

# AGENDA

**City of University Heights, Iowa**  
**City Council Meeting**  
*Tuesday, September 13, 2016*  
**Horn School**  
**600 Koser Avenue – Library**  
 7:00-9:00 pm.

Meeting called by Mayor Wally Heitman

Time	Topic	Owner
<b>7:00</b>	Call to Order Regular Meeting Roll Call -Approval of Minutes-August 9 <sup>th</sup> council meeting and August 29 <sup>th</sup> special council meeting.	Wally Heitman
<b>7:15</b>	<b>Public Input</b>  -One University Place ( <a href="#">OUP</a> ) <a href="#">construction report</a> and updates. -Consideration of <a href="#">Resolution No. 16-50</a> authorizing the mayor to sign amendments to the <a href="#">PUD Development Agreement</a> and the <a href="#">TIF Development Agreement</a> between the City of University Heights and Jeff Maxwell, including those concerning the One University Place development proceeding as two parcels and <a href="#">two condominium regimes</a> ; concerning payment for public improvements; and concerning acquisition of community space. -Consideration of <a href="#">Pay Application #1</a> for the One University Place – Public Improvements project. -OUP Eastern egress.	<b>Public Comments</b>  Jeff Maxwell Steve Ballard Josiah Bilskemper Jerry Zimmermann
	<u>Administration</u>	
-Mayor	Mayor’s Report -Discussion of scope and compensation to city clerk to scan all relevant city documents to Google I-Cloud system.	Wally Heitman
	Board of Adjustment report -Discussion to raise BOA fee for filing variance from \$50 to \$150.	Ann Dudler Mike Haverkamp
-City Attorney	<a href="#">Legal Report</a>	Steve Ballard
-City Clerk	<a href="#">City Clerk Report</a>	Chris Anderson
	<u>Committee Reports:</u>	
<u>Finance</u>	Committee Report -Consideration of <a href="#">Resolution No. 16-51</a> approving and adopting the IDOT Annual City Street Financial Report 7/1/15-6/30/16. <a href="#">Treasurer’s Report/ Payment of Bills</a>	Jim Lane Lori Kimura

Time	Topic	Owner
<u>Community Protection</u>	Police Chief Report Committee Report -Vehicle pursuit policy for police. -Enforcement of rental rules regarding number of unrelated renters.	Chief Ken Stanley Dotti Maher/Jerry Zimmermann
<u>Streets and Sidewalks</u>	Committee Report	Dotti Maher/Jerry Zimmermann
<u>Zoning &amp; Sanitation</u>	<b><u>Engineer Report</u></b> Committee Report -First consideration of <b><u>Ordinance No. 193</u></b> regarding Conflicts of Interest for the City of University Heights.	Josiah Bilskemper Silvia Quezada
<u>e-Government</u>	Zoning Commission report <b><u>Committee Report</u></b> -Council approval <b><u>of tech plan for Community Center.</u></b> -Transition plan for City Office.	Pat Bauer Mike Haverkamp
Announcements		Anyone
<b>9:00</b>	Adjournment	Wally Heitman

**Next Regular City Council Meeting is October 11, 2016: Horn School**

# **Siders Development Monthly Report**

**August 6, 2016 – September 9, 2016**

Things are looking good at One University Place! On August 31<sup>st</sup> a Temporary Certificate of Occupancy was granted to OUP for partial occupancy. Final inspections were made by Terry Goerdts and me prior to issuance of the Certificate. All of the underground parking is finished and available plus 49 exterior stalls including four handicap spaces. The front yard has been sodded and several of the planters and benches are in place. The chain link fencing along the sidewalk is a temporary measure to keep the public off of the sod while it establishes. This is crucial especially during home football games. All of the infrastructure such as the sanitary sewer lift station has been inspected, tested, certified and fully operational. As the month of September progresses you should notice the playground equipment, landscaping and ground lighting being installed. The building skin is complete. The public sidewalks along Sunset should be finished by the middle of next week.

The damage caused by high winds in the east ravine has been cleaned up and trees have been pruned.

Sunset Street north of Melrose Avenue is has been completed and opened up to traffic. This will not only improve vehicular traffic on Melrose, it will enhance traffic coming from OPU.

The second building continues to progress. All of the geo-piers are in place and work on the footings has started. It is everyone's goal to have the building enclosed prior to cold weather. The contractor is extending the drive to the north past the second building to help prevent the tracking of mud through the site onto Melrose.

*Glenn Siders*

RESOLUTION NO. 16-50

**RESOLUTION AUTHORIZING THE MAYOR TO SIGN AND THE CLERK TO ATTEST THE SECOND AMENDMENT TO THE PUD AND TIF DEVELOPMENT AGREEMENTS FOR ONE UNIVERSITY PLACE**

**WHEREAS**, the City Council of the City of University Heights, Iowa, has previously approved the development known as One University Place (“OUP”); and

**WHEREAS**, the City of University Heights, Iowa, and Jeff Maxwell entered into a PUD Development Agreement for OUP with Jeff Maxwell dated as of June 9, 2015, and a TIF Development Agreement for OUP dated as of August 11, 2015 to permit, govern, and regulate the OUP development; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe the OUP development as concerning one parcel of real property and proceeding as one condominium regime and one governing condominium owners’ association but with two buildings; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe payment for certain public improvements (intersection and turn lane) to be made by the OUP developer by reimbursing the City directly for such costs; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe the possible lease or purchase of certain OUP commercial condominium space by the City for use as community space; and

**WHEREAS**, the OUP developer and the City desire to amend the PUD Development Agreement and the TIF Development agreement to clarify, modify, and specify certain provisions concerning the parcels of property involved in, the condominium submission for, and the ongoing governance of the OUP development; the mechanism and timing of reimbursement to the City for certain public improvements; and the acquisition of certain community space by the City in OUP; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement each provide that they may not be amended or modified except by written instrument signed by both the City and the OUP developer; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement previously were amended to provide that certain utility work would be performed by the City as part of the OUP development, with the costs of such work to be reimbursed to the City,

**NOW BE IT RESOLVED** that the Mayor of the City of University Heights is authorized to sign and the Clerk to attest the Second Amendment to PUD Development Agreement and TIF Development Agreement for One University Place in the form attached hereto as Exhibit "A".

Upon motion by \_\_\_\_\_, and seconded by \_\_\_\_\_, the vote was as follows:

	AYES:	NAYS	ABSENT
Haverkamp	_____	_____	_____
Lane	_____	_____	_____
Maher	_____	_____	_____
Quezada	_____	_____	_____
Zimmermann	_____	_____	_____

Upon Roll Call thus recorded, the Resolution is declared adopted this 13<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Weldon E. Heitman (Wally), Mayor  
City of University Heights

ATTEST:

\_\_\_\_\_  
Christine M. Anderson, City Clerk

Prepared by and return to:	Steven Ballard, Leff Law Firm, P.O. Box 2447, Iowa City, Iowa 52244-2447, (319) 338-7551
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### **PUD DEVELOPMENT AGREEMENT**

This Agreement is entered into by and between **Jeff Maxwell**, hereinafter referred to as "Developer" and the **City of University Heights, Iowa**, hereinafter referred to as "City", pursuant to University Heights Ordinance, No. 79.

#### **RECITALS:**

- A. Developer is the owner of the real estate described and referred to as the Maxwell Parcel on the attached Exhibit A.
- B. Under a written purchase agreement, St. Andrew Presbyterian Church is the Seller, and Developer is the purchaser, subject to certain contingencies, of the real estate described and referred to as the St. Andrew Parcels on the attached Exhibit A.
- C. The Maxwell Parcel and St. Andrew Parcels are located within the City's limits and together comprise land zoned Multiple-Family Commercial. When used for multi-family and commercial purposes, Ordinance No. 79 requires the submittal of a Planned Urban Development (PUD) application and compliance with Ordinance 79(13), which section requires the Developer and the City to enter into a Development Agreement establishing development requirements and addressing certain other items enumerated in the ordinance.
- D. The Developer has submitted a PUD Application for development of the Maxwell and St. Andrew Parcels under a single project known presently as "One University Place" and referred to herein as the "Project".

E. St. Andrew Presbyterian Church ( "Church"), as owner of the St. Andrew Parcels, has previously delivered to the City its continuing express written consent for Developer to submit to the City a Multi-Family Commercial PUD Plan Application together with such other materials, applications and requests as may be related to such PUD Plan Application and the project described therein. The Church is not a developer of the Project.

F. Developer and City wish to comply with the requirements of Ordinance 79(13), by entering into this Development Agreement setting out their agreements.

**IT IS HEREBY AGREED BY THE PARTIES AS FOLLOWS:**

1. **Purpose.** This Development Agreement is prepared for the purpose of complying with the Ordinance 79(13(E)).
2. **Building Plans and Construction Drawings.** Before any building permit is issued for all or any part of the Project, Developer shall submit to the City for approval detailed building plans, construction drawings, and related plans and applications for the Project in accordance with City requirements and procedures. Such plans shall reflect the design features and details of the PUD Plan approved by the City ("approved PUD Plan") and provide explanation of any variances. To the extent that the submitted plans contain new or modified details not already shown in the approved PUD Plan, the Council may establish reasonable conditions for approval of such newly provided details in accordance with its ordinances and state law. The City shall not issue building permits until such time as the City Council has in the exercise of its reasonable discretion approved by resolution all of the plans, drawings, and applications set forth below in this paragraph. Once approved by the City, the Project shall be constructed in accordance with the approved plans, drawings, and applications, which shall not be amended, changed, or otherwise altered in any material way without further resolution adopted by the City Council. Minor adjustments may be approved administratively by the City Engineer or other authorized party in accordance with the City's standard policies, practices, and procedures. The required plans and drawings shall include the following:
  - a. Building plans consistent in all material respects with the approved PUD Plan showing final design features applicable to the proposed Project, including but not limited to these:
    - i. Design of exterior lighting so that all site and building-mounted luminaires produce a maximum initial illuminance value no greater than 0.10 horizontal and vertical footcandles at the site boundary and no greater than 0.01 horizontal footcandles 10 feet beyond the site boundary. Document that no more than 2% of the total initial designed fixture lumens (sum total of all fixtures on site) are emitted at an angle of 90 degrees or higher from nadir (straight down).

- ii. Site plan showing the location of all buildings and improvements for the Project, including but not limited to these: the placement of all refuse receptacles (including trash cans, dumpsters, and grease traps) and proposed screening for such receptacles; driveways and parking plans showing appropriate dimensions for vehicle turning movements on site for garbage trucks, delivery vehicles, buses, and fire trucks.
  - iii. Grading plan, including Sensitive Areas Development Plan to the extent required pursuant to Ordinance 128.
  - iv. Landscaping Plan showing species and size of plantings as well as amenities such as walkways, benches, bicycle racks, exterior light fixtures, library book drop, entrance amenities, trash receptacles and other public amenities.
  - v. Storm Water Management Plan sufficient for the City to issue a Construction Site Runoff Permit pursuant to Ordinance 169.
  - vi. Storm Water Pollution Prevention Plan and application sufficient for the City to issue a Construction Site Runoff Permit pursuant to Ordinance 155.
  - vii. The granting and recording of utility easements, with appropriate plats, as may be reasonably sufficient for all public and private utilities and services supplying the Project as shown on the approved PUD Plan, with such easements and plats being subject to (i) review by the City's engineering consultants for sufficiency, and (ii) such approvals as may be needed from the City of Iowa City in regard to water main and sanitary sewer.
- b. Final Construction drawings consistent in all material respects with the approved PUD Plan showing:
- i. All final dimensions of the buildings and improvements to be included in the Project.
  - ii. All exterior building materials.
  - iii. All exterior colors.
  - iv. Other matters generally required to be shown for building permit approval.
  - v. The Developer need not include construction drawings of interior improvements intended to be built-out or finished by the owners or tenants of commercial or residential units. Such improvements will be subject to separate building permits, to the extent applicable, in accordance with standard City practices.
  - vi. Containing the utility boring specifications for storm sewer, sanitary sewer, and water main as were called out for boring on the Approved PUD Plan.

