued. Iowa state code classifies general obligation bonds as either General or Essential. General obligation bonds classified as General are limited to \$1,384,499 per project and are subject to reverse referendum within 30 days of adoption of the resolution. General obligation bonds classified as Essential do not have a \$1,384,499 project expense cap and are not subject to reverse referendum.

The public hearings for the 2026 General Obligation Bond issue have a total combined issuance amount of not to exceed \$24,600,000 for projects totaling \$23,190,000. The difference between the two amounts is the estimated bond issuance costs.

**2026 General Obligation Bonds
Project Schedule by Hearing Type**

Proj. #	Project Name	Description	Type	Essential Purpose	General Purpose - BAS Upgrades, ADA Elevator Imp, Park Improvements	General Purpose - Recreation Center Improvements, Furniture/Flooring, BAS Upgrades
P3991	Carson Farms Stormwater Retention Basin	This project will construct a new lake for stormwater retention west of Highway 218, south of Rohret Road.	Waterways	\$ 1,000,000		
R4358	City Park Shelters & Restroom Replacement	This project will demolish 6 picnic shelters in Lower City Park, 4 shelters in Upper City Park and 1 restroom in Lower City Park. These will be replaced with 1 large and 4 small shelters in Lower City Park, 1 large and 2 small shelters in Upper City Park, 1 new restroom in Lower City Park, and renovate one existing restroom in Lower City Park. The replacement facilities will be in locations further from the river as outlined in the Lower City Park Master Plan and in locations of Upper City Park that account to the tree canopy and new pool layout	Parks	\$ 1,450,000		
R4389	N. Market Square Playground Replacement	Replace playground at North Market Square Park. This includes replacing rubber mat surface with engineered wood fiber. Adjacent elementary school playground has poured in place surfacing.	Parks	\$ 300,000		
R4408	Columbarium Construction/Expansion	Design and construction of a new Columbarium structure for single and double cremation niches. The scope of this project may or may not include the expansion of the current Forestview Columbarium.	Buildings	\$ 720,000		
R4421	Hwy 1/6/Riverside Trail	This project constructs approximately 1,800 feet of 10' wide trail along Highway 1/Highway 6 generally from Orchard Street to the Highway 6 Bridge over the Iowa River. It also includes approximately 250 feet of sidewalk connecting the existing sidewalks on Riverside Drive north of Highway 1/Highway 6 to the new trail and the addition of an ADA crosswalk on the west leg of Hwy 6 at Gilbert Street.	Trail	\$ 355,000		
S3946	Court Street Reconstruction	This project will reconstruct Court Street from Muscatine Avenue to 1st Avenue.	Streets	\$ 2,000,000		
S3963	Burlington Street Bridge Replacement	This project will replace both the eastbound and westbound Burlington Street bridges with one new bridge over the Iowa River. In addition, the project will include repair or replacement of the existing pedestrian overpass at Riverside Drive, realignment of Grand Avenue west of Riverside Drive, reconstruction of portions of Grand Avenue, Burlington Road and Melrose Avenue, and investigation of the feasibility of eliminating the existing dam. This project will be a joint project with the DOT.	Streets	\$ 4,000,000		
S3982	North Dodge St / ACT Circle - Signalization	This project will install traffic signals for motorists/pedestrians at the North Dodge Street / ACT Circle intersection.	Streets	\$ 3,070,000		
R4362	Napoleon Park Softball Fields 5-8 Renovation	5-8 at the Napoleon Park Softball Complex. The project will include the laser grading infields, the addition of drainage tile, new	Recreation		\$ 500,000	
R4388	ADA Elevator Improvements	A. Lee Recreation Center need ADA operating system updates including braille, visible and verbal signals to indicate which	Buildings		\$ 402,000	
R4398	Thornberry Dog Park Improvements	This project will fix the pond and replace or improve trails, fencing and other amenities.	Recreation		\$ 150,000	
R4412	Robert A Lee Recreation Center Roof	Replace or repair RALRC roof.	Buildings			\$ 953,000
Y4450	Animal Shelter BAS Upgrade	Animal Shelter BAS (Building Automation System) update/upgrade.	Buildings		\$ 55,000	
Z4414	Flooring/Furniture Station 1	and furniture replacement funds were reallocated to the fire station 1 sleeping area remodel. The current flooring and office	Buildings			\$ 95,000
Z4415	Fire Station 2 & 4 BAS Upgrade	controls software, field devices to be compatible with new controls, installation of new controllers, VFDs, perimeter heat temp	Buildings			\$ 115,000
5039	Refunding of 2016E	To refund outstanding bonds.	Other	\$ 8,025,000		
GO Bond 2026 Project Totals				\$20,920,000	\$ 1,107,000	\$ 1,163,000

Public Hearing Amount

\$22,000,000 \$ 1,300,000 \$ 1,300,000

(To be published between: February 4, 2026 and February 7, 2026)

Notice of Meeting of the City Council of the City of Iowa City, State of Iowa, on the Matter of the Proposed Issuance of Not to Exceed \$1,300,000 General Obligation Bonds of the City (For General Corporate Purposes), and the Hearing on the Issuance Thereof

Public Notice is hereby given that the City Council of the City of Iowa City, State of Iowa, will hold a public hearing on the 17th day of February, 2026, at 6:00 P.M., in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed \$1,300,000 General Obligation Bonds, for general corporate purposes, bearing interest at a rate of not to exceed nine (9) per centum per annum, the Bonds to be issued to provide funds to pay the costs of the acquisition, construction, improvement and equipping of recreational grounds and buildings, parks and the acquisition of real estate therefor, including for the Napoleon Park Softball Fields and Thornberry Dog Park; and to pay costs of the acquisition, reconstruction, improvement and equipping of various city buildings, including ADA improvements, and improvements at the animal shelter.

At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds be submitted to the legal voters of the City, may be filed with the Clerk of the City in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Section 384.26 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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.26 of the Code of Iowa.

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

**Items to Include on Agenda
For the Council Meeting on February 3, 2026**

City of Iowa City, Iowa

Not to Exceed \$1,300,000 General Obligation Bonds (GCP-2)

- Resolution fixing date for a meeting on the proposition to issue.

Notice Must Be Given Pursuant to Iowa Code
Chapter 21 and the Local Rules of the City.

February 3, 2026

The City Council of the City of Iowa City, State of Iowa, met in _____ session, in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "Resolution Fixing Date for a Meeting on the Proposition of the Issuance of Not to Exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For General Corporate 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 Proposition of the Issuance of Not to Exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For General Corporate Purposes), and Providing for Publication of Notice Thereof

Whereas, it is deemed necessary and advisable that the City of Iowa City, State of Iowa, should issue General Obligation Bonds, to the amount of not to exceed \$1,300,000, as authorized by Section 384.26, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out general corporate purpose project(s) as hereinafter described; and

Whereas, the Issuer has a population in excess of 75,000, and the Bonds for these purposes do not exceed \$1,384,499; and

Whereas, before the Bonds may be issued, it is necessary to comply with the provisions of Chapter 384 of the Code of Iowa, and to publish a notice of the proposal to issue such Bonds and the right to petition for an election.

Now, Therefore, Be it Resolved by the City Council of the City of Iowa City, State of Iowa:

Section 1. That this Council meet in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the 17th day of February, 2026, for the purpose of taking action on the matter of the issuance of not to exceed \$1,300,000 General Obligation Bonds, for general corporate purposes, the proceeds of which bonds will be used to provide funds to pay the costs of the acquisition, construction, improvement and equipping of recreational grounds and buildings, parks and the acquisition of real estate therefor, including for the Napoleon Park Softball Fields and Thornberry Dog Park; and to pay costs of the acquisition, reconstruction, improvement and equipping of various city buildings, including ADA

improvements, and improvements at the animal shelter and shall bear interest at a rate not exceeding the maximum specified in the attached notice.

Section 2. 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 issuance of the Bonds.

Section 3. The notice of the proposed action to issue bonds shall be in substantially the following form:

(To be published between: February 4, 2026 and February 7, 2026)

Notice of Meeting of the City Council of the City of Iowa City,
State of Iowa, on the Matter of the Proposed Issuance of Not to
Exceed \$1,300,000 General Obligation Bonds of the City (For
General Corporate Purposes), and the Hearing on the Issuance
Thereof

Public Notice is hereby given that the City Council of the City of Iowa City, State of Iowa, will hold a public hearing on the 17th day of February, 2026, at 6:00 P.M., in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at which meeting the Council proposes to take additional action for the issuance of not to exceed \$1,300,000 General Obligation Bonds, for general corporate purposes, bearing interest at a rate of not to exceed nine (9) per centum per annum, the Bonds to be issued to provide funds to pay the costs of the acquisition, construction, improvement and equipping of recreational grounds and buildings, parks and the acquisition of real estate therefor, including for the Napoleon Park Softball Fields and Thornberry Dog Park; and to pay costs of the acquisition, reconstruction, improvement and equipping of various city buildings, including ADA improvements, and improvements at the animal shelter.

At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds be submitted to the legal voters of the City, may be filed with the Clerk of the City in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Section 384.26 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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.26 of the Code of Iowa.

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

Passed and Approved this 3rd day of February, 2026.

Mayor

Attest:

City Clerk

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned City Clerk of the City of Iowa City, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

Witness my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Iowa City, in the County of Johnson, State of Iowa, and that as such Clerk and by full authority from the Council of the City, I have caused a

Notice of Public Hearing
(Not to Exceed \$1,300,000 General Obligation Bonds) (GCP-2)

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published as required by law in the Iowa City Press-Citizen, a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and has a general circulation in the City, and that the Notice was published in all of the issues thereof published and circulated on the following date:

_____, 2026.

Witness my official signature this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution fixing date for a meeting on the proposition of the issuance of not to exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (for general corporate purposes) and providing for publication of notice thereof.

Prepared By: Jacklyn Fleagle, Assistant Finance Director
Reviewed By: Nicole Davies, Finance Director
Geoff Fruin, City Manager
Eric Goers, City Attorney
Fiscal Impact: Adopted as part of the FY2026 Revised Budget and 2026-2030 Capital Improvement Program.
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [2026 General Obligation Bonds Project Schedule by Hearing Type](#)
[GCP-3 Notice of Hearing 2026C General Obligation Bonds Resolution](#)

Executive Summary:

There are three resolutions for the formal City Council meeting on February 3rd that are setting public hearings regarding the issuance of the 2026 General Obligation Bonds. The hearings are being scheduled for February 17th.

Attached is a project schedule by hearing for the 2026 General Obligation Bonds. There are three hearings required for the 2026 general obligation bond issue.

Background / Analysis:

The City issues bonds every spring to fund the current year's capital improvement projects listed in the Five-Year Capital Improvement Program.

The City's bond attorney, Kristin Billingsley Cooper, determines the number of bond resolutions required based upon the purpose and classification of the bonds being issued. Iowa state code classifies general obligation bonds as either General or Essential. General obligation bonds classified as General are limited to \$1,384,499 per project and are subject to reverse referendum within 30 days of adoption of the resolution. General obligation bonds classified as Essential do not have a \$1,384,499 project expense cap and are not subject to reverse referendum.

The public hearings for the 2026 General Obligation Bond issue have a total combined issuance amount of not to exceed \$24,600,000 for projects totaling \$23,190,000. The difference between the two amounts is the estimated bond issuance costs.

**2026 General Obligation Bonds
Project Schedule by Hearing Type**

Proj. #	Project Name	Description	Type	Essential Purpose	General Purpose - Recreation Center	
					General Purpose - BAS Upgrades, ADA Elevator Imp, Park Improvements	Furniture/Flooring, BAS Upgrades
P3991	Carson Farms Stormwater Retention Basin	This project will construct a new lake for stormwater retention west of Highway 218, south of Rohret Road.	Waterways	\$ 1,000,000		
R4358	City Park Shelters & Restroom Replacement	This project will demolish 6 picnic shelters in Lower City Park, 4 shelters in Upper City Park and 1 restroom in Lower City Park. These will be replaced with 1 large and 4 small shelters in Lower City Park, 1 large and 2 small shelters in Upper City Park, 1 new restroom in Lower City Park, and renovate one existing restroom in Lower City Park. The replacement facilities will be in locations further from the river as outlined in the Lower City Park Master Plan and in locations of Upper City Park that account to the tree canopy and new pool layout	Parks	\$ 1,450,000		
R4389	N. Market Square Playground Replacement	Replace playground at North Market Square Park. This includes replacing rubber mat surface with engineered wood fiber. Adjacent elementary school playground has poured in place surfacing.	Parks	\$ 300,000		
R4408	Columbarium Construction/Expansion	Design and construction of a new Columbarium structure for single and double cremation niches. The scope of this project may or may not include the expansion of the current Forestview Columbarium.	Buildings	\$ 720,000		
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S3946	Court Street Reconstruction	This project will reconstruct Court Street from Muscatine Avenue to 1st Avenue.	Streets	\$ 2,000,000		
S3963	Burlington Street Bridge Replacement	This project will replace both the eastbound and westbound Burlington Street bridges with one new bridge over the Iowa River. In addition, the project will include repair or replacement of the existing pedestrian overpass at Riverside Drive, realignment of Grand Avenue west of Riverside Drive, reconstruction of portions of Grand Avenue, Burlington Road and Melrose Avenue, and investigation of the feasibility of eliminating the existing dam. This project will be a joint project with the DOT.	Streets	\$ 4,000,000		
S3982	North Dodge St / ACT Circle - Signalization	This project will install traffic signals for motorists/pedestrians at the North Dodge Street / ACT Circle intersection.	Streets	\$ 3,070,000		
R4362	Napoleon Park Softball Fields 5-8 Renovation	5-8 at the Napoleon Park Softball Complex. The project will include the laser grading infields, the addition of drainage tile, new	Recreation		\$ 500,000	
R4388	ADA Elevator Improvements	A. Lee Recreation Center need ADA operating system updates including braille, visible and verbal signals to indicate which	Buildings		\$ 402,000	
R4398	Thornberry Dog Park Improvements	This project will fix the pond and replace or improve trails, fencing and other amenities.	Recreation		\$ 150,000	
R4412	Robert A Lee Recreation Center Roof	Replace or repair RALRC roof.	Buildings			\$ 953,000
Y4450	Animal Shelter BAS Upgrade	Animal Shelter BAS (Building Automation System) update/upgrade.	Buildings		\$ 55,000	
Z4414	Flooring/Furniture Station 1	and furniture replacement funds were reallocated to the fire station 1 sleeping area remodel. The current flooring and office	Buildings			\$ 95,000
Z4415	Fire Station 2 & 4 BAS Upgrade	controls software, field devices to be compatible with new controls, installation of new controllers, VFDs, perimeter heat temp	Buildings			\$ 115,000
5039	Refunding of 2016E	To refund outstanding bonds.	Other	\$ 8,025,000		
GO Bond 2026 Project Totals				\$20,920,000	\$ 1,107,000	\$ 1,163,000

Public Hearing Amount

\$22,000,000 \$ 1,300,000 \$ 1,300,000

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Thereof

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At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds be submitted to the legal voters of the City, may be filed with the Clerk of the City in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Section 384.26 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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.26 of the Code of Iowa.

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

**Items to Include on Agenda
For the Council Meeting on February 3, 2026**

City of Iowa City, Iowa

Not to Exceed \$1,300,000 General Obligation Bonds (GCP-3)

- Resolution fixing date for a meeting on the proposition to issue.

Notice Must Be Given Pursuant to Iowa Code
Chapter 21 and the Local Rules of the City.

