

**BUDGET WORKSHOP AGENDA**

**NEWTON CITY COUNCIL**  
City Hall  
101 West 4th Street South

**BUDGET WORKSHOP**  
January 28, 2008  
5:30 p.m.

**AMERICANS WITH  
DISABILITIES ACT  
COMPLIANCE**

*IS THERE ANYONE PRESENT WHO MAY REQUIRE SPECIAL  
ASSISTANCE IN BEING ABLE TO PARTICIPATE IN THIS PUBLIC  
MEETING?*

**CALL TO ORDER**

**Roll Call**

**RESOLUTION**

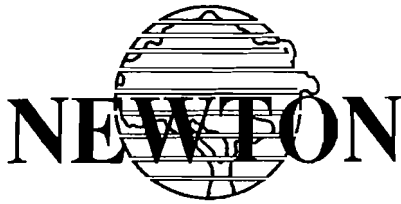
**1. Resolution Approving Project Enhancement Agreement With Whirlpool Foundation (Council Report 08 - 009)**

- Whirlpool, through its Foundation, now wishes to further enhance the community by donating \$500,000 to the City. This money is separate from any of the money that had previously been committed to the redevelopment project. The half-million dollar gift would be to enhance the quality of life of all residents in Newton, as determined by the City Council. The donation also was given in appreciation that the City worked to secure and manage state funds to make the project possible. In accepting this gift, the City would sign a standard waiver of any claims it would have against Whirlpool. The exact uses of this gift would be discussed further as part of the budget process.

**BUDGET REVIEW**

**2. Review of 2008 – 2009 Proposed Operating Budget**

**ADJOURN**



To Honorable Mayor and Council

# COUNCIL REPORT

FOR AGENDA  
DATED

January 28, 2008

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Report 08-009

**AGENDA ITEMS** RESOLUTION APPROVING PROJECT ENHANCEMENT  
AGREEMENT WITH WHIRLPOOL FOUNDATION

**BACKGROUND**

Whirlpool Corporation is finalizing its exit from the Newton community, and in doing so, wants to provide a wide array of resources to help the community rebound from the departure. One of the centerpieces of its efforts has involved a unique partnership that joined together to ensure that Maytag properties would remain active. In December 2006, the City entered into an agreement with multiple partners (including DMACC, JEDCO, Whirlpool Foundation, Maytag, Jasper Community Foundation, and Iowa Telecom) to comprehensively address the re-use of the Maytag downtown corporate campus. As part of this master agreement, some space was to be converted into a career academy, some abandoned buildings were to be torn down, and Iowa Telecom would use and market the corporate offices. This project is still on-going and represents a pro-active approach to preventing blight.

Whirlpool, through its Foundation, now wishes to further enhance the community by donating \$500,000 to the City. This money is separate from any of the money that had previously been committed to the redevelopment project. The half-million dollar gift would be to enhance the quality of life of all residents in Newton, as determined by the City Council. The donation also was given in appreciation that the City worked to secure and manage state funds to make the project possible. In accepting this gift, the City would sign a standard waiver of any claims it would have against Whirlpool. The exact uses of this gift would be discussed further as part of the budget process.

**RECOMMENDATION**

Staff recommends that Council approve the attached resolution.

David Watson  
City Administrator

Attachments

RESOLUTION NO. 2008-\_\_\_\_\_

**RESOLUTION APPROVING PROJECT ENHANCEMENT AGREEMENT  
WITH WHIRLPOOL FOUNDATION**

**WHEREAS**, the City of Newton and the Whirlpool Foundation, together with certain other parties, have previously entered into an Agreement for Private Redevelopment, dated as of December 21, 2006, under which said parties have agreed to undertake certain actions in order to facilitate the adaptive re-use of the former Maytag property in downtown Newton and improve conditions generally in the North Central Urban Renewal Area of the City; and

**WHEREAS**, the City and Whirlpool Foundation now desire to make a separate agreement among themselves as a means of further enhancing the community; and

**WHEREAS**, the Whirlpool Foundation, or one or more of its affiliates, wishes to donate to the City the sum of Five Hundred Thousand Dollars (\$500,000) (the "Enhancement Grant") on or before February 15, 2008 for the purpose of enabling the City to further enhance the quality of life for all of its residents, as determined by the City Council.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Newton, Iowa:

That the Project Enhancement Agreement attached to this Resolution as Exhibit 1 is hereby approved.

**PASSED** this \_\_\_\_ day of \_\_\_\_\_, 2008.

**APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Charles Allen, Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Candice Van Zee, CMC, City Clerk

APPROVED AS TO FORM:

  
Darrin T. Hamilton, City Attorney

## PROJECT ENHANCEMENT AGREEMENT

This Project Enhancement Agreement (the "Agreement") is made on or as of the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the City of Newton, Iowa (the "City"), a municipality established pursuant to the Code of Iowa and acting under, among other provisions, the authorization of Chapter 403 of the Code of Iowa, 2007, as amended (the "Urban Renewal Act"), and Whirlpool Foundation, a Michigan non-profit corporation ("Whirlpool Foundation").

WHEREAS, the City and Whirlpool Foundation, together with certain other parties, have previously entered into an Agreement for Private Redevelopment dated as of December 21, 2006 (the "Development Agreement") with respect to certain development property described therein, under which said parties have agreed to undertake certain actions in order to facilitate the adaptive re-use of said development property and improve conditions generally in the North Central Urban Renewal Area of the City (the "Project"); and

WHEREAS, the City and Whirlpool Foundation desire to make a separate agreement among themselves in connection with the Project as a means of enhancing the same.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, the City and Whirlpool Foundation hereby covenant and agree with each other as follows:

1. Whirlpool Foundation, or one or more of its affiliates or parties acting in concert with it, shall donate to the City the sum of Five Hundred Thousand Dollars (\$500,000) (the "Enhancement Grant") on or before February 15, 2008 for the purpose of enabling the City to further enhance the quality of life for all of its residents, as determined by the City Council. The City shall provide Whirlpool Foundation with a summary of the expenditures made with the proceeds of the Enhancement Grant.

2. The City hereby waives and releases any claim it may have against Whirlpool Foundation or any of its affiliates or parties acting in concert with it with respect to the Project, including, without limitation, Whirlpool Corporation, Maytag Corporation and Maytag Corporation Foundation, and their respective successors and assigns, with respect to the payment of all taxes assessed or assessable with respect to the real and personal property of Maytag Corporation, a Delaware corporation, in the City for the fiscal years ending June 30, 2006 (including, without limitation, the two property tax installments billed and payable for the fiscal year ending June 30, 2006 no later than September 30, 2006 and March 31, 2007). The City acknowledges, to the best of its

knowledge, that Maytag Corporation has paid all the Pre-2007 Taxes and paid all tax bills submitted to the Corporation for payment.

3. The City and Whirlpool Foundation agree to continue with their joint undertakings with respect to the Project, as described in the Development Agreement, and ratify and confirm all of the terms thereof.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor Pro Tem and its seal to be hereunto duly affixed and attested by its City Clerk, and Whirlpool Foundation has caused this Agreement to be duly executed in its name and behalf by its authorized officer or other representative, on or as of the day first above written.

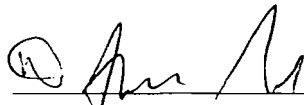
CITY OF NEWTON, IOWA

By: \_\_\_\_\_  
Michael L. Hansen, Mayor Pro Tem

ATTEST:

By: \_\_\_\_\_  
Candice Van Zee, CMC, City Clerk

WHIRLPOOL FOUNDATION

By:  \_\_\_\_\_  
Its: President \_\_\_\_\_