- c. The Developer will comply with City ordinances and good practices regarding fill materials and will employ a qualified geotechnical consultant to perform appropriate analysis and testing and to provide recommendations. Developer's consultant will make periodic reports on such matters to the City Engineer and/or the City's engineering consultants, as directed by the City.
  - d. The Project will be designed and built using current sustainable principles and with the intent to obtain LEED Certification. At the Construction Document phase of the Project, Developer shall submit to the City the Project's LEED Score Card demonstrating the Developer's intent to obtain LEED Certification for the Project (or the applicable portion thereof) based upon the LEED criteria existing at the time the Project's LEED Score Card is submitted to the City.
  - e. Failure by the City to identify a building code deficiency during plan review does not relieve the Developer from any obligation to comply with all applicable code provisions. Approval of building plans and/or construction drawings by the City shall not relieve any obligation to comply with the terms and provisions of this Agreement, or the provisions of applicable federal, State and local laws, ordinances and regulations. Approval of plans and/or construction drawings hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Project as constructed.
  - f. Walls separating units with bedrooms on each side of such party wall shall be designed to have a Sound Transmission Class (STC) of no less than 60 according to the ASTM E90 Standard Test Method for Laboratory Measurement of Airborne Sound Transmission Loss of Building Partitions and Elements.
3. **Restrictions on Use.** Developer and the City understand that the property constituting this Project will be submitted to a horizontal property regime pursuant to Iowa Code Chapter 499B; that is, the project will be a multi-use condominium comprising commercial and residential units configured in compliance with the zoning classification. At such time as Developer prepares a condominium declaration for the Project ("Declaration"), Developer will record such Declaration in accordance with applicable laws, and it shall contain restrictions as to use; rules and regulations; owners' association ("Association") matters (including, but not limited to, articles of incorporation and bylaws); and other governing provisions required by law and typical of condominium projects of this type; all to be appurtenant to the land (the "Project Condominium Documents"). As a condition for the approval of the first occupancy permit for the Project it shall be established by the Developer that the Project Condominium Documents shall have been recorded and shall include the following restrictions on the Project, which specific restrictions shall be enforceable by the City (in addition to the Association and/or unit owners) and shall not be permitted to be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council:

- a. Commercial uses may use outdoor sales areas within the Project only in compliance with local ordinances. This restriction applies at all times, including, but not limited to any day on which The University of Iowa plays football games in Kinnick Stadium ("Game Day"). All Game Day activities on both the commercial and residential portions of the Project shall be in compliance with City ordinances and any additional rules that may be imposed by the Association.
- b. Unless with the prior approval by Resolution of the City Council, no commercial use shall employ or have as an amenity or feature any sort of drive-through service area or walk up service window to pedestrians or to motor vehicles.
- c. Any proposed sign (whether lighted or not) associated with the advertising of any commercial use must either 1) be approved by the City Council, or 2) be in full compliance with sign covenants and restrictions applicable to the Project as may be incorporated into the Project Condominium Documents and expressly approved by Resolution of the City Council.
- d. No temporary signs on or visible from the exterior of a commercial establishment will be permitted except when located in a window of the establishment filling not more than 25% of the window space and for no more than 20 business days during any calendar year. Signs indicating that a business is open or closed or hours of operation, or containing governmentally required disclosures, shall not be deemed temporary signs.
- e. To the extent that a unit is for rent, one "For Rent" sign no larger than three feet by three feet (excluding stand) may be placed in or on the leased unit, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, one additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial leasing of the Developer's units, the Developer may either abide by the foregoing requirement or in lieu thereof place one leasing sign no larger than ten feet by ten feet (excluding stand) within the Project at a location reasonable visible to the general public from Melrose Avenue.
- f. To the extent that a unit is for sale, one "For Sale" sign no larger than three feet by three feet (excluding stand) may be placed in or on the unit for sale, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, an additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial sale of the Developer's units, the Developer may either abide by the foregoing requirement or in lieu thereof place one for sale sign no larger than ten feet by ten feet (excluding stand) within the

Project at a location reasonable visible to the general public from Melrose Avenue.

- g. All Project unit owners, occupants and guests shall comply with the noise ordinances of the City and otherwise not create any noise nuisances. Additionally, no music shall be permitted to be played through exterior speakers within any outdoor commercial service areas after 9:00 p.m. on Sundays through Thursdays, or after 10:00 p.m. on Fridays and Saturdays. Any music played through exterior speakers within outdoor commercial service areas shall otherwise be in compliance with City ordinances and any additional rules that may be imposed by the Association.
- h. Unless additional extended hours are approved by Resolution of the City Council, Commercial uses, other than fitness centers, may operate and remain open to the public between the hours of 6:00 a.m. and 10:00 p.m. on Sundays through Thursdays, and between the hours of 6:00 a.m. and 12:00 a.m. (midnight) on Fridays and Saturdays; provided, however, that all outdoor service areas shall close no later than 11:00 p.m. on Fridays and Saturdays. Owners, tenants and Employees may enter upon and remain in the commercial space at other times for business purposes that do not involve the coming and going of customers or clients. Fitness centers may operate twenty-four (24) hours per day seven (7) days per week, provided all such fitness activities are conducted inside the establishment.
- i. Commercial uses shall be limited to those uses specifically permitted by City ordinance, now or in the future, in the Multiple-Family Commercial zone. In the event such uses are modified by zoning amendment, previously existing permitted uses will be subject to the then applicable non-conforming use regulations of the zoning ordinance.
- j. Residential units may be occupied by a single "family" and no more than one person not a member of the family occupying the premises as part of an individual housekeeping unit. "Family" is defined for purposes of this Agreement in the same manner as it is defined by the City Ordinance 79 (3)(32), as now existing or hereafter amended, modified, renumbered, or substituted: "Family" is defined as one person or two or more persons related by blood, marriage, or adoption occupying a dwelling as an individual housekeeping unit.
- k. The Developer's obligations to remove snow and ice from City sidewalks as set forth in this Agreement shall be made part of the obligations of the Association in the Project Condominium Documents.
- l. The total number of multi-family residential dwelling units (residential condominium units) within the Project will initially be established by the Project Condominium Documents at or below the 104 maximum dwelling units

permitted for the Project by City Ordinances #79, #180 and #188. In accordance with any additional requirements of the Project Condominium Documents, (i) a residential condominium unit may be combined horizontally or vertically with one or more other residential condominium units to allow such combined units to be used as a larger single family dwelling unit under applicable City ordinances, or (ii) a larger residential condominium unit (or combined condominium units) may be divided into two or more smaller residential condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate single family dwelling units under applicable City ordinances; provided the total number of residential dwelling units does not exceed the 104 residential dwelling units permitted for the Project by City ordinance. Similarly, in accordance with any additional requirements of the Project Condominium Documents, (i) a commercial condominium unit may be combined horizontally with one or more other commercial condominium units to allow such combined units to be used as a larger commercial space under applicable City ordinances, or (ii) a larger commercial condominium unit (or combined condominium units) may be divided into two or more smaller commercial condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate commercial spaces under applicable City ordinances.

- m. No left turns shall be permitted from the Project directly onto Sunset Street.
- n. The Developer or Developer's successor (the Association) shall be responsible in perpetuity for the removal of snow and ice on City sidewalks on the north side of Melrose Avenue from the intersection of Melrose Avenue and Sunset Street west to the Project boundary. Snow removed shall not be deposited upon City streets but may be deposited adjacent to the sidewalk upon the area within the City right-of-way. All snow removed from other areas of the Project shall be deposited on the Project's property or elsewhere but not upon City streets, City right-of-way, or any other property owned or controlled by the City or upon private property (other than the Project) except with the permission of the property owner.
- o. Developer and City acknowledge and agree that the residential portion of the Project is being built to standards consistent with owner occupied residential units, but that rental of such units by the Developer and/or subsequent owners is permissible. The residential units will be subject to the same rental requirements, restrictions, and definitions for family as other residential properties in the City. Additionally, the Condominium Declaration shall contain provisions giving the Association reasonable authority to adopt and implement rules to address any issues that may arise from rented units in order to protect owner occupants' peaceful use, enjoyment and unit values.

- p. The Developer and/or the Project's owners' association shall under the Project Condominium Documents have the responsibility to maintain any exterior public space that is shown on the PUD plan or otherwise incorporated into the Project.
- q. The Developer and/or the Project's owners' association will report to the City Council any intention to install more surface parking within the Project than is shown on the approved PUD Plan. The maximum amount of surface parking is 108 spaces pursuant to Ordinance 79(13)(B)(6).
- r. In the event the City becomes the owner of the easterly most commercial unit on the ground level of the south building of the Project, the condominium Declaration shall provide that the exterior fenced green-space area adjacent to and east of such unit (as shown on the attached Exhibit B) and the area on the south plaza adjacent to the entry door to such unit (also shown on Exhibit B) shall be a limited common element of the condominium associated exclusively with such City-owned unit, to be insured (general liability, not casualty) by the City and to be subject to the City's rules and regulations for use by the City and its invitees, guests and the general public. This limited common element shall be maintained by the Association. The limited common element will exclude the sidewalk at the east end of the South building that will be reserved as a general common element for all unit owners, and the City agrees that it will not impede the other unit owners and their invitees, customers, clients and guests from traversing upon the sidewalk (general common element) adjacent to the City-owned unit and associated limited common elements, for reasonable access to and from other condominium units in the Project. The condominium Association shall be responsible for the care, upkeep, maintenance, and repair of the sidewalk as a general common element.
- s. In the event the City becomes the owner of a commercial unit of the Project, and so long as the City is such an owner, then in addition to being a voting member of the Association with all rights of membership afforded to unit owners by the Declaration, one (1) representative of the City, as appointed from time to time by the City Council, shall be a member of the Association's Board of Directors (its governing board).
- t. The Developer agrees for itself and for its successors and assigns that each deed or other conveyance shall contain the following covenants on the part of the Developer for itself and all such successors and assigns:
  - i. That the real property comprising the Project shall be devoted only to and in accordance with the uses specified in this Agreement subject to any modification of such uses that might be contained in the Urban Renewal Plan that will be adopted as part of a separate economic incentives agreement between the Developer and the City upon which this Agreement is Conditioned (see paragraph 16 below).

- ii. That any owner of the real property comprising the Project shall not discriminate upon the basis of age, race, creed, color, disability, gender identity, marital status, sex, sexual orientation, religion, national origin, or the presence or absence of dependents or public assistance source of income in the sale, lease, or rental or in the use or occupancy of the property or any improvements erected or constructed or to be erected or constructed on that property or any part thereof.
- u. It is intended that the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in paragraph 3(t)(ii) above, both for and in its own right and also for purposes of protecting the interests of the community and other parties, public and/or private, in whose or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the City. The City shall have the right in the event of any breach of any such agreement or covenant to exercise all the rights and remedies and to maintain any actions or suits at law and/or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled, and shall be entitled to recover, in addition to its court costs, reasonable lawyer fees and litigation expenses.

4. **Easements.** Before the issuance of any occupancy permit for the Project, the Developer shall have granted to the City the following easements to be in a form approved by the City Attorney:

- a. An easement for the erection, maintenance, replacement and use of a bus shelter along Melrose Avenue, as shown on the PUD Plan, to the extent not within City right-of-way. The bus shelter shall be installed, maintained, repaired and replaced by the City or, in accordance with a 28E agreement, by the municipal provider of the bus service.
- b. An easement for any portion of the sidewalk adjacent to the Project along Melrose Avenue not within City right-of-way, which sidewalk shall be installed and maintained by the Developer or Developer's successors (Association and/or unit owners).