February 3, 2026

The City Council of the City of Iowa City, State of Iowa, met in _____ session, in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ introduced the following Resolution entitled "Resolution Fixing Date for a Meeting on the Proposition of the Issuance of Not to Exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For General Corporate 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 Proposition of the Issuance of Not to Exceed \$1,300,000 General Obligation Bonds of the City of Iowa City, State of Iowa (For General Corporate Purposes), and Providing for Publication of Notice Thereof

Whereas, it is deemed necessary and advisable that the City of Iowa City, State of Iowa, should issue General Obligation Bonds, to the amount of not to exceed \$1,300,000, as authorized by Section 384.26, of the Code of Iowa, for the purpose of providing funds to pay costs of carrying out general corporate purpose project(s) as hereinafter described; and

Whereas, the Issuer has a population in excess of 75,000, and the Bonds for these purposes do not exceed \$1,384,499; and

Whereas, before the Bonds may be issued, it is necessary to comply with the provisions of Chapter 384 of the Code of Iowa, and to publish a notice of the proposal to issue such Bonds and the right to petition for an election.

Now, Therefore, Be it Resolved by the City Council of the City of Iowa City, State of Iowa:

Section 1. That this Council meet in the Emma J. Harvat Hall, City Hall, 410 E. Washington, Iowa City, Iowa, at 6:00 P.M., on the 17th day of February, 2026, for the purpose of taking action on the matter of the issuance of not to exceed \$1,300,000 General Obligation Bonds, for general corporate purposes, the proceeds of which bonds will be used to provide funds to pay the costs of the acquisition, construction, improvement and equipping of recreational grounds and buildings, parks and the acquisition of real estate therefor, including for the Robert A. Lee Recreation Center; and to pay costs of the acquisition, reconstruction,

improvement and equipping of fire stations and shall bear interest at a rate not exceeding the maximum specified in the attached notice.

Section 2. 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 issuance of the Bonds.

Section 3. The notice of the proposed action to issue bonds shall be in substantially the following form:

(To be published between: February 4, 2026 and February 7, 2026)

Notice of Meeting of the City Council of the City of Iowa City,
State of Iowa, on the Matter of the Proposed Issuance of Not to
Exceed \$1,300,000 General Obligation Bonds of the City (For
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At any time before the date of the meeting, a petition, asking that the question of issuing such Bonds be submitted to the legal voters of the City, may be filed with the Clerk of the City in the manner provided by Section 362.4 of the Code of Iowa, pursuant to the provisions of Section 384.26 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 will abandon the proposal to issue said Bonds.

This notice is given by order of the City Council of the City of Iowa City, State of Iowa, as provided by Section 384.26 of the Code of Iowa.

Dated this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(End of Notice)

Passed and Approved this 3rd day of February, 2026.

Mayor

Attest:

City Clerk

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned City Clerk of the City of Iowa City, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

Witness my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)

Certificate

State of Iowa)
) SS
County of Johnson)

I, the undersigned, do hereby certify that I am now and was at the times hereinafter mentioned, the duly qualified and acting Clerk of the City of Iowa City, in the County of Johnson, State of Iowa, and that as such Clerk and by full authority from the Council of the City, I have caused a

Notice of Public Hearing
(Not to Exceed \$1,300,000 General Obligation Bonds) (GCP-3)

of which the clipping annexed to the publisher's affidavit hereto attached is in words and figures a correct and complete copy, to be published as required by law in the Iowa City Press-Citizen, a legal newspaper published at least once weekly, printed wholly in the English language, published regularly and mailed through the post office of current entry for more than two years and which has had for more than two years a bona fide paid circulation recognized by the postal laws of the United States, and has a general circulation in the City, and that the Notice was published in all of the issues thereof published and circulated on the following date:

_____, 2026.

Witness my official signature this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(Seal)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Ordinance amending Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units. (REZ25-0015) (Second Consideration)

Attachments: [REZ25-0015 PZ Memo Final](#)
[Planning and Zoning Commission 12.17.25 Minutes](#)
[Ordinance](#)



CITY OF IOWA CITY MEMORANDUM

Date: December 17, 2025
To: Planning & Zoning Commission
From: Lisa Schroer, Associate Planner, Neighborhood & Development Services
Re: Zoning Code Amendment (REZ25-0015)

Introduction

The Iowa City Zoning Code (Title 14) is periodically updated as circumstances evolve throughout the City. The proposed ordinance (Attachment 1) includes amendments required by state legislation that preempt certain areas of local zoning authority. These updates align the City's zoning regulations with state law and clarify related standards within Title 14.

Background

Changes in Iowa state code preempt several areas of local zoning regulation. In response, the City is required to update its Zoning Code to ensure compliance. State preemptions define areas where the City must follow state standards, while still allowing for local regulation where permitted. The proposed amendments address these legislative changes and clarify how Title 14 aligns with current state law. The following five state preemptions are addressed in this memo:

Table 1: State Preemptions Summary

State Preemption	Description
Home Occupations – HF 2431	State legislation limits the City's ability to impose certain restrictions on home occupations and requires that home-based businesses be allowed within residential zones under certain conditions.
Consumer Fireworks Sales – SF 2285	State legislation prohibits the City from regulating or restricting the locations of consumer fireworks sales within commercial and industrial zones.
Exterior Building Materials – HF 2388	State legislation prohibits the City from regulating styles and materials used for the exterior of residential buildings with 12 units or fewer.
Variances – HF 652	State legislation expands the power of boards of adjustment to grant area and dimensional variances.
Accessory Dwelling Units (ADUs) – SF 592	State legislation requires cities and counties to allow at least one ADU on the same lot as a single family residence as defined by state code.

The proposed code amendments ensure that Title 14 complies with state law, and provides clear, enforceable standards for staff, applicants, and the public.

Proposed Amendments

A more detailed summary of the recent changes to state law and the associated Zoning Code amendments are detailed below.

1) Align Standards for Home Occupations with State Law (14-4C-2 and 14-8B-6)

Summary of Law:

In 2022, the State of Iowa adopted House File 2431, which limits the ability of cities to regulate home-based businesses, commonly referred to as home occupations. The legislation requires cities to allow home occupations in residential zones and prohibits cities from requiring a permit for no-impact home occupations. Cities may continue to impose regulations on home occupations that are necessary to protect public health and safety, welfare, or transportation impacts on the surrounding neighborhood. As a result, the City must revise its current home occupation standards to comply with state law while retaining reasonable provisions to manage potential neighborhood impacts.

The proposed amendments represent a “least change” approach that ensures compliance with State law while preserving local oversight of issues that may affect neighborhood residents. The revisions clarify the City’s permitting requirements, reduce regulatory burden on residents, and maintain a reasonable balance between business flexibility and the protection of residential areas surrounding home occupations.

Summary of Changes:

The following list highlights the high-level code changes that will align the City’s home occupation regulations with the standards outlined in HF 2431. Table 2 below provides a more detailed look at specific changes. The proposed code amendments:

- Reorganize home occupations into three categories (Types A, B, and C), with permitting required only for Type C home occupations where uses generate on-street parking.
- Expand where home occupations may occur on a property, allowing them in the side or rear yard in addition to within the dwelling or accessory structures.
- Update the list of prohibited home occupation uses by adding new restrictions related to hazardous materials, emissions, and right-of-way impacts, while removing some previously prohibited commercial uses.
- Increase the maximum allowable size of a home occupation to 50% of the principal dwelling’s floor area, regardless of whether the use is located within the dwelling, an accessory building, or the yard.

Table 2 Home Occupations Summary

Existing Code (14-4B-1)	Proposed Change
One nonresident employee may be approved for a home occupation use. However, nonresident employees are not permitted for the types of medical offices allowed as home occupations.	The amendment removes this section from the code.
Existing Code (14-4C-2)	Proposed Change

<p>Home occupations fall within two categories: Type A or Type B:</p> <ul style="list-style-type: none"> • Type A home occupations are where a resident or residents of a dwelling use the dwelling as a place of work, but no employees or customers come to the site. No permit is required for Type A home occupations. • Type B home occupations are where a nonresident employee works at the site or where customers frequent the site on a regular basis. Type B home occupations require a home occupation permit. 	<p>The amendment adds a Type C home occupation:</p> <ul style="list-style-type: none"> • Type C home occupations are where a nonresident employee works at the site or where customers frequent the site on a regular basis and on-street parking is generated. • Guidelines for determining if on-street parking is generated are also included. • Type C home occupations require a permit. <p>The definition of Type B home occupations is adjusted to only include instances where on-street parking is not generated, and the permit requirement is waived.</p>
<p>A home occupation must be located within a dwelling unit or within a building that is accessory to a dwelling unit.</p>	<p>The amendment expands the existing code by allowing a home occupation to be located in the rear or side yard of a dwelling unit.</p>
<p>The following uses are prohibited from home occupations:</p> <ul style="list-style-type: none"> • Adult businesses • Veterinary clinics and kennels • Commercial recreational uses • Commercial parking • Eating and Drinking establishments • Medical/dental offices except psychiatrists, psychologists, chiropractors, and physical therapists • Any type of repair or assembly of vehicles • Self-service storage • Industrial service • Any use which changes the fire safety rating of the occupancy separation classification requirements of the structure 	<p>The amendment adds the following prohibited uses:</p> <ul style="list-style-type: none"> • Use or storage of hazardous materials • Activities that result in objectionable emissions not typical for a residential development • Activities that create traffic hazards or nuisances in the right-of-way <p>The amendment removes the following prohibited uses:</p> <ul style="list-style-type: none"> • Commercial recreational uses • Eating establishments
<p>Commercial Activity:</p> <ul style="list-style-type: none"> • No commodities may be sold on the premises except for those produced on the premises or those associated with the home occupation conducted on the premises. 	<p>The amendment removes this commercial activity clause.</p>
<p>Commercial Activity:</p> <ul style="list-style-type: none"> • Type B home occupations are limited to 10 clients or customers per day. 	<p>The amendment includes Type B and Type C home occupations in the 10 customer per day rule and adds language stating that additional customers are considered a substantial increase in traffic for a residential area.</p>

<p>Off-Site Impacts:</p> <ul style="list-style-type: none"> • There must be no indication from the exterior of the dwelling unit or accessory building that there is a home occupation use on the premises • No visitors before 7am or after 10pm. 	<p>The amendment adds the following additional off-site impact rule:</p> <ul style="list-style-type: none"> • If a portion of the home occupation is in the front yard, the activities must be screened from view.
<p>Size</p> <ul style="list-style-type: none"> • For a home occupation located within a principal dwelling unit, the floor area devoted to the home occupation may not exceed 25% of the total floor area. • This limit applies to home occupations in the principal dwelling unit or in an accessory building. 	<p>The amendment increases the home occupation size to 50% of the floor area of the principal dwelling and applies this standard to home occupations located in the principal dwelling unit, in an accessory building, or in the yard.</p>
<p>Nonresident employees are prohibited unless approved as a minor modification.</p>	<p>The amendment removes this clause from the Home Occupations section.</p>
<p>Existing Code (14-8B-6)</p>	<p>Proposed Change</p>
<p>A permit is required for Type B home occupations.</p>	<p>The amendment changes the permit requirement from Type B to Type C home occupations.</p>

2) **Align Standards for Regulating the Sale of Consumer Fireworks with State Law (14-2C1, 14-4B-4, 14-4D-2)**

Summary of Law:

In 2022, the State of Iowa adopted House File 2285, which restricts the ability of cities and counties to regulate or prohibit the sale of consumer fireworks within commercial and industrial zones. The legislation preempts local authority to limit the locations of consumer fireworks sales in these zones. While the City retains authority to regulate the time of year and place of fireworks use, zoning restrictions on their retail sale in commercial zones are no longer enforceable.

To align with this requirement, the City must amend Title 14 to permit consumer fireworks sales in both commercial and industrial zoning districts and to remove any conflicting local provisions. The proposed amendments update the “Principal Uses Allowed in Commercial Zones” table and related code sections to reflect this allowance.

Summary of Changes:

The following list highlights the major code changes intended to bring the City’s consumer fireworks regulations into compliance with HF 2285. Table 3 below provides a more detailed look at specific changes. The proposed code amendments:

- Expand the zones in which consumer fireworks sales are permitted by allowing the use in both commercial and industrial districts, rather than limiting it to industrial zones.
- Allow temporary sales of consumer fireworks in commercial zones, consistent with existing allowances in industrial zones.
- Ensure all fireworks-related uses remain subject to applicable State licensing, operational requirements, and restricted seasonal dates of sale under Iowa Administrative Code chapter 265.

Table 3 Consumer Fireworks Code Amendments

Existing Code (14-2C-1)	Proposed Change
“Consumer fireworks sales” are not an allowed use in Commercial Zones.	The amendment allows “Consumer fireworks sales” as a provisional use in all Commercial Zones.
Existing Code (14-4B-4)	Proposed Change
The provisional use standards note that consumer fireworks sales in I1 and I2 zones are permitted subject to the restrictions and dates of sale set forth in 661 Iowa Administrative Code chapter 265 Consumer Fireworks. ¹	The amendment updates the provisional use standards to specify that consumer fireworks sales are allowed in both industrial and commercial zones.
Existing Code (14-4D-2)	Proposed Change
Outdoor exhibition and sales of consumer fireworks are temporarily allowed in industrial zones.	The amendment permits temporary outdoor exhibition and sales of consumer fireworks in industrial and commercial zones.

3) Align Standards for Exterior Design Materials for Residential Buildings with State Law (14-2A-6, 14-2B-6, 14-2H-7 and 14-2G-4)

Summary of Law:

In 2024, the State of Iowa adopted House File 2388, which limits the ability of cities to regulate exterior design standards for smaller residential developments. The legislation prohibits cities and counties from requiring specific exterior building materials, colors, or architectural styles for residential structures containing twelve or fewer dwelling units. The intent of the law is to ensure that local design requirements do not restrict housing development or increase construction costs for small-scale residential projects.

The legislation allows Iowa City to continue regulating exterior materials and design elements in overlay zones, special zoning districts, or local historic and conservation districts, where standards are applied to further adopted design plans or maintain neighborhood characteristics. This includes districts such as Riverfront Crossings, Historic and Conservation District Overlays, and the Planned Development Overlay.

To comply with state law while retaining local oversight where permitted, the proposed amendments clarify that the exterior material standards in Title 14 apply only to residential buildings with more than twelve units, while remaining in effect within overlay and special zoning districts.

Summary of Changes:

The following list provides a high-level summary of the proposed code changes to align the City’s exterior design materials regulations with House File 2388. Table 1 below provides a more detailed look at specific text changes. The proposed code amendments:

- Specify that all trim and façade requirements related to exterior materials only apply to residential buildings with more than 12 units.

¹ Iowa Administrative Code 661-265.10(5) “Dates of sale” establishes statewide sales periods for consumer fireworks. Sales from permanent buildings are allowed June 1–July 8 and December 10–January 3. Sales from temporary structures are allowed June 13–July 8.

- Limit the applicability of existing exterior material requirements in the Central Planning District and PRM zone so they apply only to residential buildings with more than 12 units, consistent with state restrictions.
- Retain the ability to regulate exterior materials in overlay districts and special zoning districts, such as Riverfront Crossings, where state law permits continued local design standards.

Table 4 Exterior Design Materials for Residential Buildings Code Amendments

Existing Code (14-2B-6)	Proposed Change
In the central planning district, the exterior wall material of a building must consist of clapboard style siding, wall shingles, brick stone, or stucco.	The amendment clarifies that this requirement only applies to residential buildings with more than 12 units.
In the PRM zone, the exterior walls of the ground level floor of a building must be constructed of masonry finish.	The amendment clarifies that this requirement only applies to residential buildings with more than 12 units.
In the central planning district and PRM zone, buildings not constructed of masonry or stucco must have the following trim elements, incorporated into the exterior design and construction of the building: <ul style="list-style-type: none"> • Window and door trim that is not less than three inches wide • Corner boards that are not less than three inches wide, unless wood clapboards are used and mitered at the corners • Frieze boards, not less than five inches wide, located below the eaves. 	The amendment clarifies that this requirement only applies to residential buildings with more than 12 units.
Exposed, unpainted, or unstained lumber may not be used along any façade that faces a street side lot line.	The amendment clarifies that this requirement only applies to residential buildings with more than 12 units.