In addition to the forgoing easements to be granted to the City, before the issuance of any building permit for the Project, the Developer shall have obtained easements as needed from any adjacent property owner for implementation of the storm water management plan approved by the City for the Project.

5. **Dedication of Right-of-way.** Before the issuance of any occupancy permit for the Project, the Developer shall have dedicated to the City the portions of Melrose Avenue shown on the approved PUD Plan for dedication, with such dedication documentation to be in a form approved by the City Attorney.

6. **Public Street Improvements/Project Turn Lane Improvements.**

a. As a public improvements project, the City shall be responsible for intersection and related improvements to the intersection of Sunset Street and Melrose Avenue, including paving relocation, traffic controls and sidewalks within City right-of-ways (“Intersection Improvements”) as may be determined by the City. Developer shall dedicate to the public, without cost to the City, any right-of-way needed for the Intersection Improvements provided such dedication does not make the Project nonconforming with any applicable governmental requirements. The Developer shall, at Developer’s expense, provide to the City the necessary design, plans and bidding documents for the Intersection Improvements. The City shall bid the project in accordance with applicable laws and regulations and pay for the Intersection Improvements with City revenue other than any tax increment revenues the parties contemplate and agree that any indebtedness the City may incur for such Intersection Improvements will constitute a protected levy and will be paid, in proportionate part, by incremental taxes generated by and from the Project with priority over any tax rebate pursuant to an economic incentives agreement between the parties, all to be in accordance with Iowa law. Upon the City’s completion of the Intersection Improvements the Developer shall gift to the City, if the land area is not otherwise needed for Project zoning or other regulatory compliance, the easterly wooded portion of the Maxwell Parcel (commonly known as the “Ravine”) to thereafter be owned and maintained by the City as a natural area. The City and the Developer shall have an inspection of the Ravine area prior to the turnover to the City to ensure that there are no major environmental or structural issues needing remedy prior to the turnover.

b. As part of the Developer’s Project, the Developer shall be responsible for desired left turn lane improvements into the Project’s private entrance drive from Melrose Avenue as shown on the PUD Plan, including paving, any traffic controls and sidewalks (“Project Turn Lane Improvements”). Developer shall dedicate to the public, without cost to the City, any right-of-way needed for the Project Turn Lane Improvements. The Developer, at Developer’s expense, shall be responsible for the design, plans and construction of the Project Turn Lane Improvements, which shall be installed according to plans and specifications approved by the City’s engineer. The Developer’s construction of the Project Turn Lane Improvements shall commence after the issuance of a building permit for Phase One of the Project, with the objective of completing the Project Turn Lane Improvements by the time the first Occupancy Permit for Phase One of the Project is ready for issuance. The City and the Developer agree that any damage to Melrose Avenue caused by heavy traffic due to construction of the front or back building shall be the responsibility of the Developer. In addition, if the private north/south road is used by an entity to construct facilities north of the property, then the Developer shall also be responsible for any necessary repair to Melrose Avenue due to excess traffic or construction equipment traffic.

7. **Timing of Construction.**

a. The Developer will use commercially reasonable efforts under all relevant circumstances to keep the Project advancing. Commencement of construction will be dependent on multiple factors such as, but not limited to: i) the timing of St. Andrew Church's vacation of the property; ii) final building plans completion; iii) Project financing arrangements; iv) construction bidding "climate"; iv) materials availability; vi) public infrastructure installation; vii) marketing, pre-sales and pre-leasing; viii) lender requirements; and ix) availability of municipal Project support.

b. The Project is likely to be constructed in phases, with the first phase to be the construction of the proposed south multi-family residential/commercial building and improvements ("Phase One"). Developer is presently intending, if possible, to start construction on Phase One late summer 2015. Construction on Phase One will likely commence while the Saint Andrew Presbyterian Church ("Church") continues to occupy the existing church building on the North portion of the property. The City shall allow such construction of Phase One during the Church's continuing use and occupancy, provided that before issuance of any occupancy permit for Phase One the Church's use and occupancy of the existing building shall have ceased. Before issuance of a building permit for Phase One, the Developer will provide the City with a Church parking plan to be used during the Construction of Phase One while the Church remains operational at the Project sight. The second phase of the Project will be the razing of the existing church building and the construction of the new multi-family residential structure and improvements on the north side of the Project (Phase Two). Developer is presently intending, if possible, to start construction on Phase Two early summer 2016, soon after the Church has vacated the existing church building.

c. Once construction commences, Developer shall use commercially reasonable efforts to complete construction as efficiently and in as timely a manner as the parameters of the Project permit and to be substantially completed within three years after the commencement date.

d. In any event, construction on the Project shall commence within five (5) years after the date the City approves Developer's PUD Plan Application, and if construction does not commence within that period, then the City's approval of that PUD Plan Application and this Agreement are revoked automatically without requirement of further action by City; provided, however, the City shall give the Developer (or Developer's successor, as may be then applicable) not less than twenty-four months nor more than thirty-six months advance written notice of the automatic expiration of such five (5) year development period.

8. **Neighborhood Businesses.** Developer will use commercially reasonable efforts to secure tenants or owners for the commercial units within the Project to operate businesses from among the business uses permitted by applicable City ordinances.
9. **Sale or Lease of Space to Property Tax Exempt Entities.** Unless approved in advance by Resolution of the City Council, until 25 years after the approval of the initial building permit for the Project, the Developer (including its successors and assigns) shall not sell or lease any commercial unit of the Project to a property-tax exempt entity if such sale or lease will result in such commercial unit becoming property exempt from the payment of property tax. Until 30 years after the last payment of any TIF benefits to the Developer, the Developer (including its successors and assigns) shall not sell or lease any residential unit of the Project to a property tax exempt entity if such sale or lease will result in such residential unit becoming exempt from the payment of property tax.
10. **Payment by the Developer of Costs and Fees.** The Developer has in writing already agreed to reimburse, and has already commenced reimbursing, the City for certain costs and fees associated with Developer's PUD Application. The Developer affirms its obligations to reimburse the City as specified in the previously executed agreement.
11. **Conflicts of Interest.** Developer agrees that, to the best of his knowledge and belief, no member, officer or employee of the City, or its designees or agents, nor any consultant or member of the governing body of the City, and no public official of the City who exercises or has exercised or will exercise any functions or responsibilities with respect to the Project during his or her tenure, or who was or is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.
12. **Lease Clause.** Any lease that the Developer (or its successors or assigns) may enter into for a commercial Unit in the Project shall provide that the tenant shall not approach the City Council for, or receive, any direct or indirect lease subsidy.
13. **Representations and Warranties of Developer.**
  - a. The Developer is a person of legal age and is competent and otherwise has the power to enter into and perform this Agreement. The Developer is contemplating assigning this Agreement and the Developer's obligations hereunder to a development entity in which the Developer will be one of the principal owners ("Development Entity"). The Development Entity will have the power and authority to assume and fully perform this Agreement. The Development Entity will have the power to perform all of the obligations hereunder without violating any provisions of its organizational documents, any other agreement or the laws of the State of Iowa. Developer shall promptly notify the City of any and all changes whatsoever with respect to the identity of

the parties in control of the Development Entity and the parties owning the real property comprising the Project or any part of that property through the time an occupancy permit is issued for Phase One of the Project.

b. The Developer has the full power and authority to execute this Agreement (and the Development Entity will have the full authority to assume this agreement as successor to Developer) and this Agreement shall constitute the legal, valid and binding obligation of the Developer (the Development Entity once assigned) in accordance with its terms, and the consent of no other party is required for the execution and delivery of this Agreement by the Developer or the consummation of the transaction contemplated thereby by the Developer or the Development Entity.

c. The making of this Agreement by the Developer, and the performance of this Agreement by the Developer or Development Entity and the execution and delivery of the documents to be delivered by the Developer and/or the Development Entity pursuant hereto, have been duly authorized by all necessary action of the Developer (or will be duly authorized by all necessary action of the Development Entity) and this Agreement and such documents will be valid and binding obligations of the Developer (or Development Entity) enforceable in accordance with their terms.

d. The Developer (or Development Entity) will cause the Project to be constructed and maintained in accordance with this Agreement, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations), except for minor variances necessary to construct the Project contained in any construction plans approved by the City.

e. The Developer (or Development Entity) will use its best efforts to obtain, or cause to be obtained, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations that must be obtained or met before the Project may be lawfully constructed. The Developer's (or Development Entity's) architect will work with the City's staff on the final designs of the Project to confirm that they are materially in compliance with the approved PUD Plan. If the final exterior design substantially deviates from the PUD Plan, it shall be subject to approval by the City Council.

f. Through the time an occupancy permit is issued for Phase One of the Project, the Developer (or Development Entity) may not and shall not engage in any financing or any other transaction creating any mortgage, encumbrance, or lien upon the property comprising the Project, whether by express agreement or operation of law, or suffer any encumbrance to be made on or attach to that property, except for the purposes of obtaining funds to the extent necessary for making the improvements associated with the Project, including, all direct and indirect Project costs including, but not limited to, the costs of land, demolition, project phasing, temporary access for Developer and the Church, development, design, architecture, engineering, legal, accounting, construction, administration, management, marketing, financing, accounting, exterior and interior

improvements, furnishings, fixtures, and any other direct and indirect cost associated with the Project.

g. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which he is bound (nor to which the Development Entity will become a party or will become bound), nor do they constitute a default under any of the forgoing.

h. The Developer (or Development Entity) will spend enough in construction of the Project, when combined with the value of the real estate and related site improvements, to equal or exceed any Assessor's Minimum Actual Value that may be set forth in a separate economic incentives agreement with the City upon which this Agreement is Conditioned (see paragraph 16 below). Any covenants and agreements of the Developer (or Development Entity) applicable to any Assessor's Minimum Actual Value shall be specified in the separate economic incentives agreement. The Developer (or Development Entity) will document his or its investment in the Project and provide evidence of such investment in accordance with the requirements of the economic incentives agreement to be entered into with the City. The economic incentives agreement will specify a minimum amount of investment in the Project to be shown by the Developer (or Development Entity).

i. The Developer has not received any notice from any local, state or federal official that the activities of the Developer with respect to the Project's underlying real estate may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has been notified or has notice). The Developer is not aware of any violation of any local, state or federal law, regulation or review procedure which would give any person valid claim under any state or federal environmental statute.

j. The Developer (or Development Entity) shall proceed with due diligence to obtain construction financing commitments, which commitments shall be sufficient to enable the Developer (or Development Entity) to successfully complete the Project as contemplated in this Agreement in accordance with the Approved PUD Plan. Developer (or Development Entity) will obtain all financing commitments necessary for the construction of the Project prior to the issuance of a foundation permit, and provide a copy of such commitments to the City in connection with such permit request. This agreement is contingent upon Developer (or Development Entity) obtaining financing upon terms and conditions satisfactory to the Developer (or Development entity). In the event such financing is not obtained by the Developer within one year from the date of this Agreement, Developer shall have the right to terminate this Agreement.

k. The Developer (or Development Entity) will cooperate fully with the City in resolution of any traffic, parking, trash removal, public safety or any other problems that may arise in connection with the construction or operation of the Project. The Developer (or Development Entity) shall submit a written construction management plan to the City's engineer for approval. The Developer (or Development Entity) will reasonably coordinate staging for construction of the Project with the City's engineer. Developer (or Development Entity) shall obtain from the City any necessary temporary construction easements as may be reasonable required for the Project, and the City shall cooperate in granting necessary easements without unreasonable delay or cost, aside from the City's actual and reasonable costs of reviewing and recording such easements.

l. The Developer (or Development Entity) will keep the City informed regarding the status of the Project by responding to inquiries from representatives of the City and furnishing progress reports as reasonably requested, but not less than quarterly during construction.

14. **Binding.** This Agreement is binding on the parties hereto and their respective successors and assigns.
15. **Complete Agreement.** The Agreement and the Approved PUD Plan represents the complete agreement of the parties on the matters contained herein.
16. **Other Matters.** At the time of negotiation of this Agreement, matters relating to City participation in the Project and City's use of space within the Project were unresolved. The City and Developer reserve for further discussion and resolution by separate written agreement (1) all matters regarding economic incentive financing or other municipal support for the Project, and (2) the City's acquiring or leasing space within the commercial portion of the Project for municipal use. The Developer shall notify the City prior to selling or leasing the final 2,400 square feet of commercial space, in order to determine the City's interest in acquiring or leasing such space.

This Agreement is subject to and conditioned upon a mutually acceptable economic incentives agreement being entered into between the City and the Developer specifying the terms of and conditions for economic incentives that may be provided to the Project by the City.

17. **Notices and Demands.** A notice, demand, request, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, or delivered personally to the other.
- a. In the case of the Developer, such notice, demand, request, or other communication shall be addressed or delivered personally to Jeffrey L. Maxwell, 3011 Sierra Court Southwest, Iowa City, Iowa 52240. A copy shall be sent to

Thomas H. Gelman, 321 East Market Street P.O Box 2150, Iowa City, Iowa 52244.

- b. In the case of the City, such notice, demand, request, or other communication shall be addressed or delivered personally to City of University Heights, 1004 Melrose Avenue, Iowa City, Iowa 52246. A copy shall be sent to Steven E. Ballard, 222 South Linn Street, Iowa City, Iowa 52240.
  - c. Either party may designate such other addresses for purposes of receiving such notice, demand, request, or other communication by providing another address in writing to the other as provided in this paragraph 17.
18. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one Agreement.
19. **Amendment.** This Agreement may be amended only by written instrument signed by both parties.

[Remainder of Page left Blank - Signature Page Follows]

DATED this 9<sup>th</sup> day of June, 2015.

CITY OF UNIVERSITY HEIGHTS, IOWA

DEVELOPER

By: Louise A. From  
Louise From, Mayor

Jeffrey L. Maxwell  
Jeffrey L. Maxwell

ATTEST: Christine M. Anderson  
Christine Anderson, City Clerk

STATE OF IOWA )  
                          )  
                          ) SS:  
COUNTY OF JOHNSON )

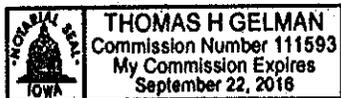
On the 9<sup>th</sup> day of June, 2015, before me, a notary public in and for the state of Iowa, personally appeared Louise From, Mayor, and Christine Anderson, Clerk of the City of University Heights, to me personally known, and who, being by me duly sworn, did say that they are the Mayor and City Clerk of the City of University Heights, Iowa; that the seal affixed to this instrument is the corporate seal of the City; and that said instrument was acknowledged and sealed on behalf of the City, and that Louise From and Christine Anderson acknowledged the execution of said instrument to be their voluntary act and deed and the voluntary act and deed of the City, by it and by them voluntarily executed.



[Signature]  
Notary Public in and for the State of Iowa  
My Commission expires 7-16-15

STATE OF IOWA )  
                          )  
                          ) SS:  
COUNTY OF JOHNSON )

The foregoing instrument was acknowledged before me on December 1, 2015, by Jeffrey L. Maxwell.



[Signature]  
Notary Public in and for the State of Iowa  
My Commission expires Sept. 22, 2016

Exhibit A – Legal Description of Site for  
**One University Place Project**

**St. Andrew Parcels**

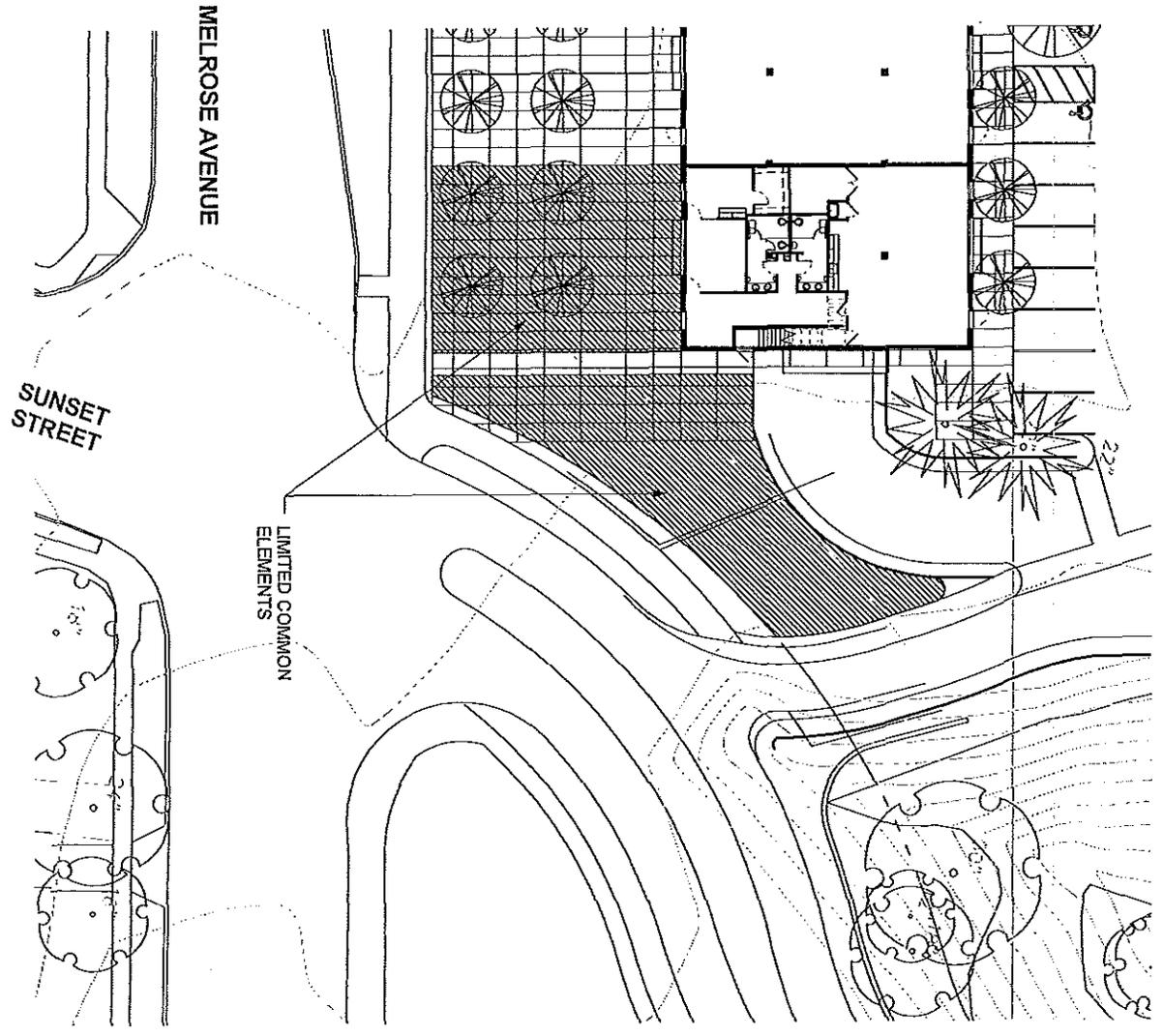
Beginning at the Northeast Corner of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M.; thence North 89 degrees West along the North line of said Section 17, 402.6 feet, thence South 16 degrees East 490 feet to the Northerly line of Snook's Grove Road as now established; thence North 73 degrees East along the Northerly line of said road 291.3 feet; thence North 1 degree 40' West to the point of beginning, as shown by Plat recorded in Plat Book 4, Page 383.

and

That part of the northeast quarter of the northeast quarter of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M., described as Auditor's Parcel 96091 on plat of survey recorded in Book 38, Page 125, Plat Records of Johnson County, Iowa.

**Maxwell Parcel**

Auditor's Parcel 2005091 according to the Plat of Survey recorded in Book 49, Page 284, Plat Records of Johnson County, Iowa, being a portion of Outlot 1 and of Lot 238, University Heights, Second Subdivision, according to the plat thereof recorded in Book 2, Page 76, Plat Records of Johnson County, Iowa; EXCEPT beginning at the Southwest corner of Auditor's Parcel 2005091, thence North 0°00'00" East 19.48 feet along the West Line of said Auditor's Parcel (assumed bearing for this description only), thence North 74°40'39" East 8.58 feet to a point of intersection of the Westerly right-of-way line of Sunset Street, thence South 20°48'18" West 23.29 feet along said right-of-way to said point of beginning and containing 81 square feet more or less.



MELROSE AVENUE

SUNSET STREET

UNITED COMMON ELEMENTS



## DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of University Heights, Iowa (the "City") and Jeffrey L. Maxwell, (the "Developer") as of the 11<sup>th</sup> day of August, 2015 (the "Commencement Date").

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

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

WHEREAS, the Developer has proposed to undertake the construction and development of the One University Place development project on the Property (the "Project") in accordance with the terms and conditions set forth in a certain PUD Plan Application and the PUD Development Agreement (the "PUD Documents") between the City and the Developer (attached hereto as Exhibit B); and

WHEREAS, the Project will consist of the construction of a building containing residential condominium units and a second building containing commercial/retail condominium units, an additional space that will be available to the City for use as a community center and residential condominium units above; and

WHEREAS, the Developer has requested that the City provide financial assistance in order to complete the construction of the commercial/retail units (the "Commercial Project"), such assistance to be in the form of incremental property tax payments to be used by the Developer in paying the costs of designing, constructing and maintaining the Commercial Project; and

WHEREAS, the base valuation of the Property for purposes of Section 403.19 of the Code of Iowa is zero dollars \$0.00 (the "Base Valuation"); and

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

NOW THEREFORE, the parties hereto agree as follows:

**A. Developer's Covenants**

**1. Project Construction.** The Developer intends to construct the Project on the Property. The Developer agrees to construct the Commercial Project as part of the Project. The Developer has submitted a detailed site plan (the "Site Plan") for the development of the Project to the City which was approved on June 9, 2015 and is set forth as Exhibit B hereto. The Developer agrees to construct the Project in accordance with the Site Plan and the PUD Documents, subject to modifications with prior approval of the City.

2. **Property Taxes.** The Developer agrees to make and/or ensure timely payment of all property taxes due on property or units owned by the Developer as they come due with respect to the Property throughout the Term, as hereinafter defined, and to submit a receipt or cancelled check in evidence of each such payment for which the Developer is responsible.

3. **Developer's Certifications.** The Developer agrees to submit documentation (the "Developer's Certificate") to the satisfaction of the City by no later than each October 15 during the Term, as hereinafter defined, beginning October 15, 2016, demonstrating that the Developer is in compliance with the PUD Documents. Beginning on the first October 15 following the issuance of a certificate of occupancy with respect to the Commercial Project, such Developer's Certificate shall include documentation demonstrating that the completed Commercial Project is being occupied by viable commercial enterprises

4. **Property Tax Payment Certification.** Furthermore, the Developer agrees to certify to the City by no later than October 15 of each year, commencing October 15, 2016, an amount (the "Developer's Estimate") equal to the estimated Incremental Property Tax Revenues anticipated to be paid in the fiscal year immediately following such certification with respect to the taxable valuation of the Property factored by the Annual Percentage (as hereinafter defined). (As such, the Developer's Estimate submitted on or before October 15, 2016 shall project Incremental Property Tax Revenues anticipated for the City's fiscal year ending June 30, 2018.) In submitting each such Developer's estimate, the Developer will complete and submit the worksheet attached hereto as Exhibit C. The City reserves the right to review and request revisions to each such Developer's Estimate to ensure the accuracy of the figures submitted. For purposes of this Agreement, Incremental Property Tax Revenues are determined by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Johnson County, above and beyond the Base Valuation; and (4) deducting any property tax credits which shall be available with respect to the Property.