4) Align Standards for Variances with State Law (14-4B-2, 14-9A-1)

Summary of Law:

In 2025, the State of Iowa adopted House File 652, which clarifies and expands the authority of local boards of adjustment to grant variances from zoning standards. The legislation establishes distinct definitions and approval standards for use variances and area variances. Under the new law, a board of adjustment may grant an area variance when a property owner demonstrates that strict application of the zoning code would result in practical difficulties. Area variance relates to area, dimensional, or other numerical provisions listed in Title 14. This replaces the more restrictive “undue hardship” standard previously applied to all variances.

The law maintains existing regulations on use variances, which continue to require a showing of undue hardship and may only be granted where expressly authorized by local ordinance. To comply with these provisions, the City must update Title 14 to differentiate between use and area variances, add the “practical difficulties” standard to the approval criteria for area variances, and revise related definitions for consistency with state law.

Summary of Changes:

The following list highlights the major code changes proposed to bring the City’s variance regulations in compliance with HF 652. Table 5 outlines specific changes to the Zoning Code. The proposed code amendments:

- Expand the basis for granting variances to include both “undue hardship” (for use variances) and “practical difficulties” (for area variances).
- Establish a new approval framework for area variances, including findings related to public interest, unique conditions, and neighborhood character.
- Remove the prohibition on granting variances that would allow uses not permitted in the underlying zoning district, as required by state law.
- Add separate definitions for use variances (based on undue hardship) and area variances (based on practical difficulties) to align with State terminology and decision-making standards.

Table 5 Variance Code Amendments

Existing Code (14-4B-2)	Proposed Change
<p>Outlines specific approval criteria for variances</p>	<p>Clarifies that the existing approval criteria applies to “use variances”</p> <p>Adds the following set of approval criteria for “area variances” in lieu of the existing approval criteria:</p> <ul style="list-style-type: none"> • The proposed variance will not be contrary to the public interest • Where owing to special conditions a literal enforcement of the code would result in practical difficulties • The practical difficulties faced are unique to the property and not self-created • The spirit of the zoning code provision shall be observed • Granting the variance will not significantly alter the essential character of the neighborhood
<p>The definitions table includes definitions for unnecessary hardship and reasonable return</p>	<p>The amendments add definitions of area and use variances:</p> <ul style="list-style-type: none"> • Area Variance: A means of granting a property owner relief from certain provisions of this title relating to area, dimensional or other numerical limitations where, owing to special conditions, a literal enforcement of the title will result in practical difficulties, and so that the spirit of this title shall be observed and substantial justice done. Area, dimensional, or other numerical limitations include but are not limited to requirements for minimum lot size, setbacks, yard widths, height,

	<p>bulk, sidewalks, fencing, signage, and off-street parking.</p> <ul style="list-style-type: none"> • Use Variance: A means of granting a property owner relief from certain provisions of this title where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.
Includes a provision that prohibits use variances.	The amendment removes this clause from the code.
Existing Code (14-9A-1)	Proposed Change
The definitions chapter includes one definition of a variance.	The amendment removes this definition to avoid redundancy, as variances are defined in 14-4B-2.

5) **Align Standards for Accessory Dwelling Units (ADUs) with State Law (14-4C-2, 14-9A-1)**

Summary of Law:

In 2025, the State of Iowa adopted Senate File 592, which preempts local zoning authority by requiring cities and counties to allow at least one ADU on the same lot as a single family residence as defined by state code. The legislation prohibits cities from imposing certain local restrictions that act as a barrier to the construction of an ADU, such as owner-occupancy mandates, parking requirements, size limitations, and design standards. The law also requires that ADUs be regulated as residential uses consistent with single family dwellings. Additionally, SF 592 notes that ADUs may not be regulated under local accessory-use standards if those standards are more restrictive than the standards that apply to single-family dwellings. As a result, the proposed amendments clarify that ADUs are not subject to accessory-use provisions unless those provisions are more permissive than the regulations applicable to the principal dwelling.

In 2023, the City adopted a set of zoning amendments aimed at increasing housing affordability and expanding the range of housing options available in Iowa City. As part of that effort, the City streamlined the process for developing ADUs by removing minimum parking requirements, allowing ADUs to be developed with attached single family homes and duplexes, and adjusting size standards to increase flexibility. The amendments proposed in response to SF 592 build upon this earlier work by further reducing barriers to ADU construction and ensuring local regulations align with state law.

SF 592 also states that ADUs must be approved without discretionary review. This affects how ADUs may be reviewed within the City's historic and conservation district overlays. Under the new law, ADUs may not be subject to a discretionary review process, such as review and approval by the Historic Preservation Commission. As a result, ADUs in local historic and conservation districts will go through an administrative historic review process

but will not go to the Historic Preservation Commission. This ensures that the City complies with the “without discretionary review” provision of SF 592.

The proposed amendments implement these changes by removing local restrictions inconsistent with State law, clarifying how ADUs are regulated, and maintaining Iowa City’s inclusive approach to ADU eligibility across multiple housing types.

Summary of Changes:

The following list summarizes the major amendments proposed to align the City’s ADU regulations with SF 592 and to continue the City’s efforts to reduce barriers to ADU construction. These high-level points provide an overview of the changes, with Table 6 below offering a detailed, section-by-section comparison of existing and proposed code language. The proposed code amendments:

- Allow ADUs on the same lot as a single family residence as defined by state code regardless of the underlying zoning district.
- Clarify that per state law, a single family residence may include duplexes and townhomes.
- Remove the owner-occupancy requirement for properties containing an ADU.
- Ensure that one ADU is permitted per lot by eliminating minimum lot size and area-per-unit requirements.
- Remove design requirements that mandated attached ADU appearance must visually match the principal dwelling.
- Clarify the relationship between ADUs and accessory-use standards, noting that ADUs cannot be held to more restrictive accessory-use regulations than single-family dwellings.

Table 6 ADU Code Amendments

Existing Code (14-4C-2)	Proposed Change
An ADU shall be located in a zone that allows household living uses.	The amendments specify that an ADU is allowed on the same lot as a single family residence as defined by state code.
The owner of the property on which an ADU is located must occupy at least one of the dwelling units on the premises as the permanent resident.	The amendments remove the owner occupancy requirement for ADUs.
Under design requirements, the attached ADU appearance must visually match the principal dwelling.	The amendments strike this design requirement.
The floor area of the ADU may not exceed 50% of the total floor area of the principal use, excluding the area of the attached garage, or 1,000 square feet whichever is less.	The amendments adjust the size requirement for an ADU to not exceed 1,000 square feet or 50% of the single family residence floor area, whichever is larger.
Existing Code (14-9A-1)	Proposed Change
An ADU is defined as an accessory dwelling that is located within an owner occupied, single-family or duplex use and meets the requirements of Title 14.	The amendments change this definition to “an additional residential dwelling unit located on the same lot as single family residence that is either attached to or detached from the residence and meets the requirements of this title and Iowa Code section 346.3.”

Single Family Residence is not defined in this section.	The amendments add a definition for Single Family Residence clarifying that it may share walls with another dwelling (e.g. duplexes and townhomes).
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Next Steps


Pending recommendation of approval from the Planning and Zoning Commission, the City Council must hold a public hearing to consider the proposed text amendments.

Staff Recommendation

Staff recommends that the Zoning Code be amended as illustrated in Attachment 1 to align Title 14 with state law.

Attachments

1. Proposed Zoning Code Text Amendments

Approved by: 
Danielle Sitzman, AICP, Development Services Coordinator
Department of Neighborhood and Development Services

Draft Zoning Code Text

Underlined text is suggested new language. Strike-through notation indicates language to be deleted.

Amend 14-2B-6 as follows:

G. Building Materials:

1. In the central planning district, the exterior wall material of a building with more than 12 units must consist of clapboard style siding, wall shingles, brick, stone, or stucco.
2. In the PRM zone, the exterior walls of the ground level floor of a building with more than 12 units must be constructed with a masonry finish, such as fired brick, stone, or similar material, not including concrete blocks and undressed poured concrete. Masonry may include stucco or like material when used in combination with other masonry finish.
3. In the central planning district and in the PRM zone, buildings with more than 12 units, not constructed of masonry or stucco must have the following trim elements incorporated into the exterior design and construction of the building:
 - a. Window and door trim that is not less than three inches (3") wide.
 - b. Corner boards that are not less than three inches (3") wide, unless wood clapboards are used and mitered at the corners.
 - c. Frieze boards, not less than five inches (5") wide, located below the eaves.
4. Any portion of a building that is clearly visible from the street must be constructed using similar materials and design as the front façade.
5. Exposed, unpainted, or unstained lumber may not be used along any façade of a building with more than 12 units that faces a street side lot line.
6. Where an exterior wall material changes along the horizontal plane of a building, the change must occur on an inside corner of the building.
7. Where an exterior wall material changes along the vertical plane of the building, the materials must be separated by a horizontal band, such as a belt course, soldier course, band board or other trim to provide a transition from one material to the other.

Amend 14-2C-1 as follows:

Use Categories	Subgroups	CO-1	CN-1	CH-1	CI-1	CC-2	CB-2	CB-5	CB-10	MU
Residential uses:										
Group living uses	Assisted group living	PR	PR			PR	PR	PR	PR	PR
	Fraternal group living									
	Independent group living									
Household living uses	Attached single-family dwellings									PR
	Detached single-family dwellings									P
	Detached zero lot line dwellings									PR
	Duplexes									PR
	Group households	PR	PR			PR	PR	PR	PR	PR
	Multi-family dwellings	PR/S	PR/S			PR/S	PR/S	PR/S	PR/S	P
Commercial uses:										
Adult business uses					PR					

Attachment 1

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Detention facilities					S					
Educational facilities	General	PR				S	P	P	P	PR
	Specialized	P	PR		S	P	P	P	P	PR
Hospitals		PR								
Parks and open space uses		PR	PR			PR	PR	PR	PR	PR
Religious/private group assembly uses ¹		PR			P	P	P	P	P	PR
Utility-scale ground-mounted solar energy systems		S	S	S	S	S	S	S	S	
Other uses:										
Communication transmission facility uses		PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR
<u>Consumer fireworks sales</u>		<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>

Amend 14-4B-1 as follows:

~~— 12. One nonresident employee may be approved for a home occupation use. However, nonresident employees are not permitted under any circumstances for the types of medical offices allowed as home occupations.~~

Amend 14-4B-2 as follows:

The Board of Adjustment is empowered to grant variances from the provisions of this title that will not be contrary to the public interest. ~~when, owing to unique circumstances or conditions, a literal interpretation of this title would deprive the applicant of rights commonly enjoyed by other properties in the zoning district under the terms of this title and would impose unnecessary and undue hardship on the applicant.~~ To ensure that the spirit of this title is observed and substantial justice done, no variance to the strict application of any provision of this title shall be granted by the Board unless the applicant demonstrates that all of the following approval criteria for the respective variance are met. The procedures for obtaining a variance are set forth in chapter 8, article C, “Board Of Adjustment Approval Procedures”, of this title.

A. Use Variance Approval Criteria:

1. The proposed variance will not be contrary to the public interest; and
2. Where owing to special conditions, a literal enforcement of the provisions of the zoning code provision will result in unnecessary hardship; and
3. The spirit of the zoning code provision shall be observed, and substantial justice done.

B. Area Variance Approval Criteria:

1. The proposed variance will not be contrary to the public interest; and
2. Where owing to special conditions, a literal enforcement of the provisions of the zoning code provision will result in practical difficulties to the property owner in making a beneficial use of the property allowed by Title 14; and
3. The practical difficulties faced are unique to the property at issue and not self-created; and

4. The spirit of the zoning code provision shall be observed, and substantial justice done; and

5. Granting the variance will not significantly alter the essential character of the neighborhood.

BC. Definitions:

<p>REASONABLE RETURN:</p>	<p>Lack of a reasonable return may be shown by proof that the owner has been deprived of all beneficial use of the land. All beneficial use is said to have been lost where the land is not suitable for anything permitted by the zoning code. A zoning code provision deprives an owner of a reasonable return if all productive use of the land is denied. Such deprivation is shown where the land in issue has so changed that the purpose for which it was originally zoned are no longer feasible. It is not sufficient to show that the value of the land has been depreciated by the zoning code provision, or that a variance would permit the owner to maintain a more profitable use.</p>
<p>UNNECESSARY HARDSHIP:</p>	<p>The applicant establishes an unnecessary hardship by demonstrating all of the following elements are met:</p> <ul style="list-style-type: none"> a. The land in question cannot yield a reasonable return if used only as allowed in that zone. b. The plight of the owner is due to unique circumstances and not to the general conditions in the neighborhood. c. The proposed variance will not alter the essential character of the locality.
<p><u>VARIANCE, AREA</u></p>	<p><u>A means of granting a property owner relief from certain provisions of this title relating to area, dimensional or other numerical limitations where, owing to special conditions, a literal enforcement of the title will result in practical difficulties, and so that the spirit of this title shall be observed and substantial justice done. Area, dimensional, or other numerical limitations include but are not limited to requirements for minimum lot size, setbacks, yard widths, height, bulk, sidewalks, fencing, signage, and off-street parking. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.</u></p>

<p><u>VARIANCE, USE</u></p>	<p><u>A means of granting a property owner relief from certain provisions of this title where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.</u></p>
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~~C. Use Variance Prohibited: Under no circumstance may the Board grant a variance that would allow a land use, other than those specifically allowed in the zoning district in which the subject property is located.~~

D. Burden Of Proof: The applicant bears the burden of proof and must support each of the approval criteria by a preponderance of the evidence.

E. Precedents: The granting of a variance is not grounds for granting other variances for the same or differing properties. (Ord. 10-4414, 11-16-2010; amd. Ord. 22-4882, 6-21-2022)

Amend 14-4B-4 as follows:

E. Other Uses:

Consumer Fireworks Sales in ~~The I-1 And I-2 Commercial and Industrial Zones:~~ In ~~the I-1 and I-2 Commercial and Industrial Zones,~~ consumer fireworks sales, as defined in this title, are permitted, subject to the restrictions and dates of sale set forth in title 661 Iowa Administrative Code chapter 265, Consumer Fireworks Sales Licensing and Safety Standards. (Ord. 05-4186, 12-15-2005; amd. Ord. 06-4220, 7-18-2006; Ord. 06-4245, 12-12-2006; Ord. 09-4341, 6-2-2009; Ord. 09-4358, 10-20-2009; Ord. 09-4363, 12-1-2009; Ord. 09-4364, 12-1-2009; Ord. 11-4443, 9-6-2011; Ord. 11-4448, 10-18-2011; Ord. 11-4450, 10-18-2011; Ord. 11-4452, 10-18-2011; Ord. 12-4482, 5-15-2012; Ord. 13-4520, 4-9-2013; Ord. 13-4522, 4-23-2013; Ord. 13-4526, 5-14-2013; Ord. 13-4543, 8-20-2013; Ord. 13-4544, 8-20-2013; Ord. 13-4550, 9-17-2013; Ord. 13-4551, 9-17-2013; Ord. 14-4586, 6-3-2014; Ord. 16-4655, 2-2-2016; Ord. 16-4667, 7-5-2016; Ord. 16-4675, 9-20-2016; Ord. 17-4732, 11-21-2017; Ord. 19-4779, 2-19-2019; Ord. 19-4800, 8-6-2019; Ord. 20-4817, 1-7-2020; Ord. 20-4820, 3-3-2020; Ord. 20-4833, 11-17-2020; Ord. 21-4864, 9-21-2021; Ord. 22-4880, 6-6-2022; Ord. 22-4882, 6-21-2022; Ord. 23-4914, 11-6-2023

Amend 14-4C-2 as follows:

A. Accessory Dwelling Units (ADUs): ADUs are permitted provided the following conditions are met:

1. Applicability:

~~a. The ADU shall be located in a zone that allows household living uses and shall be accessory to a principal use that consists of no more than two (2) dwelling units on a lot. The ADU is allowed on the same lot as a single family residence as defined by Iowa Code section 526A.6 in accordance with this section.~~

b. An ADU is not subject to Section 14-4C-3 of this article, except where those standards are more permissive than the provisions of Section 14-2A-4 of this title.

2. Ownership:

~~— a. The owner of the property on which an ADU is located must occupy at least one of the dwelling units on the premises as the permanent legal resident.~~

~~— b. The ADU and the principal use must be under the same ownership.~~

3. Site Requirements:

a. Only one ADU may be established per lot.

~~— b. The minimum lot size and area per unit requirements of the underlying base zone must be met, but no additional lot area is required beyond that which is required for the principal use.~~

4. Design Requirements:

~~— a. The ADU must be a complete, separate dwelling unit that functions independently from the principal use. It must contain its own kitchen and bathroom facilities, in addition to a separate entrance from the exterior.~~

~~— b. When located within a building with an existing principal use, the ADU must be designed so that the appearance of the building remains that of an allowed use within that zone, and any new entrances, exterior finish materials, trim, windows, and eaves must visually match the principal use.~~

5. Accessory Dwelling Unit Size:

The floor area of the ADU may not exceed fifty percent (50%) of the total floor area of the principal use, ~~excluding the area of an attached garage~~, or one thousand (1,000) square feet, whichever is ~~less~~ larger.

M. Home Occupations: There are ~~two (2)~~ three (3) categories of home occupations, type A, ~~and~~ type B, ~~and~~ type C. Type A ~~and~~ type B home occupations are permitted, provided the use complies with the standards in subsections M3 through M9 of this section. Type ~~B~~ C home occupations are permitted, provided the use complies with the standards in subsections ~~M3-M4~~ through ~~M9~~ M10 of this section, and the operator of the use obtains a home occupation permit from the city as described in subsection M2 of this section. The standards for bed and breakfast homestays, bed and breakfast inns, and childcare homes are specified in other subsections of this section and are, therefore, not subject the provisions of this subsection.

1. Home Occupation Types:

a. Type A: A "type A home occupation" is one where a resident or residents of a dwelling use the dwelling as a place of work, but no employees or customers come to the site. Examples include artists, craftsperson, writers, and consultants. Type A home occupations also provide an opportunity for a home to be used as a business address but not as a place of work. No permit is required for these uses, but they must comply with all ~~of~~ the other regulations stated herein.

b. Type B: A "type B home occupation" is one where a nonresident employee works at the site or where customers frequent the site on a regular basis, but on-street parking is not generated. No permit is required for these uses, but they must comply with all the other regulations stated herein. Examples include counseling, tutoring, and hair-cutting and styling. A home occupation permit is required for these uses.

~~c. Type C: A "type C home occupation" is one where a nonresident employee works at the site or where customers frequent the site on a regular basis and on-street parking is generated. A home occupation permit is required for these uses.~~

2. Determining Generation of On-street Parking

a. In determining whether on-street parking is generated, staff shall determine the parking needed for the proposed home-based business use by using the land uses and associated parking ratios specified in subsection 14-5A-4, "Minimum Parking Requirements", of this title.

b. Staff will compare the needed parking to the amount of parking on the site.
c. If the site provides the parking required for the residential use and the parking needed for the proposed home-based business use than on-street parking will not be generated, hence Type B.

d. If the site does not provide the parking required for the residential use and the parking needed for the proposed home-based business than on-street parking will be generated, hence Type C.

e. Parking for the proposed home-based business use is not required for the site. The calculation of the minimum parking requirements is only used in determining if on-street parking is generated.

23. Permit Required for Type B C Home Occupations: Prior to establishment of a type B C home occupation, a home occupation permit must be obtained from the ~~department of housing and inspection services~~ City according to the procedures set forth in chapter 8, article B, "Administrative Approval Procedures", of this title. A home occupation permit is required in order to ensure that the applicant is aware of the provisions governing home occupations and that the city has all information necessary to evaluate whether the proposal initially meets and continues to meet the provisions of this subsection.

34. Location And Occupancy:

a. The home occupation use must be located within a dwelling unit, ~~or within a building that is accessory to a dwelling unit,~~ or the rear or side yard of the residential property. Home occupations cannot be located in a street side yard or front yard of a property.

b. The dwelling unit must be the bona fide primary residence of the owner and operator of the home occupation during nonbusiness hours.

45. Prohibited Uses: In addition to the uses that would be excluded based on the conditions specified in this subsection, the following uses are specifically prohibited as home occupations:

a. Adult business uses.

b. Use or storage of toxic, explosive, flammable, combustible, corrosive, etiologic, radioactive, poisonous, medical waste, or other hazardous materials on the premises, unless of a type or quantity used for normal household purposes.

c. Activities that are noxious, hazardous, or create noise, odor, refuse, heat, vibration, smoke, radiation, or any other objectionable emissions not typical for a residential development.

d. Activities that create traffic hazards or nuisances in the public right-of-way or create a substantial increase in traffic.

~~be.~~ Veterinary clinics and kennels.

~~c.~~ Commercial recreational uses.

~~df.~~ Commercial parking.

~~eg. Eating and d~~ Drinking establishments.

~~fh.~~ Medical/dental offices, except for psychiatrists, psychologists, chiropractors, and physical therapists.

~~gi.~~ Any type of repair or assembly of vehicles or equipment with internal combustion engines (such as automobiles, motorcycles, scooters, snowmobiles, outboard marine engines, lawn mowers, chain saws and other small engines) or of large appliances (such as washing machines, dryers, and refrigerators) or any other work related to automobiles and their parts.

~~hj.~~ Self-service storage.

~~ik.~~ Industrial service.

~~jl.~~ Any use which changes the fire safety rating of the occupancy separation classification requirements of the structure.

56. Commercial Activity:

~~a. No commodities may be sold on the premises except for those produced on the premises or those associated with the home occupation conducted on the premises.~~

~~ba. Type B and C home occupations are limited to ten (10) clients or customers per day. Any additional customers would be considered a substantial increase in traffic for a residential area.~~

~~67. Traffic And Parking:~~

~~a. In determining whether on-street parking in generated staff shall utilize the same vehicle parking ratios as specified in section 14-5A-4.~~

~~ab. The proposed use will not generate a greater volume or type of traffic than what is normally expected in the zone in which it is located; nor will it necessitate parking in excess of what is normally expected in the zone in which it is located. Vehicles used for delivery and pick up are limited to those normally servicing residential neighborhoods.~~

~~bc. No more than one truck associated with the home occupation may be parked at the site. Only light trucks that are less than seven feet (7') in height are permitted. Medium and heavy trucks are prohibited. A "light truck" is a truck with a single rear axle and a single set of rear wheels. The home occupation use must comply with regulations in chapter 5, article A, "Off Street Parking And Loading Standards", of this title, regarding the parking and storage of special vehicles and commercial vehicles and the provisions of title 9, chapter 4, "Parking Regulations", of this code.~~

~~78. Off Site Impacts: Except for a permitted sign, there must be no indication from the exterior of the dwelling unit or accessory building, such as noise, odor, smoke, dust, excessive outdoor lighting, or outdoor storage of materials, that there is a home occupation use on the premises. No visitors or deliveries to the home occupation use are permitted before seven o'clock (7:00) A.M. or after ten o'clock (10:00) P.M.~~

~~a. Except for a permitted sign, there must be no indication from the exterior of the dwelling unit or accessory building, such as noise, odor, smoke, dust, excessive outdoor lighting, or outdoor storage of materials, that there is a home occupation use on the premises.~~

~~b. If a portion of the home occupation is in the yard of the residential property, the activities must be screened from view of any abutting property zoned residential and the public right-of-way. Screening must be to S3 standards, or a fence built to S5 standards.~~

~~c. No visitors or deliveries to the home occupation use are permitted before seven o'clock (7:00) A.M. or after ten o'clock (10:00) P.M.~~

~~89. Size: For a home occupation located within a principal dwelling unit, the floor area devoted to the home occupation may not exceed twenty-five-fifty percent (25 50%) of the total floor area of the principal dwelling (the floor area of an attached garage is not included in the calculation of total floor area of the dwelling). This twenty-five fifty percent (25 50%) limit applies regardless of whether the home occupation is located within the principal dwelling unit or within an accessory building, or within the yard. For example, for a property where the principal dwelling contains two thousand (2,000) square feet of floor area, a home occupation would be limited to five hundred (500) one thousand (1,000) square feet regardless of whether it was located within the dwelling or within an accessory building, or within the yard.~~

~~9. Nonresident Employees: Nonresident employees are prohibited, except as approved by the building official as a minor modification to the home occupation use, according to the approval criteria and procedures for minor modifications as set forth in chapter 4, article B of this title.~~

~~10. Signage: Home occupations are permitted one nonilluminated fascia sign, not to exceed one square foot in size.~~

The following temporary principal and accessory uses are allowed, subject to approval by the building official through the temporary use permit process described in this article and any conditions specified herein:

...

Outdoor display and sale of first-class and/or second-class consumer fireworks, as defined by the American Pyrotechnics Association, according to the restrictions and dates of sale set forth in title 661 Iowa Administrative Code chapter 265, *Consumer Fireworks Sales Licensing and Safety Standards*. Outdoor display and sales of such fireworks are only allowed in **commercial and** industrial zones.

Amend 14-8B-6 as follows:

A. Permit Required: Prior to establishment of a type **B C** home occupation, as defined in subsection 14-4C-2M, "Home Occupations", of this title, a home occupation permit must be obtained from the department of housing and inspection services.

Amend 14-9A-1 as follows:

Except when alternate definitions apply as specified in articles B through F of this chapter, the following definitions shall apply to terms used in this title. Descriptions and definitions of land use categories are set forth in chapter 4, article A, "Use Categories", of this title; although, where it is deemed necessary for clarification, more specific definitions of certain land use category subgroups and specific land uses are defined in this section.

ACCESSORY DWELLING UNIT (ADU):

An additional residential dwelling unit located on the same lot as a single family residence that is either attached to or detached from the single family residence and meets the requirements of this title and Iowa Code section 364.3. ~~An accessory dwelling unit located within an owner occupied, single family or duplex use or in an accessory building and meeting the requirements of this title.~~

SINGLE FAMILY RESIDENCE

A single family residence means a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it is a single family residence if it has direct access to a street or thoroughfare and shares neither heating facilities, hot water equipment, nor any other essential facility or service with another dwelling unit, except to the extent that a single family residence may share utility lines with the accessory dwelling unit if full utility access that includes a separate metering system for billing purposes can be provided to the accessory dwelling unit.

VARIANCE:

A means of granting a property owner relief from certain provisions of this title where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. ~~The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.~~

**MINUTES
PLANNING AND ZONING COMMISSION
DECEMBER 17, 2025 – 6:00 PM – FORMAL MEETING
EMMA J. HARVAT HALL, CITY HALL**

PRELIMINARY

MEMBERS PRESENT: Kaleb Beining, James Davies, Maggie Elliott, Steve Miller, Billie Townsend, Chad Wade

MEMBERS ABSENT:

STAFF PRESENT: Alex Bright, Anne Russett, Lisa Schroer

OTHERS PRESENT:

RECOMMENDATIONS TO COUNCIL:

By a vote of 5-1 (Townsend dissenting) the Commission recommends approval of REZ25-0015, amendments to Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units.

CALL TO ORDER:

Elliott called the meeting to order at 6:00 PM.

PUBLIC DISCUSSION OF ANY ITEM NOT ON THE AGENDA:

None.

ZONING CODE TEXT AMENDMENT ITEMS:

CASE NO. REZ25-0015:

Consideration of amendments to Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units.

Schroer began the staff report noting staff regularly updates the City's zoning code to reflect changing conditions and new legal requirements that come online. Over the last few years there have been a handful of changes at the State level that now preempt certain areas of local zoning authority. A State preemption is when State law limits or overrides a city's ability to regulate certain issues locally and when this happens, the City has to update the zoning code to ensure that it complies with State law. Schroer noted all of the text amendments today stem from five State laws. First, is House File 2431, which is related to home occupations, second is Senate File 2285, which is related to the sale of consumer fireworks, third is House File 2388, which is related to exterior building material requirements, fourth, House File 652, related to area variances, and finally, Senate File 592 that's related to accessory dwelling units. Schroer next explained how staff approaches these types of text amendments. They try to do as little change as possible to make sure that they comply with State law, but also to preserve local oversight when possible.

Getting into each change, Schroer first reviewed home occupations. The State law limits the ability of cities to regulate home based businesses, and under this law cities must allow home occupations in residential zones. The law also doesn't allow cities to require a permit for home

occupations that have no impact. Under this law cities are still able to impose regulations on home occupations that are necessary to protect public health and safety, welfare or transportation impacts on the surrounding neighborhood. The proposed text amendments are that first, staff reorganized home occupations into three categories, Type A, Type B, and Type C. Currently, there are only two types, Type A and Type B and currently a permit is required for type B. However, the amendments transfer that permit requirement just to Type C, which are home occupations where the use generates on street parking. Staff also remove a couple of requirements. First, only one nonresident employee may be approved for home occupation use and they also removed the requirement that nonresident employees not be permitted for home occupations that are medical offices. The amendments also expand where home occupations may occur on the property, currently they are allowed within the dwelling or an accessory structure, the new amendments also allow them to be in a side or rear yard. Staff also has updated the list of prohibited home occupations and added some new restrictions related to hazardous materials, emissions and right of way impacts. Staff also removed two currently prohibited home occupations from the list, commercial recreation uses and eating establishments. They also increased the maximum allowable size for home occupations and now home occupations can be 50% of the principal dwellings floor area, regardless of whether the use is in the dwelling, the yard or the accessory building. They also removed the commercial activity clause, which states that no commodities may be sold on the premises, except for those produced on the premises or those associated with the home occupation. Next, there's a 10 client per day rule that applies to Type B currently and staff expanded and clarified that this also applies to Type C home occupations. Finally, staff added an additional off site impact rule, so if a portion of the home occupation is in the front yard, it is required that the activity be screened from view.

Schroer next discussed Senate File 2285, consumer fireworks sales. Under this law cities are not able to regulate or prohibit the sale of consumer fireworks within commercial or industrial zones. Currently the City has zoning restrictions on the sale of fireworks in commercial zones, but that is no longer enforceable, and under this law the sales are still permitted to the statewide sales period for permanent structures, June 1 through July 8 and November 10 through January 3. Sales in temporary structures are limited to the dates of June 13 to July 8. The changes staff made to the code were first, to expand the zones in which consumer firework sales are permitted to be in both commercial and industrial zones and also allow temporary sales structures of consumer fireworks in commercial zones, consistent with existing allowances for industrial zones.

Next, regarding House File 2388, exterior design materials for residential buildings, this law limits the City's ability to regulate exterior design standards for smaller residential developments and the law prohibits cities from regulating specific exterior building materials, colors and architectural styles for residential structures that have 12 or fewer dwelling units. Schroer did note under this law the City is still able to regulate exterior materials and design elements in special zoning districts, such as Riverfront Crossings, and also in historic and conservation district overlays. The amendments staff made to the code specify that all trim and facade requirements related to exterior materials only apply to residential buildings that have more than 12 units. They also limit the applicability of existing material requirements for the Central Planning District and PRM zone so that they only apply to residential buildings that have more than 12 units. Schroer reiterated they did retain the ability to regulate exterior materials in overlay districts and special zoning districts.