5. **Community Center.** The Developer agrees, as part of the Commercial Project to build out and finish, but not furnish, a 2,200 square foot, more or less, commercial condominium unit comprising office/meeting space (the "Community Center Space") for lease by the City. The Developer shall enter into a lease-purchase agreement (the "Lease-Purchase Agreement") with the City, as described in Section B.6 below, with aggregate lease rental payments in an amount equal to \$390,000, plus a commercially reasonable rate of interest, plus any taxes, insurance, maintenance, repairs and replacements and a share of common area maintenance allocable to such rental property. Upon satisfaction of all payments and performance by the City under the Lease-Purchase Agreement, but subject to the City having appropriated and/or satisfied all Payments (as hereinafter defined) under this Development Agreement, the Developer shall convey fee simple title in the Community Space to the City.

6. **Intersection and Project Turn Lane Improvements.** The Developer requests that the City cause the construction of the Intersection Improvements (as defined in the PUD Documents), and the Developer agrees to reimburse the City for the costs incurred in connection with such Intersection Improvements within fifteen days' of notification by the City that such costs have been incurred. .

The Developer also requests that the City cause the construction of the Project Turn Lane Improvements (as defined in the PUD Documents), and the Developer agrees to reimburse the City for the costs incurred in connection with such Project Turn Lane Improvements within fifteen days' of notification by the City that such costs have been incurred. To the extent this Paragraph A(6) and Paragraph B(5) below are inconsistent with the requirements of Section 6(b) of the PUD Development Agreement entered into between the City and the Developer (which has the Developer designing, installing and paying directly for the Project Turn Lane Improvements), this Agreement shall control.

7. **Accessible Playground.** The Developer intends to construct a playground on the Property as part of the Project. The Developer agrees to construct the playground in a manner such that it is accessible to children with disabilities, and to allow for reasonable use thereof by the public (i) during the Term, so long as the City has then-currently appropriated and/or satisfied the Payments (as hereinafter defined) under this Development Agreement; and (ii) after the Term, so long as the City fully satisfies all Payments under this Development Agreement.

8. **Insurance.**

(a) The Developer, and any successor in interest to the Developer in its capacity as Property's developer, including, but not necessarily limited to the Condominium Owners' Association for the Project, shall obtain and continuously maintain insurance on the Property and the completed Project and, from time to time at the request of the City, furnish proof to the City that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that must be so obtained and continuously maintained, provided that the Developer shall obtain the insurance described in clause (i) below prior to the commencement of construction of the Project (excluding excavation and footings):

- (i) Builder's risk insurance, written on the so-called "Builder's Risk—Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Project at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy.
- (ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's/Contractor's Policy naming the City, as an additional insured, with limits against bodily injury and property damage of not less than \$2,500,000.00 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.
- (iii) Workers compensation insurance, with statutory coverage.

(b) All insurance required in this Section shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State of Iowa to assume the risks covered by such policies. Unless otherwise provided in this Section, each policy must contain a provision that the insurer will not cancel nor modify the policy without giving written notice to the insured at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer, or its successors or assigns, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Section. In lieu of separate policies, the Developer or its successors or assigns, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

(c) The Developer, its successors or assigns, agrees to notify the City promptly in the case of damage exceeding \$250,000.00 in amount to, or destruction of the Project resulting from fire or other casualty. Furthermore, the Developer further agrees to apply the proceeds from any and all casualty claims made against the insurance detailed in this Section to the restoration and/or improvement of the Property and/or the Project.

9. **Indemnification.** The Developer agrees to indemnify, defend and hold harmless the City, its officers, employees and departments, from and against any and all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) arising from or in connection with, and limited to, any of the following:

(a) Any claim, demand, action, citation or legal proceeding arising out of or resulting from the Developer's or its agent's, contractor's or subcontractor's construction of the Project.

(b) Any claim, demand, action, citation or legal proceeding arising out of or related to occurrences that the Developer or successors in interest will insure against in connection with the Project and/or the Property.

(c) Any claim, demand, action, citation or legal proceeding arising out of or resulting from an act or omission of the Developer or any of its agents in its or their capacity as an employer of a person.

10. **Representations and Warranties.** The Developer represents and warrants that:

(a) The Developer has the legal capacity to enter into this Agreement and to perform its obligations hereunder.

(b) The construction of the Commercial Project would not be undertaken by the Developer, and, in the opinion of the Developer, would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit provided to the Developer by the City under this Agreement.

(c) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of, or compliance with, the terms and conditions of this Agreement is prevented, limited by, or conflicts with, or results in a breach of, the terms, conditions or provisions, or any other restriction, or any evidences of indebtedness, agreement, or instrument of whatever nature to which the Developer is a party, or by which it is bound or constitutes a default under any of the foregoing.

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

(a) Failure by the Developer to commence and complete construction of the Project pursuant to the terms and conditions of this Agreement. Failure to complete the Project by the stated completion date due to unavoidable delays shall not constitute default of this Agreement.

(b) Failure by the Developer to fully and timely remit payment of property taxes when due and owing on property or units owned by the Developer, but excluding units sold to bona fide purchasers.

(c) Material failure to comply with the terms and covenants set forth in this Section A.

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

(a) Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.

(b) Withhold Payments provided for under Section B below.

**12. LMI Determination.** The City and the Developer hereby acknowledge and agree that, based on all applicable and available facts and circumstances related to the Commercial Project and the City’s provision of economic development support thereto, the provisions of Section 403.22 of the Code of Iowa do not apply in this situation, and no special set aside of funds for “low and moderate income” family housing assistance is required. Among other relevant facts, the parties are aware and rely upon the City Council having expressed its intent under Resolution No. 15-30 and in the Urban Renewal Plan for the Urban Renewal Area that its economic development participation is focused upon ensuring the completion of the Commercial Project and the Developer having requested financial assistance based upon its representations set forth in Section A.10(b) above. The Developer acknowledges that the Payments provided for under Section B below are requested and attributable only to costs allocable to the development, design, construction, operation and maintenance by the Developer of the Commercial Project. In the unanticipated circumstance that, through action of the legislature, an administrative body or court of law, it is ever determined that the provisions of Section 403.22 of the Code of Iowa apply to the

provision of Incremental Property Tax Revenues from the Project hereunder, the Developer agrees that the Payments provided for under Section B below shall be modified to (1) fund any low and moderate income set aside as may then be required; and (2) comply with any time limitations imposed by law on the collection of Incremental Property Tax Revenues. Furthermore, to the extent that modifications to said Payments are insufficient to cover the then-required low and moderate income set aside, the Developer shall reimburse to the City from Payments previously received an amount sufficient to cover the shortfall.

**13. Legal and Administrative Costs.** The Developer hereby agrees to cover the legal fees and administrative costs incurred by the City in retaining Dorsey & Whitney LLP in connection with the drafting, negotiation and authorization of this Agreement, including the prerequisite establishment of the urban renewal plan, up to an amount not in excess of \$20,000. The Developer agrees to remit payment to the City within 30-days of the submission of reasonable documentation by the City to the Developer evidencing such costs.

**14. Sale or Lease of Space to Property Tax Exempt Entities.** Unless approved in advance by Resolution of the City Council, until 25 years after the approval of the initial building permit for the Project, the Developer (including its successors and assigns) shall not sell or lease any commercial unit of the Project to a property-tax exempt entity if such sale or lease will result in such commercial unit becoming exempt from the payment of property tax. Until 30 years after the last payment of any TIF benefits to the Developer, the Developer (including its successors and assigns) shall not sell or lease any residential unit of the Project to a property tax exempt entity if such sale or lease will result in such residential unit becoming exempt from the payment of property tax.

**B. City's Obligations**

**1. Payments.** In recognition of the Developer's obligations set out above, the City agrees to make annual economic development tax increment payments (the "Payments") to the Developer during the Term, as hereinafter defined, pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that (i) the number of Payments shall not exceed fifteen (15) once the Project has been fully assessed and the total amount of the Payments shall not exceed \$6,705,112 (the "Maximum Payment Total"), and (ii) all Payments under this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

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

Each Payment shall not exceed an amount which represents 95% (the "Annual Percentage") of the Incremental Property Tax Revenues available to the City with respect to the Property during the Twelve (12) months immediately preceding each Payment date.

It is assumed that a portion of the new valuation from the Project will go on the property tax rolls as of January 1, 2016. Accordingly, the Payments will be made on June 1 of each fiscal year, beginning on June 1, 2018 and continuing until fifteen (15) Payments have been funded by the full incremental valuation of the completed Project, or until such earlier date upon which total

Payments equal to the Maximum Payment Total have been made, provided, however, that no Payments shall be made after June 1, 2037.

2. **Annual Appropriation.** The parties acknowledge that the Developer's feasibility analysis for the Commercial Project has relied materially on the municipal assistance to the Commercial Project provided by the Payments under this Agreement, and that the Developer would not proceed with the Project in its current configuration or with the Commercial Project at all without the assurances of such assistance, and that the Developer would much prefer a commitment from the City not subject to annual appropriation. However, as an accommodation to the City to help minimize the impact of the City's obligation to make the Payments on its bonding capacity, the parties agree that each Payment shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term of this Agreement, beginning December 1, 2016, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payments due in the following fiscal year, an amount (the "Appropriated Amount") of Incremental Property Tax Revenues to be collected in the following fiscal year equal to or less than the most recently submitted Developer's Estimate.

In any given fiscal year, if the City Council determines to not obligate the then-considered Appropriated Amount, then the City will be under no obligation to fund the Payments scheduled to become due in the following fiscal year, and the Developer will have no rights whatsoever to compel the City to make such Payments or to seek damages relative thereto or to compel the funding of such Payments in future fiscal years. A determination by the City Council to not obligate funds for any particular fiscal year's Payments shall not render this Agreement null and void, and the Developer shall make the next succeeding submission of the Developer's Estimate as called for in Section A.4 above, provided however that no Payment shall be made after June 1, 2037.

3. **Payment Amounts.** Each Payment shall be in an amount equal to the corresponding Appropriated Amount (for example, for the Payment due on June 1, 2018, the amount of such Payment would be determined by the Appropriated Amount determined for certification by December 1, 2016), provided, however, that each Payments shall not exceed the amount of Incremental Property Tax Revenues (excluding allocations of "back-fill" or "make-up" payments from the State of Iowa for property tax credits or roll-back) received by the City from the Johnson County Treasurer attributable to the taxable valuation of the Property factored by the Annual Percentage.

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

5. **Intersection and Project Turn Lane Improvements.** In accordance with the PUD Documents and in compliance with Chapter 26 of the Code of Iowa, the City shall cause the construction of the Intersection Improvements (as defined in the PUD Documents) and the Project Turn Lane Improvements (as defined in the PUD Documents).