Schroer moved onto House File 652, related to area variances. This law expands the authority of local Boards of Adjustment to grant area variances in addition to the use variances that they already grant. Area variances are anything related to area, dimensional or other new numerical limitation that's in the zoning code. She explained this could be anything from minimum lot size to the height of a building. Last week the Board of Adjustment had a rear setback case that used an area variance. Schroer stated that to use an area variance, a new practical difficulty standard must be met. The amendments first expand the basis for granting variances to include both undue hardship, which is for use variances, and then practical difficulties, which is for area variances. Staff also removed a prohibition on granting variances that would allow uses not permitted in the underlying zone as required by State law. The amendments also add separate definitions for use variances and area variances. The area variance definition is a means of granting a property owner relief from certain provisions of this title related to area, dimensional or other numerical limitations, where, owing to special conditions, a literal enforcement of the title will result in practical difficulties, and so that the spirit of this title shall be observed and substantial justice done. The use variance definition, which is just the previous variance definition, is a means of granting property owner relief from certain provisions of this title where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. Staff also added approval criteria for area variances that the Board of Adjustment uses. First, the Board must find that the proposed variance will not be contrary to the public interest. Second, owing to special conditions, a literal enforcement of the code would result in practical difficulties. Third, the practical difficulties must be unique to the property and not self-created. Fourth, the spirit of the zoning code provision shall be observed. And lastly, the Board must find that granting the variance will not significantly alter the essential character of the neighborhood.

The final amendment, due to Senate File 592 is on the accessory dwelling unit (ADU) standards. Under this law cities are required to allow at least one ADU on the same lot as a single family residence as defined by State code. It also prohibits cities from imposing certain local restrictions that act as a barrier to the construction of one ADU. Examples of restrictions could be owner occupancy mandates, parking requirements, size limitations or design standards. Under this law, ADUs may not be regulated under accessory use standards if those standards are more restrictive than the standards that apply to a single family dwelling. Finally, ADUs must also be approved without discretionary review, the City currently uses discretionary review with the Historic Preservation Commission. Schroer noted some previous ADU related code amendments, in 2023 the City adopted a set of zoning amendments aimed at increasing housing choice and expanding the variety of housing types. As part of that effort, the City streamlined the process for developing ADUs by removing minimum parking requirements, allowing ADUs to be developed with attached single family homes and duplexes, and adjusting size standards to increase flexibility. Senate File 592 works to build upon those previous efforts. Schroer next went over the new code changes. First, ADUs are allowed in the same lot as a single family residence as defined by State code, regardless of the underlying zoning district. Second, they clarify that per State law, a single family residence may include duplexes or townhomes. Staff also removed the current owner occupancy requirement for properties that contain an ADU and also ensure that one ADU is permitted per lot by eliminating the minimum lot size and area per unit requirements. Staff also removed existing design requirements that mandate attached ADU appearance must visually match the principal dwelling. The amendments also adjust the size requirements for an ADU so that it won't exceed 1000 square feet, or 50% of the single family

residence floor area, whichever is larger. Staff also clarified the relationship between ADUs and accessory use standards in that ADUs cannot be held to more restrictive accessory use regulation than single family dwellings. Currently the City has different standards for height, setbacks, lot coverage, there is a set of those for principal dwelling units and accessory structures but under this law they need to treat the ADU as a single family when the accessory dwelling standards are more restrictive than the principal dwelling standards. Lastly, staff added a definition for single family residence, which comes from the State code, and it's a single family residence means a structure maintained and used as a single dwelling unit, notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it is a single family residence if it has direct access to a street or thoroughfare and shares neither heating facilities, hot water equipment, nor any other essential facility or service with another dwelling unit, if full utility access that includes a separate metering system for billing purposes can be provided to the accessory dwelling unit.

Staff recommends approval of REZ25-0015, amendment to Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units.

Schroer reviewed the anticipated timeline, they are anticipating the public hearing will be set on January 6, and then January 20 will be the public hearing and also the first consideration.

Elliott noted in the amendments she understood that the review and approval in a historic preservation district eliminated approval by the Historic Preservation Commission, but it did allow an administrative historic review process. Russett explained that currently new construction in a historic district or a conservation district requires review and approval by the Historic Preservation Commission and the understanding of the law is that staff can still review the ADUs, according to the historic preservation guidelines, and approve the new construction of the ADU, but it can't go to a body like the Board of Adjustment or to the Historic Preservation Commission where there's some discretion involved.

Davies asked if there is recourse for the staff to say no to something because it doesn't abide by the historic preservation guidelines. Russett believes so, that is a situation that they're going to have to deal with if it comes up, they haven't gotten to that point yet, they have had ADUs in historic districts and there haven't been any issues.

Elliott then asked how this affects an area like the Northside or Longfellow because they're in a historic district. Russett noted those areas already allow ADUs, the only difference is that the approval will not go to the Historic Preservation Commission, the approval will come from staff.

Elliott noted the other change is in those areas it will be the owner occupied homes that will allow ADUs. Russett confirmed that is a requirement citywide.

Elliott also asked about the home occupations section wondering what the implications of that are, is that a big change, how many home occupation situations occur. Russett stated she doesn't believe it'll be a big change, but she is unsure of how many home occupations permits the City issues every year. She noted likely the biggest difference is that someone can now have the use in a yard, but it has to be screened, the idea of the no impact is that it can't generate traffic or on street parking, but also that it's not really visible by neighbors. She believes the intent

of the State law is they don't want to create impacts, the idea is to allow creative people, artists, other people to do things in their home and run a business in their home.

Townsend asked about eating establishments in home occupations, to what extent is that to be allowed. Russett stated it could be a restaurant or a café. Currently it was on the list of prohibited businesses, but with the new State law they can't prohibit it. A permit would still be required, but there are examples of people who have essentially a restaurant in their home with capacity for like four people. She is unsure if this happens in Iowa City but has heard of it happening in other communities where people can make a reservation to go to someone's house for a dinner. Russett reiterated they have to go through all the licensing processes but if it was determined to be no impact restaurant then they wouldn't need a permit from the City.

Miller asked if impact is defined anywhere specifically. Russett stated yes and includes things like generating traffic, the screening, not being visible from neighboring properties, not affecting the right of way and neighboring properties, but the main thing is the traffic and the 10 customer a day rule.

Elliott noted so a theoretical restaurant could not have more than 10 customers a day, how would that be moderated. Russett explained likely from a neighbor calling in a complaint. The homeowner will have to apply and tell the City an estimated number of clients per day.

Davies asked if that 10 customer limit is included in the State law. Russett stated it was an existing requirement that they had for Type B.

Townsend noted the other part in that same section is that it can be the sale of anything, taken out the provision was where it used to say no commodities could be sold on the premise except for those produced on the premise but now that's removed so they can sell anything out of their home. Russett confirmed that was correct as long as it's not a hazardous material or something prohibited. Townsend stated so they could have a gun shop as long as they didn't have the ammunition. Russett confirmed they could have a gun shop. She added there's been examples of that in other local jurisdictions.

Wade asked about an example of a home bakery that may have the pantry outside, what impact does this have on that type of business, other than potentially the screening requirement, because they have an outside pantry. Russett noted if they're existing, it won't have any impact because the rules prior to this State law were more restrictive.

Wade noted another example, a roofing company that had a lot of vehicles on their property, outside on the property, but not a lot of employees going in and out, other than maybe parking, this situation was in Keswick last year and became an issue. So in that type of business, does this have any impact, either more restrictive or less restrictive. Russett stated she is not familiar with that case so really can't speak to that. Wade explained the situation was it was a roofing company that took up a lot of on street parking but did not have a lot of customer activity, because it was employees parking and then going to a job site. However, it was impacting the neighbors and then also city vehicle access for like snow removal. Russett stated then that might be more of a parking/streets issue. Overall, if they are generating on street parking it would have an impact. The way that the rules are structured is the City would determine how much parking does the single family home need, how much parking does the home occupation use need

based on the type of use that it is, and if they can provide those spaces on site, there's no impact. If they don't have the parking spaces needed onsite, then there's an impact.

Miller was curious if it's determined that the home occupation does have impact, what's the process then. Russett stated then they have to get a permit, unless it's a prohibited business and it goes through the staff who handles all home based occupation permits.

Miller stated if it's determined that an office or a small little restaurant has no parking on site so even if it's a one or two cars impact of on street parking, it's just goes through and gets a permit. Russett confirmed that was correct. Miller asked if there is a limit of how much impact before they would deny the permit or is that a judgment call. Russett reiterated there can't be more than 10 clients per day regardless, so that is one limit.

Townsend noted that since the requirement that the ADU has to more or less mimic the original residence is being removed are there any controls on the design of these ADUs. Russett replied no, the City cannot regulate that. Townsend asked then if someone could do a tent in the back. Russett stated they cannot do a tent because it is not a structure in the building code, whatever is built still needs to meet the building code the City just can't require it to have the same siding, or the same architecture of the residences, they can only regulate the size of it.

Wade asked if in a historic overlay area it is not under Commissioner review, but under staff review. Russett confirmed that is the case but staff would make sure it still followed historic guidelines which could regulate things like the architecture and the siding and stuff like that, but only for historic districts.

Elliott opened the public hearing, seeing no one, Elliott closed the public hearing.

MOTION: Miller recommends approval of REZ25-0015, amendments to Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units.

Davies seconded the motion.

A vote was taken and the motion passed 5-1 (Townsend dissenting).

Townsend stated her objections are first, in a residential area having an eating establishment in someone's home seems a bit far-fetched. Buying a home in a residential area it is expected to be that a residential area, not a commercial area so in her opinion this has gone a step too far. Additionally, having no regulations on the ADUs except for the historical society properties is opening a neighborhood to whatever people want. Even just the solar panels that people are putting in their backyards are a monstrosity, what once was a view of pretty trees is now solar panels. Removing all of the regulations that kept neighborhoods the way they should be for residential areas is opening the City to problems. Iowa City has been such a beautiful little town for so long, she has been here almost 40 years, and now it's just becoming so unstructured and this is a move in that direction to make more problems for this cute little community.

Miller noted ultimately, this is just reacting to State law.

PLANNING AND ZONING INFORMATION:

Russett stated a new commission member was appointed at the last Council meeting, Colette Atkins, and they should be at the next meeting in January.

ADJOURNMENT:

Townsend moved to adjourn, Miller seconded and the motion passed 6-0.

**PLANNING & ZONING COMMISSION
ATTENDANCE RECORD
2024-2025**

	12/4	2/19	3/5	5/7	6/4	6/18	7/2	7/16	8/6	8/27	9/3	10/15	11/5	11/19	12/3	12/17
BEINING, KALEB	---	---	---	---	---	---	X	O	X	X	O	O	X	X	X	X
DAVIES, JAMES	---	---	---	---	---	---	X	X	X	X	X	X	X	X	X	X
CRAIG, SUSAN	X	X	X	X	X	X	---	---	---	---	---	---	---	---	---	---
ELLIOTT, MAGGIE	X	X	X	X	X	X	X	O/E	X	X	O/E	X	O/E	X	X	X
HENSCH, MIKE	X	X	O/E	X	X	X	---	---	---	---	---	---	---	---	---	---
MILLER, STEVE	X	X	X	X	X	O/E	X	X	X	X	O/E	X	X	X	X	X
QUELLHORST, SCOTT	X	X	X	X	X	X	X	X	X	O/E	X	O/E	X	X	---	---
TOWNSEND, BILLIE	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
WADE, CHAD	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

KEY:
X = Present
O = Absent
O/E = Absent/Excused
--- = Not a Member

Ordinance No. _____

Ordinance amending Title 14, Zoning to ensure compliance with changes in state law related to home occupations, consumer fireworks sales, exterior building materials, variances, and accessory dwelling units. (REZ25-0015)

Whereas, the City of Iowa City aims to ensure its Zoning Code complies with Iowa state law; and

Whereas, in April 2022, the State legislature adopted a law (SF 2285) that prohibits municipalities from regulating or restricting the location of consumer fireworks sales in commercial and industrial zones; and

Whereas, in June 2022, the State legislature adopted a law (HF 2431) permitting the operation of home occupations in residential zones and prohibiting cities from requiring prior approval such as permits for no-impact home occupations; and

Whereas, in April 2024, the State legislature adopted a law (HF 2388) that restricts municipalities' ability to regulate the use of specific styles of exterior cladding or finish materials for residential buildings with 12 units or fewer; and

Whereas, in April 2025, the State legislature adopted a law (HF 652) that expands the power of boards of adjustment to grant area variances; and

Whereas, in May 2025, the State legislature adopted a law (SF 592) requiring cities to allow at least one accessory dwelling unit (ADU) on the same lot as a single-family residence, subject to certain size compliance; and

Whereas, Staff recommends amendments in response to changes in state code regarding the regulation of home occupancies, residential building exteriors, the location of sales of consumer fireworks, accessory dwelling units, and area variance standards; and

Whereas, the Planning and Zoning Commission reviewed the zoning code amendments set forth below at the December 17, 2025 meeting.

Now, therefore, be it ordained by the City Council of the City of Iowa City, Iowa:

Section I. Amendments. The Code of Ordinances of the City of Iowa City, Iowa is hereby amended as follows:

A. Amend 14-2B-6, Multi-Family Site Development Standards, by adding the following underlined text:

G. Building Materials:

1. In the central planning district, the exterior wall material of a building with more than 12 units must consist of clapboard style siding, wall shingles, brick, stone, or stucco.

2. In the PRM zone, the exterior walls of the ground level floor of a building with more than 12 units must be constructed with a masonry finish, such as fired brick, stone, or similar material, not including concrete blocks and undressed poured concrete. Masonry may include stucco or like material when used in combination with other masonry finish.

3. In the central planning district and in the PRM zone, buildings with more than 12 units, not constructed of masonry or stucco must have the following trim elements incorporated into the

exterior design and construction of the building:

- a. Window and door trim that is not less than three inches (3") wide.
 - b. Corner boards that are not less than three inches (3") wide, unless wood clapboards are used and mitered at the corners.
 - c. Frieze boards, not less than five inches (5") wide, located below the eaves.
4. Any portion of a building that is clearly visible from the street must be constructed using similar materials and design as the front façade.
5. Exposed, unpainted, or unstained lumber may not be used along any façade of a building with more than 12 units that faces a street side lot line.
6. Where an exterior wall material changes along the horizontal plane of a building, the change must occur on an inside corner of the building.
7. Where an exterior wall material changes along the vertical plane of the building, the materials must be separated by a horizontal band, such as a belt course, soldier course, band board or other trim to provide a transition from one material to the other.

B. Amend Table 2C-1: Principal Uses Allowed in Commercial Zones, by adding the following underlined text:

Use Categories	Subgroups	CO-1	CN-1	CH-1	CI-1	CC-2	CB-2	CB-5	CB-10	MU
Residential uses:										
Group living uses	Assisted group living	PR	PR			PR	PR	PR	PR	PR
	Fraternal group living									
	Independent group living									
Household living uses	Attached single-family dwellings									PR
	Detached single-family dwellings									P
	Detached zero lot line dwellings									PR
	Duplexes									PR
	Group households	PR	PR			PR	PR	PR	PR	PR
	Multi-family dwellings	PR/S	PR/S			PR/S	PR/S	PR/S	PR/S	P
Commercial uses:										
Adult business uses				PR						
Animal related commercial uses	General	S	PR	PR	PR	PR	PR	PR		
	Intensive				PR					
Building trade uses				P	PR					
Commercial parking uses							PR	PR	PR	
Commercial recreational uses ¹	Indoor	PR/S	PR	P	P	P	P	P	P	
	Outdoor			P	P	S				
Drinking establishments ¹			PR/S	PR	PR	PR	PR	PR	PR	
Eating establishments ¹		S	PR/S	P	P	P	P	P	P	S
Office uses	General office	P	PR	P	P	P	P	P	P	P
	Medical/dental office	P	PR	P	P	P	P	P	P	P
Quick vehicle			S	PR	PR/S	PR/S	PR/S	PR/S		

ground-mounted solar energy systems										
Other uses:										
Communication transmission facility uses		PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR/S	PR
<u>Consumer fireworks sales</u>		<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>	<u>PR</u>

C. Amend 14-4B-1, Minor Modifications, by removing the struck-out text:

A. Applicability: The building official may grant the following minor modifications from the requirements of this title, provided the approval criteria are met. Any requests for modifications that exceed the limitations set forth below and all other requests for modifications of the requirements of this title require the filing of a special exception or variance application with the Board of Adjustment.

...

~~—12. One nonresident employee may be approved for a home occupation use. However, nonresident employees are not permitted under any circumstances for the types of medical offices allowed as home occupations.~~

D. Amend 14-4B-2, Variances, by removing the struck-out text and adding the following underlined text:

The Board of Adjustment is empowered to grant variances from the provisions of this title that will not be contrary to the public interest, ~~when, owing to unique circumstances or conditions, a literal interpretation of this title would deprive the applicant of rights commonly enjoyed by other properties in the zoning district under the terms of this title and would impose unnecessary and undue hardship on the applicant.~~ To ensure that the spirit of this title is observed and substantial justice done, no variance to the strict application of any provision of this title shall be granted by the Board unless the applicant demonstrates that all of the following approval criteria for the respective variance are met. The procedures for obtaining a variance are set forth in chapter 8, article C, "Board Of Adjustment Approval Procedures", of this title.

A. Use Variance Approval Criteria:

1. The proposed variance will not be contrary to the public interest; and
2. Where owing to special conditions, a literal enforcement of the provisions of the zoning code provision will result in unnecessary hardship; and
3. The spirit of the zoning code provision shall be observed, and substantial justice done.

B. Area Variance Approval Criteria:

1. The proposed variance will not be contrary to the public interest; and
2. Where owing to special conditions, a literal enforcement of the provisions of the zoning code provision will result in practical difficulties to the property owner in making a beneficial use of the property allowed by Title 14; and
3. The practical difficulties faced are unique to the property at issue and not self-created; and
4. The spirit of the zoning code provision shall be observed, and substantial justice done; and
5. Granting the variance will not significantly alter the essential character of the neighborhood.

BC. Definitions:

<p>REASONABLE RETURN:</p>	<p>Lack of a reasonable return may be shown by proof that the owner has been deprived of all beneficial use of the land. All beneficial use is said to have been lost where the land is not suitable for anything permitted by the zoning code. A zoning code provision deprives an owner of a reasonable return if all productive use of the land is denied. Such deprivation is shown where the land in issue has so changed that the purpose for which it was originally zoned are no longer feasible. It is not sufficient to show that the value of the land has been depreciated by the zoning code provision, or that a variance would permit the owner to maintain a more profitable use.</p>
<p>UNNECESSARY HARDSHIP:</p>	<p>The applicant establishes an unnecessary hardship by demonstrating all of the following elements are met:</p> <ul style="list-style-type: none"> a. The land in question cannot yield a reasonable return if used only as allowed in that zone. b. The plight of the owner is due to unique circumstances and not to the general conditions in the neighborhood. c. The proposed variance will not alter the essential character of the locality.
<p><u>VARIANCE, AREA</u></p>	<p><u>A means of granting a property owner relief from certain provisions of this title relating to area, dimensional or other numerical limitations where, owing to special conditions, a literal enforcement of the title will result in practical difficulties, and so that the spirit of this title shall be observed and substantial justice done. Area, dimensional, or other numerical limitations include but are not limited to requirements for minimum lot size, setbacks, yard widths, height, bulk, sidewalks, fencing, signage, and off-street parking. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.</u></p>
<p><u>VARIANCE, USE</u></p>	<p><u>A means of granting a property owner relief from certain provisions of this title where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.</u></p>

~~—C. Use Variance Prohibited: Under no circumstance may the Board grant a variance that would allow a land use, other than those specifically allowed in the zoning district in which the subject property is located.~~

D. Burden Of Proof: The applicant bears the burden of proof and must support each of the

approval criteria by a preponderance of the evidence.

E. Precedents: The granting of a variance is not grounds for granting other variances for the same or differing properties. (Ord. 10-4414, 11-16-2010; amd. Ord. 22-4882, 6-21-2022)

E. Amend 14-4B-4, Specific Approval Criteria for Provisional Uses and Special Exceptions, by removing the struck-out text and adding the following underlined text:

E. Other Uses:

...

7. Consumer Fireworks Sales in ~~The I-1 And I-2 Commercial and Industrial~~ Commercial and Industrial Zones: In ~~the I-1 and I-2 Commercial and Industrial~~ Commercial and Industrial Zones, consumer fireworks sales, as defined in this title, are permitted, subject to the restrictions and dates of sale set forth in title 661 Iowa Administrative Code chapter 265, Consumer Fireworks Sales Licensing and Safety Standards. (Ord. 05-4186, 12-15-2005; amd. Ord. 06-4220, 7-18-2006; Ord. 06-4245, 12-12-2006; Ord. 09-4341, 6-2-2009; Ord. 09-4358, 10-20-2009; Ord. 09-4363, 12-1-2009; Ord. 09-4364, 12-1-2009; Ord. 11-4443, 9-6-2011; Ord. 11-4448, 10-18-2011; Ord. 11-4450, 10-18-2011; Ord. 11-4452, 10-18-2011; Ord. 12-4482, 5-15-2012; Ord. 13-4520, 4-9-2013; Ord. 13-4522, 4-23-2013; Ord. 13-4526, 5-14-2013; Ord. 13-4543, 8-20-2013; Ord. 13-4544, 8-20-2013; Ord. 13-4550, 9-17-2013; Ord. 13-4551, 9-17-2013; Ord. 14-4586, 6-3-2014; Ord. 16-4655, 2-2-2016; Ord. 16-4667, 7-5-2016; Ord. 16-4675, 9-20-2016; Ord. 17-4732, 11-21-2017; Ord. 19-4779, 2-19-2019; Ord. 19-4800, 8-6-2019; Ord. 20-4817, 1-7-2020; Ord. 20-4820, 3-3-2020; Ord. 20-4833, 11-17-2020; Ord. 21-4864, 9-21-2021; Ord. 22-4880, 6-6-2022; Ord. 22-4882, 6-21-2022; Ord. 23-4914, 11-6-2023)

F. Amend 14-4C-2, Specific Approval Criteria, by removing the struck-out text and adding the following underlined text:

A. Accessory Dwelling Units (ADUs): ADUs are permitted provided the following conditions are met:

1. Applicability:

~~a. The ADU shall be located in a zone that allows household living uses and shall be accessory to a principal use that consists of no more than two (2) dwelling units on a lot. The ADU is allowed on the same lot as a single family residence as defined by Iowa Code section 526A.6 in accordance with this section.~~

b. An ADU is not subject to Section 14-4C-3 of this article, except where those standards are more permissive than the provisions of Section 14-2A-4 of this title.

2. Ownership:

~~a. The owner of the property on which an ADU is located must occupy at least one of the dwelling units on the premises as the permanent legal resident.~~

~~b. The ADU and the principal use must be under the same ownership.~~

3. Site Requirements:

~~a. Only one ADU may be established per lot.~~

~~b. The minimum lot size and area per unit requirements of the underlying base zone must be met, but no additional lot area is required beyond that which is required for the principal use.~~

4. Design Requirements:

~~a. The ADU must be a complete, separate dwelling unit that functions independently from the principal use. It must contain its own kitchen and bathroom facilities, in addition to a separate entrance from the exterior.~~

~~b. When located within a building with an existing principal use, the ADU must be~~

~~designed so that the appearance of the building remains that of an allowed use within that zone, and any new entrances, exterior finish materials, trim, windows, and eaves must visually match the principal use.~~

5. Apartment Size:

The floor area of the ADU may not exceed fifty percent (50%) of the total floor area of the principal use, ~~excluding the area of an attached garage,~~ or one thousand (1,000) square feet, whichever is ~~less~~ larger.

...

M. Home Occupations: There are ~~two (2)~~ three (3) categories of home occupations, type A, ~~and type B, and type C.~~ Type A ~~and type B~~ home occupations are permitted, provided the use complies with the standards in subsections M3 through M9 of this section. Type ~~B~~ C home occupations are permitted, provided the use complies with the standards in subsections ~~M3 M4 through M9~~ M3 M4 through M9 M10 of this section, and the operator of the use obtains a home occupation permit from the city as described in subsection M2 of this section. The standards for bed and breakfast homestays, bed and breakfast inns, and childcare homes are specified in other subsections of this section and are, therefore, not subject the provisions of this subsection.

1. Home Occupation Types:

a. Type A: A "type A home occupation" is one where a resident or residents of a dwelling use the dwelling as a place of work, but no employees or customers come to the site. Examples include artists, craftsperson, writers, and consultants. Type A home occupations also provide an opportunity for a home to be used as a business address but not as a place of work. No permit is required for these uses, but they must comply with all ~~of the~~ other regulations stated herein.

b. Type B: A "type B home occupation" is one where a nonresident employee works at the site or where customers frequent the site on a regular basis, ~~but on-street parking is not generated. No permit is required for these uses, but they must comply with all the other regulations stated herein. Examples include counseling, tutoring, and hair cutting and styling. A home occupation permit is required for these uses.~~

~~c. Type C: A "type C home occupation" is one where a nonresident employee works at the site or where customers frequent the site on a regular basis and on-street parking is generated. A home occupation permit is required for these uses.~~

2. Determining Generation of On-street Parking

~~a. In determining whether on-street parking is generated, staff shall determine the parking needed for the proposed home-based business use by using the land uses and associated parking ratios specified in subsection 14-5A-4, "Minimum Parking Requirements", of this title.~~

~~b. Staff will compare the needed parking to the amount of parking on the site.~~

~~c. If the site provides the parking required for the residential use and the parking needed for the proposed home-based business use than on-street parking will not be generated, hence Type B.~~

~~d. If the site does not provide the parking required for the residential use and the parking needed for the proposed home-based business than on-street parking will be generated, hence Type C.~~

~~e. Parking for the proposed home-based business use is not required for the site. The calculation of the minimum parking requirements is only used in determining if on-street parking is generated.~~

23. Permit Required for Type **B C** Home Occupations: Prior to establishment of a type **B C** home occupation, a home occupation permit must be obtained from the ~~department of housing inspection services~~ City according to the procedures set forth in chapter 8, article B, "Administrative Approval Procedures", of this title. A home occupation permit is required in order to ensure that the applicant is aware of the provisions governing home occupations and that the city has all information necessary to evaluate whether the proposal initially meets and continues to meet the provisions of this subsection.

34. Location And Occupancy:

a. The home occupation use must be located within a dwelling unit, ~~or within a building that is accessory to a dwelling unit, or the rear or side yard of the residential property. Home occupations cannot be located in a street side yard or front yard of a property.~~

b. The dwelling unit must be the bona fide primary residence of the owner and operator of the home occupation during nonbusiness hours.

45. Prohibited Uses: In addition to the uses that would be excluded based on the conditions specified in this subsection, the following uses are specifically prohibited as home occupations:

a. Adult business uses.

~~b. Use or storage of toxic, explosive, flammable, combustible, corrosive, etiologic, radioactive, poisonous, medical waste, or other hazardous materials on the premises, unless of a type or quantity used for normal household purposes.~~

~~c. Activities that are noxious, hazardous, or create noise, odor, refuse, heat, vibration, smoke, radiation, or any other objectionable emissions not typical for a residential development.~~

~~d. Activities that create traffic hazards or nuisances in the public right-of-way or create a substantial increase in traffic.~~

~~be.~~ Veterinary clinics and kennels.

~~c.~~ Commercial recreational uses.

~~df.~~ Commercial parking.

~~eg.~~ Eating and ~~d~~ Drinking establishments.

~~fh.~~ Medical/dental offices, except for psychiatrists, psychologists, chiropractors, and physical therapists.

~~gi.~~ Any type of repair or assembly of vehicles or equipment with internal combustion engines (such as automobiles, motorcycles, scooters, snowmobiles, outboard marine engines, lawn mowers, chain saws and other small engines) or of large appliances (such as washing machines, dryers, and refrigerators) or any other work related to automobiles and their parts.

~~hj.~~ Self-service storage.

~~ik.~~ Industrial service.

~~jl.~~ Any use which changes the fire safety rating of the occupancy separation classification requirements of the structure.

56. Commercial Activity:

~~a. No commodities may be sold on the premises except for those produced on the premises or those associated with the home occupation conducted on the premises.~~

~~b.~~ Type B and C home occupations are limited to ten (10) clients or customers per day.

Any additional customers would be considered a substantial increase in traffic for a residential area.

67. Traffic And Parking:

a. In determining whether on-street parking is generated staff shall utilize the same vehicle parking ratios as specified in section 14-5A-4.

ab. The proposed use will not generate a greater volume or type of traffic than what is normally expected in the zone in which it is located; nor will it necessitate parking in excess of what is normally expected in the zone in which it is located. Vehicles used for delivery and pick up are limited to those normally servicing residential neighborhoods.

bc. No more than one truck associated with the home occupation may be parked at the site. Only light trucks that are less than seven feet (7') in height are permitted. Medium and heavy trucks are prohibited. A "light truck" is a truck with a single rear axle and a single set of rear wheels. The home occupation use must comply with regulations in chapter 5, article A, "Off Street Parking And Loading Standards", of this title, regarding the parking and storage of special vehicles and commercial vehicles and the provisions of title 9, chapter 4, "Parking Regulations", of this code.

~~78. Off Site Impacts: Except for a permitted sign, there must be no indication from the exterior of the dwelling unit or accessory building, such as noise, odor, smoke, dust, excessive outdoor lighting, or outdoor storage of materials, that there is a home occupation use on the premises. No visitors or deliveries to the home occupation use are permitted before seven o'clock (7:00) A.M. or after ten o'clock (10:00) P.M.~~

a. Except for a permitted sign, there must be no indication from the exterior of the dwelling unit or accessory building, such as noise, odor, smoke, dust, excessive outdoor lighting, or outdoor storage of materials, that there is a home occupation use on the premises.

b. If a portion of the home occupation is in the yard of the residential property, the activities must be screened from view of any abutting property zoned residential and the public right-of-way. Screening must be to S3 standards, or a fence built to S5 standards.

c. No visitors or deliveries to the home occupation use are permitted before seven o'clock (7:00) A.M. or after ten o'clock (10:00) P.M.

89. Size: For a home occupation ~~located within a principal dwelling unit~~, the floor area devoted to the home occupation may not exceed ~~twenty five fifty~~ percent (~~25 50~~%) of the total floor area of the principal dwelling (the floor area of an attached garage is not included in the calculation of total floor area of the dwelling). This ~~twenty five fifty~~ percent (~~25 50~~%) limit applies regardless of whether the home occupation is located within the principal dwelling unit ~~or within~~ an accessory building, or within the yard. For example, for a property where the principal dwelling contains two thousand (2,000) square feet of floor area, a home occupation would be limited to ~~five hundred (500) one thousand (1,000)~~ square feet regardless of whether it was located within the dwelling ~~or within~~ an accessory building, or within the yard.

~~9. Nonresident Employees: Nonresident employees are prohibited, except as approved by the building official as a minor modification to the home occupation use, according to the approval criteria and procedures for minor modifications as set forth in chapter 4, article B of this title.~~

10. Signage: Home occupations are permitted one nonilluminated fascia sign, not to exceed one square foot in size.

G. Amend 14-4D-2, Temporary Uses Allowed, by adding the following underlined text:

The following temporary principal and accessory uses are allowed, subject to approval by the building official through the temporary use permit process described in this article and any conditions specified herein:

...

Outdoor display and sale of first-class and/or second-class consumer fireworks, as defined by the American Pyrotechnics Association, according to the restrictions and dates of sale set forth in title 661 Iowa Administrative Code chapter 265, *Consumer Fireworks Sales Licensing and Safety Standards*. Outdoor display and sales of such fireworks are only allowed in commercial and industrial zones.