6. **Community Center Lease-Purchase.** The City agrees to acquire the Community Center Space from the Developer by authorizing and entering into the Lease-Purchase Agreement. The Lease-Purchase Agreement shall be a financing lease with a principal component in the amount of \$390,000.00 and a commercially reasonable rate of interest to be mutually agreed to by the parties hereto. The Lease-Purchase Agreement shall be for a period of twenty (20) years at an interest rate of 3.5% per annum accruing on any unpaid principal balance, with monthly payments beginning the month after the Community Center Space is completed and ready for occupancy and continuing each month thereafter until paid in full. Upon full satisfaction of payments due and owing under the Lease-Purchase Agreement, the City shall take fee simple title in the Community Center Space from the Developer. The Lease-Purchase Agreement shall be authorized as a lease-purchase agreement payable from the City's general fund pursuant to Section 364.4(e)(1) of the Code of Iowa and shall not be payable from the debt service levy authority of the City.

C. **Administrative Provisions**

1. **Amendment and Assignment.** This Agreement may not be amended or assigned by either party without the written consent of the other party. However, the City hereby gives its permission that the Developer's rights to receive the Payments hereunder may be assigned by the Developer to a private lender, as security on a credit facility taken with respect to the Project, without further action on the part of the City. The City also hereby gives its consent to the anticipated Assignment of all of the Developer's obligations, rights, benefits, right to Payments and all other interests in this Agreement to ONE UNIVERSITY PLACE, LLC, a development entity to be formed in the near future by the Developer with other parties.

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

3. **Term.** The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 1, 2037 or on such earlier date upon which the aggregate sum of Payments made to the Developer equals the Maximum Payment Total.

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

5. **Notices.** Except as otherwise expressly provided in this Agreement, a notice or other communication under the Agreement, by either the City or the Developer to the other, shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and:

a) In the case of Developer, is addressed to or delivered personally to

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b) In the case of City, is addressed to or delivered personally to City Clerk, City Hall, 1004 Melrose Avenue, University Heights, Iowa, 52246, with a copy to the City Attorney, Steven E. Ballard, Leff Law Firm L.L.P., 222 South Linn Street, Iowa City, Iowa 52240.

c) Either party may upon written notice to the other party, change the address to which such notices and demands are made.

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

CITY OF UNIVERSITY HEIGHTS, IOWA

By: Loise A. From  
Mayor

Attest:

Christie M. Anderson  
City Clerk

JEFFREY L. MAXWELL

By: Jeffrey L. Maxwell

**EXHIBIT A**  
**LEGAL DESCRIPTION OF THE PROPERTY**

Certain real property situated in the City of University Heights, County of Johnson, State of Iowa legally described as follows:

**St. Andrew Parcels**

Beginning at the Northeast Corner of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M.; thence North 89 degrees West along the North line of said Section 17, 402.6 feet, thence South 16 degrees East 490 feet to the Northerly line of Snook's Grove Road as now established; thence North 73 degrees East along the Northerly line of said road 291.3 feet; thence North 1 degree 40' West to the point of beginning, as shown by Plat recorded in Plat Book 4, Page 383, and including all public rights-of-way and easement territory contained therein and adjacent thereto;

and

That part of the northeast quarter of the northeast quarter of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M., described as Auditor's Parcel 96091 on plat of survey recorded in Book 38, Page 125, Plat Records of Johnson County, Iowa, and including all public rights-of-way and easement territory contained therein and adjacent thereto.

**Maxwell Parcel**

Auditor's Parcel 2005091 according to the Plat of Survey recorded in Book 49, Page 284, Plat Records of Johnson County, Iowa, being a portion of Outlot 1 and of Lot 238, University Heights, Second Subdivision, according to the plat thereof recorded in Book 2, Page 76, Plat Records of Johnson County, Iowa; EXCEPT beginning at the Southwest corner of Auditor's Parcel 2005091, thence North 0°00'00" East 19.48 feet along the West Line of said Auditor's Parcel (assumed bearing for this description only), thence North 74°40'39" East 8.58 feet to a point of intersection of the Westerly right-of-way line of Sunset Street, thence South 20°48'18" West 23.29 feet along said right-of-way to said point of beginning and containing 81 square feet more or less, and including all public rights-of-way and easement territory contained therein and adjacent thereto

**EXHIBIT B**

**PUD DOCUMENTS AND SITE PLAN**

The “PUD Plan Application” is that certain “Multiple-Family Commercial PUD Plan Application” dated April 7, 2015, as modified May 19, 2015, submitted by Jeffery L. Maxwell and approved by the University Heights City Council by Resolution No. 15-30 on June 9, 2015, and Resolution No. 15-56 on August 11, 2015.

The PUD Plan Application includes the Site Plan.

The PUD Development Agreement is reproduced beginning on the following page and is numbered independent of this document.

Prepared by and return to:	Steven Ballard, Leff Law Firm, P.O. Box 2447, Iowa City, Iowa 52244-2447, (319) 338-7551
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**PUD DEVELOPMENT AGREEMENT**

This Agreement is entered into by and between **Jeff Maxwell**, hereinafter referred to as "Developer" and the **City of University Heights, Iowa**, hereinafter referred to as "City", pursuant to University Heights Ordinance, No. 79.

**RECITALS:**

- A. Developer is the owner of the real estate described and referred to as the Maxwell Parcel on the attached Exhibit A.
- B. Under a written purchase agreement, St. Andrew Presbyterian Church is the Seller, and Developer is the purchaser, subject to certain contingencies, of the real estate described and referred to as the St. Andrew Parcels on the attached Exhibit A.
- C. The Maxwell Parcel and St. Andrew Parcels are located within the City's limits and together comprise land zoned Multiple-Family Commercial. When used for multi-family and commercial purposes, Ordinance No. 79 requires the submittal of a Planned Urban Development (PUD) application and compliance with Ordinance 79(13), which section requires the Developer and the City to enter into a Development Agreement establishing development requirements and addressing certain other items enumerated in the ordinance.
- D. The Developer has submitted a PUD Application for development of the Maxwell and St. Andrew Parcels under a single project known presently as "One University Place" and referred to herein as the "Project".

E. St. Andrew Presbyterian Church ("Church"), as owner of the St. Andrew Parcels, has previously delivered to the City its continuing express written consent for Developer to submit to the City a Multi-Family Commercial PUD Plan Application together with such other materials, applications and requests as may be related to such PUD Plan Application and the project described therein. The Church is not a developer of the Project.

F. Developer and City wish to comply with the requirements of Ordinance 79(13), by entering into this Development Agreement setting out their agreements.

**IT IS HEREBY AGREED BY THE PARTIES AS FOLLOWS:**

1. **Purpose.** This Development Agreement is prepared for the purpose of complying with the Ordinance 79(13(E)).
2. **Building Plans and Construction Drawings.** Before any building permit is issued for all or any part of the Project, Developer shall submit to the City for approval detailed building plans, construction drawings, and related plans and applications for the Project in accordance with City requirements and procedures. Such plans shall reflect the design features and details of the PUD Plan approved by the City ("approved PUD Plan") and provide explanation of any variances. To the extent that the submitted plans contain new or modified details not already shown in the approved PUD Plan, the Council may establish reasonable conditions for approval of such newly provided details in accordance with its ordinances and state law. The City shall not issue building permits until such time as the City Council has in the exercise of its reasonable discretion approved by resolution all of the plans, drawings, and applications set forth below in this paragraph. Once approved by the City, the Project shall be constructed in accordance with the approved plans, drawings, and applications, which shall not be amended, changed, or otherwise altered in any material way without further resolution adopted by the City Council. Minor adjustments may be approved administratively by the City Engineer or other authorized party in accordance with the City's standard policies, practices, and procedures. The required plans and drawings shall include the following:
  - a. Building plans consistent in all material respects with the approved PUD Plan showing final design features applicable to the proposed Project, including but not limited to these:
    - i. Design of exterior lighting so that all site and building-mounted luminaires produce a maximum initial illuminance value no greater than 0.10 horizontal and vertical footcandles at the site boundary and no greater than 0.01 horizontal footcandles 10 feet beyond the site boundary. Document that no more than 2% of the total initial designed fixture lumens (sum total of all fixtures on site) are emitted at an angle of 90 degrees or higher from nadir (straight down).

- ii. Site plan showing the location of all buildings and improvements for the Project, including but not limited to these: the placement of all refuse receptacles (including trash cans, dumpsters, and grease traps) and proposed screening for such receptacles; driveways and parking plans showing appropriate dimensions for vehicle turning movements on site for garbage trucks, delivery vehicles, buses, and fire trucks.
  - iii. Grading plan, including Sensitive Areas Development Plan to the extent required pursuant to Ordinance 128.
  - iv. Landscaping Plan showing species and size of plantings as well as amenities such as walkways, benches, bicycle racks, exterior light fixtures, library book drop, entrance amenities, trash receptacles and other public amenities.
  - v. Storm Water Management Plan sufficient for the City to issue a Construction Site Runoff Permit pursuant to Ordinance 169.
  - vi. Storm Water Pollution Prevention Plan and application sufficient for the City to issue a Construction Site Runoff Permit pursuant to Ordinance 155.
  - vii. The granting and recording of utility easements, with appropriate plats, as may be reasonably sufficient for all public and private utilities and services supplying the Project as shown on the approved PUD Plan, with such easements and plats being subject to (i) review by the City's engineering consultants for sufficiency, and (ii) such approvals as may be needed from the City of Iowa City in regard to water main and sanitary sewer.
- b. Final Construction drawings consistent in all material respects with the approved PUD Plan showing:
- i. All final dimensions of the buildings and improvements to be included in the Project.
  - ii. All exterior building materials.
  - iii. All exterior colors.
  - iv. Other matters generally required to be shown for building permit approval.
  - v. The Developer need not include construction drawings of interior improvements intended to be built-out or finished by the owners or tenants of commercial or residential units. Such improvements will be subject to separate building permits, to the extent applicable, in accordance with standard City practices.
  - vi. Containing the utility boring specifications for storm sewer, sanitary sewer, and water main as were called out for boring on the Approved PUD Plan.

- c. The Developer will comply with City ordinances and good practices regarding fill materials and will employ a qualified geotechnical consultant to perform appropriate analysis and testing and to provide recommendations. Developer's consultant will make periodic reports on such matters to the City Engineer and/or the City's engineering consultants, as directed by the City.
  - d. The Project will be designed and built using current sustainable principles and with the intent to obtain LEED Certification. At the Construction Document phase of the Project, Developer shall submit to the City the Project's LEED Score Card demonstrating the Developer's intent to obtain LEED Certification for the Project (or the applicable portion thereof) based upon the LEED criteria existing at the time the Project's LEED Score Card is submitted to the City.
  - e. Failure by the City to identify a building code deficiency during plan review does not relieve the Developer from any obligation to comply with all applicable code provisions. Approval of building plans and/or construction drawings by the City shall not relieve any obligation to comply with the terms and provisions of this Agreement, or the provisions of applicable federal, State and local laws, ordinances and regulations. Approval of plans and/or construction drawings hereunder is solely for purposes of this Agreement, and shall not constitute approval for any other City purpose nor subject the City to any liability for the Project as constructed.
  - f. Walls separating units with bedrooms on each side of such party wall shall be designed to have a Sound Transmission Class (STC) of no less than 60 according to the ASTM E90 Standard Test Method for Laboratory Measurement of Airborne Sound Transmission Loss of Building Partitions and Elements.
3. **Restrictions on Use.** Developer and the City understand that the property constituting this Project will be submitted to a horizontal property regime pursuant to Iowa Code Chapter 499B; that is, the project will be a multi-use condominium comprising commercial and residential units configured in compliance with the zoning classification. At such time as Developer prepares a condominium declaration for the Project ("Declaration"), Developer will record such Declaration in accordance with applicable laws, and it shall contain restrictions as to use; rules and regulations; owners' association ("Association") matters (including, but not limited to, articles of incorporation and bylaws); and other governing provisions required by law and typical of condominium projects of this type; all to be appurtenant to the land (the "Project Condominium Documents"). As a condition for the approval of the first occupancy permit for the Project it shall be established by the Developer that the Project Condominium Documents shall have been recorded and shall include the following restrictions on the Project, which specific restrictions shall be enforceable by the City (in addition to the Association and/or unit owners) and shall not be permitted to be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council:

- a. Commercial uses may use outdoor sales areas within the Project only in compliance with local ordinances. This restriction applies at all times, including, but not limited to any day on which The University of Iowa plays football games in Kinnick Stadium ("Game Day"). All Game Day activities on both the commercial and residential portions of the Project shall be in compliance with City ordinances and any additional rules that may be imposed by the Association.
- b. Unless with the prior approval by Resolution of the City Council, no commercial use shall employ or have as an amenity or feature any sort of drive-through service area or walk up service window to pedestrians or to motor vehicles.
- c. Any proposed sign (whether lighted or not) associated with the advertising of any commercial use must either 1) be approved by the City Council, or 2) be in full compliance with sign covenants and restrictions applicable to the Project as may be incorporated into the Project Condominium Documents and expressly approved by Resolution of the City Council.
- d. No temporary signs on or visible from the exterior of a commercial establishment will be permitted except when located in a window of the establishment filling not more than 25% of the window space and for no more than 20 business days during any calendar year. Signs indicating that a business is open or closed or hours of operation, or containing governmentally required disclosures, shall not be deemed temporary signs.
- e. To the extent that a unit is for rent, one "For Rent" sign no larger than three feet by three feet (excluding stand) may be placed in or on the leased unit, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, one additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial leasing of the Developer's units, the Developer may either abide by the foregoing requirement or in lieu thereof place one leasing sign no larger than ten feet by ten feet (excluding stand) within the Project at a location reasonable visible to the general public from Melrose Avenue.
- f. To the extent that a unit is for sale, one "For Sale" sign no larger than three feet by three feet (excluding stand) may be placed in or on the unit for sale, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, an additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial sale of the Developer's units, the Developer may either abide by the foregoing requirement or in lieu thereof place one for sale sign no larger than ten feet by ten feet (excluding stand) within the

Project at a location reasonable visible to the general public from Melrose Avenue.

- g. All Project unit owners, occupants and guests shall comply with the noise ordinances of the City and otherwise not create any noise nuisances. Additionally, no music shall be permitted to be played through exterior speakers within any outdoor commercial service areas after 9:00 p.m. on Sundays through Thursdays, or after 10:00 p.m. on Fridays and Saturdays. Any music played through exterior speakers within outdoor commercial service areas shall otherwise be in compliance with City ordinances and any additional rules that may be imposed by the Association.
- h. Unless additional extended hours are approved by Resolution of the City Council, Commercial uses, other than fitness centers, may operate and remain open to the public between the hours of 6:00 a.m. and 10:00 p.m. on Sundays through Thursdays, and between the hours of 6:00 a.m. and 12:00 a.m. (midnight) on Fridays and Saturdays; provided, however, that all outdoor service areas shall close no later than 11:00 p.m. on Fridays and Saturdays. Owners, tenants and Employees may enter upon and remain in the commercial space at other times for business purposes that do not involve the coming and going of customers or clients. Fitness centers may operate twenty-four (24) hours per day seven (7) days per week, provided all such fitness activities are conducted inside the establishment.
- i. Commercial uses shall be limited to those uses specifically permitted by City ordinance, now or in the future, in the Multiple-Family Commercial zone. In the event such uses are modified by zoning amendment, previously existing permitted uses will be subject to the then applicable non-conforming use regulations of the zoning ordinance.
- j. Residential units may be occupied by a single "family" and no more than one person not a member of the family occupying the premises as part of an individual housekeeping unit. "Family" is defined for purposes of this Agreement in the same manner as it is defined by the City Ordinance 79 (3)(32), as now existing or hereafter amended, modified, renumbered, or substituted: "Family" is defined as one person or two or more persons related by blood, marriage, or adoption occupying a dwelling as an individual housekeeping unit.
- k. The Developer's obligations to remove snow and ice from City sidewalks as set forth in this Agreement shall be made part of the obligations of the Association in the Project Condominium Documents.
- l. The total number of multi-family residential dwelling units (residential condominium units) within the Project will initially be established by the Project Condominium Documents at or below the 104 maximum dwelling units

permitted for the Project by City Ordinances #79, #180 and #188. In accordance with any additional requirements of the Project Condominium Documents, (i) a residential condominium unit may be combined horizontally or vertically with one or more other residential condominium units to allow such combined units to be used as a larger single family dwelling unit under applicable City ordinances, or (ii) a larger residential condominium unit (or combined condominium units) may be divided into two or more smaller residential condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate single family dwelling units under applicable City ordinances; provided the total number of residential dwelling units does not exceed the 104 residential dwelling units permitted for the Project by City ordinance. Similarly, in accordance with any additional requirements of the Project Condominium Documents, (i) a commercial condominium unit may be combined horizontally with one or more other commercial condominium units to allow such combined units to be used as a larger commercial space under applicable City ordinances, or (ii) a larger commercial condominium unit (or combined condominium units) may be divided into two or more smaller commercial condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate commercial spaces under applicable City ordinances.

- m. No left turns shall be permitted from the Project directly onto Sunset Street.
- n. The Developer or Developer's successor (the Association) shall be responsible in perpetuity for the removal of snow and ice on City sidewalks on the north side of Melrose Avenue from the intersection of Melrose Avenue and Sunset Street west to the Project boundary. Snow removed shall not be deposited upon City streets but may be deposited adjacent to the sidewalk upon the area within the City right-of-way. All snow removed from other areas of the Project shall be deposited on the Project's property or elsewhere but not upon City streets, City right-of-way, or any other property owned or controlled by the City or upon private property (other than the Project) except with the permission of the property owner.
- o. Developer and City acknowledge and agree that the residential portion of the Project is being built to standards consistent with owner occupied residential units, but that rental of such units by the Developer and/or subsequent owners is permissible. The residential units will be subject to the same rental requirements, restrictions, and definitions for family as other residential properties in the City. Additionally, the Condominium Declaration shall contain provisions giving the Association reasonable authority to adopt and implement rules to address any issues that may arise from rented units in order to protect owner occupants' peaceful use, enjoyment and unit values.

- p. The Developer and/or the Project's owners' association shall under the Project Condominium Documents have the responsibility to maintain any exterior public space that is shown on the PUD plan or otherwise incorporated into the Project.
- q. The Developer and/or the Project's owners' association will report to the City Council any intention to install more surface parking within the Project than is shown on the approved PUD Plan. The maximum amount of surface parking is 108 spaces pursuant to Ordinance 79(13)(B)(6).
- r. In the event the City becomes the owner of the easterly most commercial unit on the ground level of the south building of the Project, the condominium Declaration shall provide that the exterior fenced green-space area adjacent to and east of such unit (as shown on the attached Exhibit B) and the area on the south plaza adjacent to the entry door to such unit (also shown on Exhibit B) shall be a limited common element of the condominium associated exclusively with such City-owned unit, to be insured (general liability, not casualty) by the City and to be subject to the City's rules and regulations for use by the City and its invitees, guests and the general public. This limited common element shall be maintained by the Association. The limited common element will exclude the sidewalk at the east end of the South building that will be reserved as a general common element for all unit owners, and the City agrees that it will not impede the other unit owners and their invitees, customers, clients and guests from traversing upon the sidewalk (general common element) adjacent to the City-owned unit and associated limited common elements, for reasonable access to and from other condominium units in the Project. The condominium Association shall be responsible for the care, upkeep, maintenance, and repair of the sidewalk as a general common element.
- s. In the event the City becomes the owner of a commercial unit of the Project, and so long as the City is such an owner, then in addition to being a voting member of the Association with all rights of membership afforded to unit owners by the Declaration, one (1) representative of the City, as appointed from time to time by the City Council, shall be a member of the Association's Board of Directors (its governing board).
- t. The Developer agrees for itself and for its successors and assigns that each deed or other conveyance shall contain the following covenants on the part of the Developer for itself and all such successors and assigns:
  - i. That the real property comprising the Project shall be devoted only to and in accordance with the uses specified in this Agreement subject to any modification of such uses that might be contained in the Urban Renewal Plan that will be adopted as part of a separate economic incentives agreement between the Developer and the City upon which this Agreement is Conditioned (see paragraph 16 below).

- ii. That any owner of the real property comprising the Project shall not discriminate upon the basis of age, race, creed, color, disability, gender identity, marital status, sex, sexual orientation, religion, national origin, or the presence or absence of dependents or public assistance source of income in the sale, lease, or rental or in the use or occupancy of the property or any improvements erected or constructed or to be erected or constructed on that property or any part thereof.
  - u. It is intended that the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in paragraph 3(t)(ii) above, both for and in its own right and also for purposes of protecting the interests of the community and other parties, public and/or private, in whose or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the City. The City shall have the right in the event of any breach of any such agreement or covenant to exercise all the rights and remedies and to maintain any actions or suits at law and/or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled, and shall be entitled to recover, in addition to its court costs, reasonable lawyer fees and litigation expenses.
- 4. **Easements.** Before the issuance of any occupancy permit for the Project, the Developer shall have granted to the City the following easements to be in a form approved by the City Attorney:
  - a. An easement for the erection, maintenance, replacement and use of a bus shelter along Melrose Avenue, as shown on the PUD Plan, to the extent not within City right-of-way. The bus shelter shall be installed, maintained, repaired and replaced by the City or, in accordance with a 28E agreement, by the municipal provider of the bus service.
  - b. An easement for any portion of the sidewalk adjacent to the Project along Melrose Avenue not within City right-of-way, which sidewalk shall be installed and maintained by the Developer or Developer's successors (Association and/or unit owners).

In addition to the forgoing easements to be granted to the City, before the issuance of any building permit for the Project, the Developer shall have obtained easements as needed from any adjacent property owner for implementation of the storm water management plan approved by the City for the Project.

- 5. **Dedication of Right-of-way.** Before the issuance of any occupancy permit for the Project, the Developer shall have dedicated to the City the portions of Melrose Avenue shown on the approved PUD Plan for dedication, with such dedication documentation to be in a form approved by the City Attorney.

6. **Public Street Improvements/Project Turn Lane Improvements.**

a. As a public improvements project, the City shall be responsible for intersection and related improvements to the intersection of Sunset Street and Melrose Avenue, including paving relocation, traffic controls and sidewalks within City right-of-ways (“Intersection Improvements”) as may be determined by the City. Developer shall dedicate to the public, without cost to the City, any right-of-way needed for the Intersection Improvements provided such dedication does not make the Project nonconforming with any applicable governmental requirements. The Developer shall, at Developer’s expense, provide to the City the necessary design, plans and bidding documents for the Intersection Improvements. The City shall bid the project in accordance with applicable laws and regulations and pay for the Intersection Improvements with City revenue other than any tax increment revenues the parties contemplate and agree that any indebtedness the City may incur for such Intersection Improvements will constitute a protected levy and will be paid, in proportionate part, by incremental taxes generated by and from the Project with priority over any tax rebate pursuant to an economic incentives agreement between the parties, all to be in accordance with Iowa law. Upon the City’s completion of the Intersection Improvements the Developer shall gift to the City, if the land area is not otherwise needed for Project zoning or other regulatory compliance, the easterly wooded portion of the Maxwell Parcel (commonly known as the “Ravine”) to thereafter be owned and maintained by the City as a natural area. The City and the Developer shall have an inspection of the Ravine area prior to the turnover to the City to ensure that there are no major environmental or structural issues needing remedy prior to the turnover.

b. As part of the Developer’s Project, the Developer shall be responsible for desired left turn lane improvements into the Project’s private entrance drive from Melrose Avenue as shown on the PUD Plan, including paving, any traffic controls and sidewalks (“Project Turn Lane Improvements”). Developer shall dedicate to the public, without cost to the City, any right-of-way needed for the Project Turn Lane Improvements. The Developer, at Developer’s expense, shall be responsible for the design, plans and construction of the Project Turn Lane Improvements, which shall be installed according to plans and specifications approved by the City’s engineer. The Developer’s construction of the Project Turn Lane Improvements shall commence after the issuance of a building permit for Phase One of the Project, with the objective of completing the Project Turn Lane Improvements by the time the first Occupancy Permit for Phase One of the Project is ready for issuance. The City and the Developer agree that any damage to Melrose Avenue caused by heavy traffic due to construction of the front or back building shall be the responsibility of the Developer. In addition, if the private north/south road is used by an entity to construct facilities north of the property, then the Developer shall also be responsible for any necessary repair to Melrose Avenue due to excess traffic or construction equipment traffic.