H. Amend 14-8B-6, Home Occupation Permit, by removing the struck-out text and adding the following underlined text:

A. Permit Required: Prior to establishment of a type B C home occupation, as defined in subsection 14-4C-2M, "Home Occupations", of this title, a home occupation permit must be obtained from the City department of housing and inspection services.

I. Amend 14-9A-1, Definitions, by removing the struck-out text and adding the following underlined text:

Except when alternate definitions apply as specified in articles B through F of this chapter, the following definitions shall apply to terms used in this title. Descriptions and definitions of land use categories are set forth in chapter 4, article A, "Use Categories", of this title; although, where it is deemed necessary for clarification, more specific definitions of certain land use category subgroups and specific land uses are defined in this section.

...

ACCESSORY DWELLING UNIT (ADU): An additional residential dwelling unit located on the same lot as a single family residence that is either attached to or detached from the single family residence and meets the requirements of this title and Iowa Code section 364.3. An accessory dwelling unit located within an owner occupied, single-family or duplex use or in an accessory building and meeting the requirements of this title.

...

SINGLE FAMILY RESIDENCE: A single family residence means a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it is a single family residence if it has direct access to a street or thoroughfare and shares neither heating facilities, hot water equipment, nor any other essential facility or service with another dwelling unit, except to the extent that a single family residence may share utility lines with the accessory dwelling unit if full utility access that includes a separate metering system for billing purposes can be provided to the accessory dwelling unit.

...

VARIANCE: A means of granting a property owner relief from certain provisions of this title

~~where, owing to special conditions, a literal enforcement of the provisions of this title will result in unnecessary hardship, and so that the spirit of this title shall be observed and substantial justice done. The authority to grant "variances" is vested in the board of adjustment pursuant to the code of Iowa, as amended.~~

Section II. Repealer. All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section III. Severability. If any section, provision or part of the Ordinance shall be adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of the Ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section IV. Effective Date. This Ordinance shall be in effect after its final passage, approval and publication in accordance with Iowa Code Chapter 380.

Passed and approved this _____ day of _____, 2026.

Mayor

Attest: _____
City Clerk

Approved by



City Attorney's Office
(Alexandra Bright – 01/13/2026)

Ordinance No. _____
Page No. 12

First Consideration: January 20, 2026

Vote for passage:

AYES: Alter, Bergus, Harmsen, Moe, Salih, Teague, Weilein

NAYS: None

ABSENT: None

Second Consideration: _____

Vote for passage:

AYES: _____

NAYS: _____

ABSENT: _____

Pass and Adopt:

It was moved by _____, and seconded by _____, that the ordinance as read be adopted, and upon roll call there were:

AYES:	NAYS:	ABSENT:	
_____	_____	_____	Alter
_____	_____	_____	Bergus
_____	_____	_____	Harmsen
_____	_____	_____	Moe
_____	_____	_____	Salih
_____	_____	_____	Teague
_____	_____	_____	Weilein

Date published: _____



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution approving project manual and estimate of cost for the construction of the City Park Shelter Replacement Project, establishing amount of bid security to accompany each bid, directing City Clerk to post notice to bidders, and fixing time and place for receipt of bids.

Prepared By: Ben Clark - Senior Engineer
Reviewed By: Jason Havel - City Engineer
Ron Knoche - Public Works Director
Juli Seydell Johnson - Parks and Recreation Director
Geoff Fruin - City Manager
Liz Craig - Asst. City Attorney
Fiscal Impact: \$1,300,000 available in the City Park Shelters & Restroom Replacement account #R4358.
Staff Recommendation: Approval
Commission Recommendations: Approval
Attachments: [Resolution.docx](#)

Executive Summary:

This agenda item begins the bidding process for the City Park Shelter Replacement Project. This project generally includes replacing shelters and updating restrooms in City Park.

Background / Analysis:

The shelters and restrooms in City Park are reaching the end of their serviceable life. This project will follow the recommendations of the 2016 Lower City Park Master Plan and 2017 Park Master Plan while repositioning and resizing the shelters to meet current and future use patterns.

The project includes the removal of seven existing shelters, in addition to one shelter that has already been removed by staff, followed by the installation of four new small shelters and two large shelters. The scope also includes the renovation of one existing restroom. Bidding alternates proposed for consideration include the addition of one more large shelter, two additional small shelters, upgrading all small shelters to large shelters, construction of one new single-user restroom, and the installation of new site furnishings.

The new and renovated facilities will include accessible paths and will be in locations further from the river as outlined in the Lower City Park Master Plan and in locations of Upper City Park that account for the tree canopy and new pool layout. A public meeting was held in the park on August 13, 2025 followed by the availability of an on-line survey for 10 days. The Parks & Recreation Commission reviewed and recommended the project at their August 13, 2025 meeting.

Resolution No. _____

Resolution approving project manual and estimate of cost for the construction of the City Park Shelter Replacement Project, establishing amount of bid security to accompany each bid, directing City Clerk to post notice to bidders, and fixing time and place for receipt of bids.

Whereas, notice of public hearing on the project manual and estimate of cost for the above-named project was published as required by law, and the hearing thereon held; and

Whereas, the City Engineer or designee intends to post notice of the project on the website owned and maintained by the City of Iowa City; and

Whereas, funds for this project are available in the City Park Shelters & Restroom Replacement account #R4358.

Now, therefore, be it resolved by the City Council of the City of Iowa City, Iowa that:

1. The project manual and estimate of cost for the above-named project are hereby approved.
2. The amount of bid security to accompany each bid for the construction of the above-named project shall be in the amount of 10% (ten percent) of bid payable to City of Iowa City, Iowa.
3. The City Clerk is hereby authorized and directed to post notice as required in Section 26.3, not less than 13 days and not more than 45 days before the date of the bid letting, which may be satisfied by timely posting notice on the Construction Update Network, operated by the Master Builders of Iowa, and the Iowa League of Cities website.
4. Sealed bids for the above-named project are to be received by the City of Iowa City, Iowa, at the Office of the City Clerk, at the City Hall, before 3:00 p.m. on the 3rd day of March, 2026. At that time, the bids will be opened by the City Engineer or his designee, and thereupon referred to the City Council of the City of Iowa City, Iowa, for action upon said bids at its next regular meeting, to be held at the Emma J. Harvat Hall, City Hall, Iowa City, Iowa, at 6:00 p.m. on the 10th day of March, 2026, or at a special meeting called for that purpose.

Passed and approved this _____ day of _____, 2026.

Mayor

Approved by

Attest: _____
City Clerk

City Attorney's Office

Resolution No. _____
Page 2

It was moved by _____ and seconded by _____ the Resolution be adopted, and upon roll call there were:

Ayes:

Nays:

Absent:

_____ Alter
_____ Bergus
_____ Harmsen
_____ Moe
_____ Salih
_____ Teague
_____ Weilein



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Ordinance repealing Ordinance No. 04-4024 providing for the division of taxes levied on taxable property in the Lower Muscatine Road & Highway 6 Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to Section 403.19 of the Code of Iowa (Termination of the Lower Muscatine Road & Highway 6 TIF District). (First Consideration)

Prepared By: Rachel Kilburg Varley, Economic Development Coordinator
Reviewed By: Alex Bright, Asst. City Attorney
Fiscal Impact: n/a
Staff Recommendation: Approval
Commission Recommendations: n/a
Attachments: [Clerk's Certificate for Ord. Termination of Lwr Musc TIF District](#)
[Auditors Certificate for Ord. Termination of Lwr Musc TIF District](#)
[Ordinance - Terminating the Lwr Musc TIF District](#)

Executive Summary:

In 2002, Ord. 02-4024 established the Lower Muscatine Road & Highway 6 TIF District within the Lower Muscatine Road & Highway 6 Urban Renewal Area (URA), designated as a Commercial & Industrial Economic Development Area. Under Iowa law, TIF districts that are designated on the basis of Commercial/Industrial Economic Development "sunset," or expire, 20 years from the calendar year after the first certification of debt. Since no debt was ever certified on the area, the statutory sunset "clock" has not started. Since there is no previously certified debt on the area, no current TIF revenues being collected in the area, and no anticipated urban renewal projects in the area, staff and the City's bond counsel recommends the TIF District be terminated formally through Ordinance and that a resolution be adopted ending the Urban Renewal Area (URA) and Urban Renewal Plan (URP) as well. A separate resolution will be provided for consideration to terminate the URA and URP at the same meeting date of the final reading of this Ordinance. In the future, if the City identifies another urban renewal project it wishes to assist or undertake in this area, a new URA, URP, and TIF District may be established.

Background / Analysis:

Under Iowa law, Urban Renewal Areas (URA) and Tax Increment Financing Districts (TIF District) work together as a tool to revitalize slum and blighted areas and spur economic development. URAs are created by the adoption of an Urban Renewal Plan (URP) by resolution. TIF Districts must be located within an established URA and are created by Ordinance. URPs designate the URA on the basis of Blight/Slum Remediation or Economic Development. Statutory sunset, or expiration, dates are applied based upon the type of designation. Areas designated for Commercial and Industrial Economic Development sunset 20 years from the calendar year after the first certification of debt. The "clock" on the life of

the area does not start until debt is certified.

ORDINANCE CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF JOHNSON)

1. I certify that Ordinance Number _____, of which a true copy is attached, was duly adopted by the City Council of the City of Iowa City, State of Iowa, signed by the Mayor and published as required by law and is now in effect. I further certify that the consideration(s) and votes taken for the enactment of the Ordinance occurred as follows:

(For any consideration that was waived, insert N/A in the blanks for that consideration and complete paragraph regarding waiver below.)

First consideration - Date:	<u>February 4, 2026</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.
Second consideration - Date:	<u>February 17, 2026</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.
Third Consideration - Date:	<u>n/a</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.

On the date of **February 17, 2026**, the City Council adopted a motion for the suspension of the rule requiring separate consideration at three meetings and voted the final adoption of the Ordinance. The vote for suspension of the rules was by three-fourths of the full City Council, voting _____ in favor, _____ opposed, and _____ absent, vacant or abstaining and was duly recorded as noted above.

- 2. I further certify that if any consideration of the Ordinance did not receive an affirmative vote for passage, there was no further consideration of the Ordinance on any date thereafter.
- 3. Following final approval of the Ordinance by the City Council, the full text of Ordinance (or a summary of the Ordinance complying with Iowa Code Section 380.7(3)) was published in the following newspaper(s) on the following date(s):

_____, 2026

4. I further certify that each meeting for the consideration of the Ordinance was duly and publicly held, with a notice of the meeting and tentative agenda naming the consideration of the Ordinance timely posted and upon reasonable advance notice to the media as required by the Chapter 21, Code of Iowa, and rules of the Council then governing.

5. I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the City hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(SEAL)

**(Attach Affidavit of Publication to this Certificate
and send Certificate and Affidavit to Ahlers & Cooney, P.C.)**

CITY CLERK'S CERTIFICATION TO COUNTY AUDITOR

I hereby certify that attached hereto is a true and correct copy of the Tax Increment Ordinance approved by the City Council of the City of Iowa City, State of Iowa, designated as Ordinance Number _____, entitled:

AN ORDINANCE **REPEALING** ORDINANCE NO. 02-4024
PROVIDING FOR THE DIVISION OF TAXES LEVIED ON
TAXABLE PROPERTY IN THE LOWER MUSCATINE ROAD &
HIGHWAY 6 RENEWAL AREA, IN THE CITY OF IOWA CITY,
IOWA, PURSUANT TO SECTION 403.19 OF THE CODE OF
IOWA (**TERMINATION OF THE LOWER MUSCATINE ROAD &
HIGHWAY 6 TIF DISTRICT**)

approved by the City Council on the _____ day of _____, 2026, and duly published on the _____ day of _____, 2026, the original of which is on file in the records of the undersigned.

Dated this _____ day of _____, 2026.

Clerk of the City of Iowa City

(CITY SEAL)

COUNTY AUDITOR'S CERTIFICATE

I, _____, County Auditor of Johnson County, Iowa, hereby certify that on the _____ day of _____, 2026, there was filed in my office a copy of the Tax Increment Ordinance of the City of Iowa City, State of Iowa, Ordinance Number _____, approved by the City Council on the _____ day of _____, 2026, all duly certified upon the form attached above.

County Auditor of Johnson County, Iowa

(COUNTY SEAL)

Ordinance No. _____

An ordinance repealing Ordinance No. 02-4024 providing for the division of taxes levied on taxable property in the Lower Muscatine Road & Highway 6 Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to section 403.19 of the Code Of Iowa (Termination of the Lower Muscatine Road & Highway 6 Urban TIF District).

Whereas, on May 21, 2002, the City Council of the City of Iowa City, Iowa approved and adopted the Lower Muscatine Road & Highway 6 Urban Renewal Plan ("Urban Renewal Plan") and established the Industrial Park Road Urban Renewal Area ("Urban Renewal Area") within the City; and

Whereas, on July 2, 2002, the City Council of the City of Iowa City, Iowa adopted Ordinance No. 02-4024, providing for the division of taxes within the original Urban Renewal Area, pursuant to Iowa Code Section 403.19; and

Whereas, no debt has ever been certified for reimbursement from the Urban Renewal Area and there are no current obligations under the Urban Renewal Plan to be paid from any tax increment within Urban Renewal Area; and

Whereas, contemporaneous with the consideration of this Ordinance, the City has taken separate action to terminate the Urban Renewal Plan and Urban Renewal Area, and accordingly, the City has determined to repeal Ordinance No. 02-4024 providing for the division of taxes levied on taxable property in Urban Renewal Area.

Now, therefore, be it ordained by the City Council of the City of Iowa City:

Section 1. That Ordinance No. 02-4024 is hereby repealed in its entirety and shall have no further effect.

Section 2. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in effect after its final passage, approval, and publication as provided by law.

Mayor

Attest: _____
City Clerk

Approved by

City Attorney's Office

Read First Time: _____, 2026

Read Second Time: _____, 2026

Read Third Time: _____, 2026

PASSED AND APPROVED: _____, 2026.

I, _____, City Clerk of the City of Iowa City, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2026, signed by the Mayor on _____, 2026, and published in the _____ on _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(SEAL)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Ordinance repealing Ordinance Nos. 02-4025 providing for the division of taxes levied on taxable property in the Industrial Park Road Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to Section 403.19 of the Code of Iowa (Termination of the Industrial Park Road TIF District). (First Consideration)

Prepared By: Rachel Kilburg Varley, Economic Development Coordinator
Reviewed By: Alex Bright, Asst. City Attorney
Fiscal Impact: n/a
Staff Recommendation: Approval
Commission Recommendations: n/a
Attachments: [Clerk's Certificate - Ord. to Terminate Industrial Park TIF District](#)
[Auditor's Certificate - Ord. to Terminate Industrial Park TIF District](#)
[Ordinance - terminating Industrial Park TIF District](#)

Executive Summary:

In 2002, Ord. 02-4025 established the Industrial Park Road TIF District within the Industrial Park Road Urban Renewal Area (URA), designated as a Commercial & Industrial Economic Development Area. Under Iowa law, TIF districts that are designated on the basis of Commercial/Industrial Economic Development "sunset," or expire, 20 years from the calendar year after the first certification of debt. Since debt was never certified on the area, the statutory sunset "clock" has not started. Since there is no previously certified debt on the area, no current TIF revenues being collected in the area, and no anticipated needs to collect on in the area, staff and the City's bond counsel recommends the TIF District be terminated formally through Ordinance and that a resolution be adopted ending the Urban Renewal Area (URA) and Urban Renewal Plan (URP) as well. A separate resolution will be provided for consideration to terminate the URA and URP at the same meeting date of the final reading of this Ordinance.

Background / Analysis:

Under Iowa law, Urban Renewal Areas (URA) and Tax Increment Financing Districts (TIF District) work together as a tool to revitalize slum and blighted areas and spur economic development. URAs are created by the adoption of an Urban Renewal Plan (URP) by resolution. TIF Districts must be located within an established URA and are created by Ordinance. URPs designate the URA on the basis of Blight/Slum Remediation or Economic Development. Statutory sunset, or expiration, dates are applied based upon the type of designation. Areas designated for Commercial and Industrial Economic Development sunset 20 years from the calendar year after the first certification of debt. The "clock" on the life of the area does not start until debt is certified.

In 2002, Ord. 02-4025 established the Industrial Park Road TIF District within the Industrial Park Road Urban Renewal Area (URA), designated as a Commercial & Industrial Economic Development Area. Since no debt was certified, no tax increment is being collected, and staff does not anticipate future urban renewal projects in this area, the City's bond counsel recommends that expired TIF Districts be terminated formally through Ordinance and, if there is no further need for the URA, that a resolution be adopted ending the Urban Renewal Area (URA) and Urban Renewal Plan (URP). A separate resolution will be provided for Council consideration to terminate the URA and URP at the same meeting date of the final reading of this Ordinance. In the future, if the City identifies another urban renewal project it wishes to assist or undertake in this area, a new URA, URP, and TIF District may be established.

ORDINANCE CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF JOHNSON)

1. I certify that Ordinance Number _____, of which a true copy is attached, was duly adopted by the City Council of the City of Iowa City, State of Iowa, signed by the Mayor and published as required by law and is now in effect. I further certify that the consideration(s) and votes taken for the enactment of the Ordinance occurred as follows:

(For any consideration that was waived, insert N/A in the blanks for that consideration and complete paragraph regarding waiver below.)

First consideration - Date:	<u>February 4, 2026</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.
Second consideration - Date:	<u>February 17, 2026</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.
Third Consideration - Date:	<u>n/a</u>
Vote: In favor _____,	Opposed _____,
Absent or Abstain _____	.

On the date of **February 17, 2026**, the City Council adopted a motion for the suspension of the rule requiring separate consideration at three meetings and voted the final adoption of the Ordinance. The vote for suspension of the rules was by three-fourths of the full City Council, voting _____ in favor, _____ opposed, and _____ absent, vacant or abstaining and was duly recorded as noted above.

- 2. I further certify that if any consideration of the Ordinance did not receive an affirmative vote for passage, there was no further consideration of the Ordinance on any date thereafter.
- 3. Following final approval of the Ordinance by the City Council, the full text of Ordinance (or a summary of the Ordinance complying with Iowa Code Section 380.7(3)) was published in the following newspaper(s) on the following date(s):

_____, 2026

4. I further certify that each meeting for the consideration of the Ordinance was duly and publicly held, with a notice of the meeting and tentative agenda naming the consideration of the Ordinance timely posted and upon reasonable advance notice to the media as required by the Chapter 21, Code of Iowa, and rules of the Council then governing.

5. I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the City hereto affixed this _____ day of _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(SEAL)

**(Attach Affidavit of Publication to this Certificate
and send Certificate and Affidavit to Ahlers & Cooney, P.C.)**

CITY CLERK'S CERTIFICATION TO COUNTY AUDITOR

I hereby certify that attached hereto is a true and correct copy of the Tax Increment Ordinance approved by the City Council of the City of Iowa City, State of Iowa, designated as Ordinance Number _____, entitled:

AN ORDINANCE **REPEALING** ORDINANCE NO. 02-4025
PROVIDING FOR THE DIVISION OF TAXES LEVIED ON
TAXABLE PROPERTY IN THE INDUSTRIAL PARK ROAD
RENEWAL AREA, IN THE CITY OF IOWA CITY, IOWA,
PURSUANT TO SECTION 403.19 OF THE CODE OF IOWA
**(TERMINATION OF THE INDUSTRIAL PARK ROAD TIF
DISTRICT)**

approved by the City Council on the _____ day of _____, 2026, and duly published on the _____ day of _____, 2026, the original of which is on file in the records of the undersigned.

Dated this _____ day of _____, 2026.

Clerk of the City of Iowa City

(CITY SEAL)

COUNTY AUDITOR'S CERTIFICATE

I, _____, County Auditor of Johnson County, Iowa, hereby certify that on the _____ day of _____, 2026, there was filed in my office a copy of the Tax Increment Ordinance of the City of Iowa City, State of Iowa, Ordinance Number _____, approved by the City Council on the _____ day of _____, 2026, all duly certified upon the form attached above.

County Auditor of Johnson County, Iowa

(COUNTY SEAL)

Ordinance No. _____

An ordinance repealing Ordinance No. 02-4025 providing for the division of taxes levied on taxable property in the Industrial Park Road Urban Renewal Area, in the City of Iowa City, Iowa, pursuant to section 403.19 of the Code Of Iowa (Termination of the Industrial Park Road TIF District).

Whereas, on May 21, 2002, the City Council of the City of Iowa City, Iowa approved and adopted the Industrial Park Road Urban Renewal Plan ("Urban Renewal Plan") and established the Industrial Park Road Urban Renewal Area ("Urban Renewal Area") within the City; and

Whereas, on July 2, 2002, the City Council of the City of Iowa City, Iowa adopted Ordinance No. 02-4025, providing for the division of taxes within the original Urban Renewal Area, pursuant to Iowa Code Section 403.19; and

Whereas, no debt has ever been certified for reimbursement from the Urban Renewal Area and there are no current obligations under the Urban Renewal Plan to be paid from any tax increment within Urban Renewal Area; and

Whereas, contemporaneous with the consideration of this Ordinance, the City has taken separate action to terminate the Urban Renewal Plan and Urban Renewal Area, and accordingly, the City has determined to repeal Ordinance No. 02-4025 providing for the division of taxes levied on taxable property in Urban Renewal Area.

Now, therefore, be it ordained by the City Council of the City of Iowa City:

Section 1. That Ordinance No. 02-4025 is hereby repealed in its entirety and shall have no further effect.

Section 2. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in effect after its final passage, approval, and publication as provided by law.

Mayor

Attest: _____
City Clerk

Approved by

City Attorney's Office

Read First Time: _____, 2026

Read Second Time: _____, 2026

Read Third Time: _____, 2026

PASSED AND APPROVED: _____, 2026.

I, _____, City Clerk of the City of Iowa City, State of Iowa, hereby certify that the above and foregoing is a true copy of Ordinance No. _____ passed and approved by the City Council of the City at a meeting held _____, 2026, signed by the Mayor on _____, 2026, and published in the _____ on _____, 2026.

City Clerk, City of Iowa City, State of Iowa

(SEAL)



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Resolution adopting an assessment schedule of unpaid mowing, clean-up of property, snow removal, sidewalk repair, and stop box repair charges and directing the Clerk to certify the same to the Johnson County Treasurer for collection in the same manner as property taxes.

Prepared By: Connie McCurdy, Administrative Secretary
Reviewed By: Susan Dulek, First Assistant City Attorney
Kellie K Grace, City Clerk
Fiscal Impact: No impact
Staff Recommendation: Approval
Commission Recommendations: N/A
Attachments: [Resolution](#)
[Exhibit A](#)
[Exhibit B](#)

Executive Summary:

This resolution is to adopt an assessment schedule for unpaid mowing, property clean-up, and snow removal.

Background / Analysis:

The City has the authority under Iowa Code §364.13B to assess the nuisance abatement costs in the same manner as a property tax. This resolution allows the City Clerk to certify to the Johnson County Treasurer the abatement cost to be assessed against the property. This assessment is being pursued only after the City took many steps to resolve the matter. The City notified the owners to abate the nuisance (for example, to remove snow from the sidewalk) and after the owner did not take action to abate the nuisance, the City abated the nuisance and billed the owner. After being billed at least twice, these owners still have not paid the abatement costs. The City has sent a letter to the owner giving them notice that this resolution would be on the agenda, a copy of which is attached to the resolution. No interest will be charged if the owner pays within 30 days of the first required publication. Attached as an exhibit to the resolution is a list of the properties that will be assessed and the amount that will be assessed.

Resolution No. _____

Resolution adopting an assessment schedule of unpaid mowing, clean-up of property, snow removal, sidewalk repair, and stop box repair charges and directing the Clerk to certify the same to the Johnson County Treasurer for collection in the same manner as property taxes.

Whereas, the City Clerk has filed with the City Clerk an assessment schedule providing the amount to be assessed against certain lots for the actual unpaid abatement costs of mowing, cleaning up property, removing snow, repairing sidewalks, and repairing stop boxes in the same manner as property taxes; and

Whereas, said schedule is attached as Exhibit A to this resolution and incorporated herein by this reference; and

Whereas, Iowa Code § 364.13B authorizes the City Council to assess against the property said abatement costs in the same manner as property taxes; and

Whereas, the City Council finds that the property owners listed in Exhibit A have received a written notice of the date and time of the public hearing on the adoption of said assessment schedule, in substantially the same form attached hereto as Exhibit B.

Now, therefore, be it resolved by the City Council of the City of Iowa City, Iowa:

Exhibit A is adopted as the final assessment schedule pursuant to Iowa Code § 384.60(1).

The amounts listed in Exhibit A for unpaid mowing charges, clean-up property charges, snow removal charges, sidewalk repair charges and stop box repair charges are confirmed and levied against the properties listed in Exhibit A.

All unpaid assessments not paid within thirty (30) days after the first publication of the final assessment schedule shall bear interest at the rate of 9% per annum, commencing on March 19, 2026.

Assessments are payable at Johnson Country Treasurer, 13 South Dubuque Street, Iowa City, Iowa. Until March 18, 2026, payment may be made at the City Clerk, 410 E. Washington Street, Iowa City, Iowa.

The City Clerk is hereby directed to certify the schedule as set out in Exhibit A to the Treasurer of Johnson County, Iowa for collection in the same manner as property taxes. The assessment cannot be paid in installments.

The City Clerk is further directed to publish notice of the schedule once each week for two consecutive weeks in the manner provided in Iowa Code § 362.3, the first publication of which shall be not more than fifteen (15) days from the date of filing of the final assessment schedule.

Passed and approved this _____ day of _____, 2026.

Mayor

Approved by

Attest: _____
City Clerk

City Attorney's Office

It was moved by _____ and seconded by _____ the Resolution be adopted, and upon roll call there was:

Ayes:

Nays:

Absent:

Alter
Bergus
Harmsen
Moe
Salih
Teague
Weilein

EXHIBIT A

**CITY OF IOWA CITY ASSESSMENT SCHEDULE OF UNPAID
WEED REMOVAL, SIDEWALK REPAIR, SNOW REMOVAL,
STOP BOX REPAIR, AND PROPERTY CLEANUP**

Dec-25

Frozen Meters = Water Lien

Property Address	Legal Description	Parcel Number	Assessed Value	Property Owner	Service(s) Rendered	Case Number	Date of Service(s)	Cost of Service	Invoice #	Balance Outstanding
627 RENO ST	WOODS ADDITION N 80' LOT 6 & N 80' OF E 20' LOT 7 BLK 7	1011228001	\$339,440	BEDROCK, LLC	Scheduled Pickup		8/30/2025	\$ 20.00	110871	\$ 20.00
416 S DODGE ST, IOWA CITY	OAK HILL ADD; E 159'; N 50'; W 159'; S 50' TO BEG (UNPLATTED LAND IN NE NE)	1015103010	\$411,270.00	HANSON, KEVIN	Mowing of tall grass and weeds	COM25-0417	8/20/2025	\$250.00	INV-00031538	\$ 250.00
2124 WESTERN RD, IOWA CITY	IOWA CITY FAIR MEADOWS ADDITION 4TH UNIT BLOCK:11 LOT:12 LOT 12 BLK 11	1023198011	\$143,850.00	ANDERSON, CHARLA LEE	Mowing of tall grass and weeds	COM25-0234	8/20/2025	\$250.00	INV-00031539	\$ 250.00
812 E BLOOMINGTON ST, IOWA CITY	IOWA CITY IOWA CITY (ORIGINAL TOWN) BLOCK:7 LOT:6 W 1/2 LOT 6 BLK 7	1010185010	\$199,170.00	HEATH, CHARLES E	Accumulation of solid waste	COM25-0067	7/23/2025	\$550.00	INV-00031143	\$ 550.00
										\$ 1,070.00

FILED
 2026 JAN 26 AM 10:15
 CITY CLERK
 IOWA CITY, IOWA

EXHIBIT B



CITY OF IOWA CITY

410 East Washington Street
Iowa City, Iowa 52240-1826
(319) 356-5000
(319) 356-5009 FAX
www.icgov.org

Date

«Property_Owner»
«Mailing_Address»
«City», «State», «Zip»

Dear Property Owner:

This is to notify you that the City Council will be considering a resolution on February 3, 2026 that will assess against your property the cost that the City has incurred to do one of the following: unpaid mowing, clean-up of property, snow removal, sidewalk repair, or stop box repair charges. Enclosed for your information is a copy of the bill. If the City Council approves the assessment against your property, the amount will be collected by the Johnson County Treasurer in the same manner as a property tax.

The City Council meeting begins at 6:00 pm and is held at Harvat Hall, City Hall, 410 E Washington St, Iowa City, Iowa. If you want to challenge the assessment, you are advised to come to the City Council meeting. You may also submit a letter or email to the City Council. The mailing address is: City Council, % City Clerk, 410 E Washington St, Iowa City, IA 52240 and the email address is council@iowa-city.org. Please note that all communication with City Council is a public record.

If you pay the amount due in full before the City Council meeting, the resolution will not include an assessment against your property. **You can make the payment by mailing or coming in person to the City Clerk's office, 410 E Washington St, between the hours of 8:00 a.m. and 5:00 p.m.** If property is assessed and the amount is not paid within the specified 30 days, interest will accrue at a rate set by the City Council.

If you have any questions about the resolution, please contact my office at (319) 356-5043.

Sincerely,

Kellie Grace
City Clerk

Enc.
Copy to: Accounting Division-w/o enc.



CITY OF IOWA CITY COUNCIL ACTION REPORT

February 3, 2026

Historic Preservation Commission - One vacancy for an East College St representative to fill an unexpired term, upon appointment - June 30, 2027 (Ryan Russell resigned). Correspondence included in Council Packet.

Applications must be received by 5:00 p.m., Tuesday, March 31, 2026.

Attachments: [Resignation Historic Preservation - Ryan Russell](#)

Connie McCurdy

From: Jessica Bristow
Sent: Thursday, January 22, 2026 9:10 AM
To: *City Clerk's Office
Subject: FW: February meeting

Good morning.

My Commissioner from the East College Street Historic District no longer lives in the District and has sent us his resignation. See below.

Jessica Bristow, Historic Preservation Planner (she/her)
319 356 5483

From: Ryan Russell <ryan.russell1125@gmail.com>
Sent: Wednesday, January 21, 2026 2:17 PM
To: Jessica Bristow <JBristow@iowa-city.org>
Cc: Anne Russett <ARussett@iowa-city.org>
Subject: Re: February meeting



**** This email originated outside of the City of Iowa City email system. Please take extra care opening any links or attachments. ****

This message is from an external sender.

Hi Jessica,

I have to resign from the commission. I have moved to southern Illinois for a new job but we haven't sold the house yet.

Sorry!!! I will miss working with you and the commission!

Ryan

Sent from my iPhone

On Jan 21, 2026, at 10:39, Jessica Bristow <JBristow@iowa-city.org> wrote:

Dear Commissioners,

It has come to our attention that the February 12th meeting will need to be rescheduled due to lack of quorum. Can you please let me know if you are available on Thursday February 19 at 5:30pm?

Please let me know as soon as possible so I can get this scheduled.

Thank you,

Jessica Bristow, Historic Preservation Planner (she/her)
319 356 5483

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.