7. **Timing of Construction.**

a. The Developer will use commercially reasonable efforts under all relevant circumstances to keep the Project advancing. Commencement of construction will be dependent on multiple factors such as, but not limited to: i) the timing of St. Andrew Church's vacation of the property; ii) final building plans completion; iii) Project financing arrangements; iv) construction bidding "climate"; iv) materials availability; vi) public infrastructure installation; vii) marketing, pre-sales and pre-leasing; viii) lender requirements; and ix) availability of municipal Project support.

b. The Project is likely to be constructed in phases, with the first phase to be the construction of the proposed south multi-family residential/commercial building and improvements ("Phase One"). Developer is presently intending, if possible, to start construction on Phase One late summer 2015. Construction on Phase One will likely commence while the Saint Andrew Presbyterian Church ("Church") continues to occupy the existing church building on the North portion of the property. The City shall allow such construction of Phase One during the Church's continuing use and occupancy, provided that before issuance of any occupancy permit for Phase One the Church's use and occupancy of the existing building shall have ceased. Before issuance of a building permit for Phase One, the Developer will provide the City with a Church parking plan to be used during the Construction of Phase One while the Church remains operational at the Project sight. The second phase of the Project will be the razing of the existing church building and the construction of the new multi-family residential structure and improvements on the north side of the Project (Phase Two). Developer is presently intending, if possible, to start construction on Phase Two early summer 2016, soon after the Church has vacated the existing church building.

c. Once construction commences, Developer shall use commercially reasonable efforts to complete construction as efficiently and in as timely a manner as the parameters of the Project permit and to be substantially completed within three years after the commencement date.

d. In any event, construction on the Project shall commence within five (5) years after the date the City approves Developer's PUD Plan Application, and if construction does not commence within that period, then the City's approval of that PUD Plan Application and this Agreement are revoked automatically without requirement of further action by City; provided, however, the City shall give the Developer (or Developer's successor, as may be then applicable) not less than twenty-four months nor more than thirty-six months advance written notice of the automatic expiration of such five (5) year development period.

8. **Neighborhood Businesses.** Developer will use commercially reasonable efforts to secure tenants or owners for the commercial units within the Project to operate businesses from among the business uses permitted by applicable City ordinances.
9. **Sale or Lease of Space to Property Tax Exempt Entities.** Unless approved in advance by Resolution of the City Council, until 25 years after the approval of the initial building permit for the Project, the Developer (including its successors and assigns) shall not sell or lease any commercial unit of the Project to a property-tax exempt entity if such sale or lease will result in such commercial unit becoming property exempt from the payment of property tax. Until 30 years after the last payment of any TIF benefits to the Developer, the Developer (including its successors and assigns) shall not sell or lease any residential unit of the Project to a property tax exempt entity if such sale or lease will result in such residential unit becoming exempt from the payment of property tax.
10. **Payment by the Developer of Costs and Fees.** The Developer has in writing already agreed to reimburse, and has already commenced reimbursing, the City for certain costs and fees associated with Developer's PUD Application. The Developer affirms its obligations to reimburse the City as specified in the previously executed agreement.
11. **Conflicts of Interest.** Developer agrees that, to the best of his knowledge and belief, no member, officer or employee of the City, or its designees or agents, nor any consultant or member of the governing body of the City, and no public official of the City who exercises or has exercised or will exercise any functions or responsibilities with respect to the Project during his or her tenure, or who was or is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.
12. **Lease Clause.** Any lease that the Developer (or its successors or assigns) may enter into for a commercial Unit in the Project shall provide that the tenant shall not approach the City Council for, or receive, any direct or indirect lease subsidy.
13. **Representations and Warranties of Developer.**
  - a. The Developer is a person of legal age and is competent and otherwise has the power to enter into and perform this Agreement. The Developer is contemplating assigning this Agreement and the Developer's obligations hereunder to a development entity in which the Developer will be one of the principal owners ("Development Entity"). The Development Entity will have the power and authority to assume and fully perform this Agreement. The Development Entity will have the power to perform all of the obligations hereunder without violating any provisions of its organizational documents, any other agreement or the laws of the State of Iowa. Developer shall promptly notify the City of any and all changes whatsoever with respect to the identity of

the parties in control of the Development Entity and the parties owning the real property comprising the Project or any part of that property through the time an occupancy permit is issued for Phase One of the Project.

b. The Developer has the full power and authority to execute this Agreement (and the Development Entity will have the full authority to assume this agreement as successor to Developer) and this Agreement shall constitute the legal, valid and binding obligation of the Developer (the Development Entity once assigned) in accordance with its terms, and the consent of no other party is required for the execution and delivery of this Agreement by the Developer or the consummation of the transaction contemplated thereby by the Developer or the Development Entity.

c. The making of this Agreement by the Developer, and the performance of this Agreement by the Developer or Development Entity and the execution and delivery of the documents to be delivered by the Developer and/or the Development Entity pursuant hereto, have been duly authorized by all necessary action of the Developer (or will be duly authorized by all necessary action of the Development Entity) and this Agreement and such documents will be valid and binding obligations of the Developer (or Development Entity) enforceable in accordance with their terms.

d. The Developer (or Development Entity) will cause the Project to be constructed and maintained in accordance with this Agreement, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations), except for minor variances necessary to construct the Project contained in any construction plans approved by the City.

e. The Developer (or Development Entity) will use its best efforts to obtain, or cause to be obtained, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations that must be obtained or met before the Project may be lawfully constructed. The Developer's (or Development Entity's) architect will work with the City's staff on the final designs of the Project to confirm that they are materially in compliance with the approved PUD Plan. If the final exterior design substantially deviates from the PUD Plan, it shall be subject to approval by the City Council.

f. Through the time an occupancy permit is issued for Phase One of the Project, the Developer (or Development Entity) may not and shall not engage in any financing or any other transaction creating any mortgage, encumbrance, or lien upon the property comprising the Project, whether by express agreement or operation of law, or suffer any encumbrance to be made on or attach to that property, except for the purposes of obtaining funds to the extent necessary for making the improvements associated with the Project, including, all direct and indirect Project costs including, but not limited to, the costs of land, demolition, project phasing, temporary access for Developer and the Church, development, design, architecture, engineering, legal, accounting, construction, administration, management, marketing, financing, accounting, exterior and interior

improvements, furnishings, fixtures, and any other direct and indirect cost associated with the Project.

g. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which he is bound (nor to which the Development Entity will become a party or will become bound), nor do they constitute a default under any of the forgoing.

h. The Developer (or Development Entity) will spend enough in construction of the Project, when combined with the value of the real estate and related site improvements, to equal or exceed any Assessor's Minimum Actual Value that may be set forth in a separate economic incentives agreement with the City upon which this Agreement is Conditioned (see paragraph 16 below). Any covenants and agreements of the Developer (or Development Entity) applicable to any Assessor's Minimum Actual Value shall be specified in the separate economic incentives agreement. The Developer (or Development Entity) will document his or its investment in the Project and provide evidence of such investment in accordance with the requirements of the economic incentives agreement to be entered into with the City. The economic incentives agreement will specify a minimum amount of investment in the Project to be shown by the Developer (or Development Entity).

i. The Developer has not received any notice from any local, state or federal official that the activities of the Developer with respect to the Project's underlying real estate may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has been notified or has notice). The Developer is not aware of any violation of any local, state or federal law, regulation or review procedure which would give any person valid claim under any state or federal environmental statute.

j. The Developer (or Development Entity) shall proceed with due diligence to obtain construction financing commitments, which commitments shall be sufficient to enable the Developer (or Development Entity) to successfully complete the Project as contemplated in this Agreement in accordance with the Approved PUD Plan. Developer (or Development Entity) will obtain all financing commitments necessary for the construction of the Project prior to the issuance of a foundation permit, and provide a copy of such commitments to the City in connection with such permit request. This agreement is contingent upon Developer (or Development Entity) obtaining financing upon terms and conditions satisfactory to the Developer (or Development entity). In the event such financing is not obtained by the Developer within one year from the date of this Agreement, Developer shall have the right to terminate this Agreement.

k. The Developer (or Development Entity) will cooperate fully with the City in resolution of any traffic, parking, trash removal, public safety or any other problems that may arise in connection with the construction or operation of the Project. The Developer (or Development Entity) shall submit a written construction management plan to the City's engineer for approval. The Developer (or Development Entity) will reasonably coordinate staging for construction of the Project with the City's engineer. Developer (or Development Entity) shall obtain from the City any necessary temporary construction easements as may be reasonable required for the Project, and the City shall cooperate in granting necessary easements without unreasonable delay or cost, aside from the City's actual and reasonable costs of reviewing and recording such easements.

l. The Developer (or Development Entity) will keep the City informed regarding the status of the Project by responding to inquiries from representatives of the City and furnishing progress reports as reasonably requested, but not less than quarterly during construction.

14. **Binding.** This Agreement is binding on the parties hereto and their respective successors and assigns.
15. **Complete Agreement.** The Agreement and the Approved PUD Plan represents the complete agreement of the parties on the matters contained herein.
16. **Other Matters.** At the time of negotiation of this Agreement, matters relating to City participation in the Project and City's use of space within the Project were unresolved. The City and Developer reserve for further discussion and resolution by separate written agreement (1) all matters regarding economic incentive financing or other municipal support for the Project, and (2) the City's acquiring or leasing space within the commercial portion of the Project for municipal use. The Developer shall notify the City prior to selling or leasing the final 2,400 square feet of commercial space, in order to determine the City's interest in acquiring or leasing such space.

This Agreement is subject to and conditioned upon a mutually acceptable economic incentives agreement being entered into between the City and the Developer specifying the terms of and conditions for economic incentives that may be provided to the Project by the City.

17. **Notices and Demands.** A notice, demand, request, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, or delivered personally to the other.
  - a. In the case of the Developer, such notice, demand, request, or other communication shall be addressed or delivered personally to Jeffrey L. Maxwell, 3011 Sierra Court Southwest, Iowa City, Iowa 52240. A copy shall be sent to

Thomas H. Gelman, 321 East Market Street P.O Box 2150, Iowa City, Iowa 52244.

- b. In the case of the City, such notice, demand, request, or other communication shall be addressed or delivered personally to City of University Heights, 1004 Melrose Avenue, Iowa City, Iowa 52246. A copy shall be sent to Steven E. Ballard, 222 South Linn Street, Iowa City, Iowa 52240.
  - c. Either party may designate such other addresses for purposes of receiving such notice, demand, request, or other communication by providing another address in writing to the other as provided in this paragraph 17.
18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one Agreement.
19. Amendment. This Agreement may be amended only by written instrument signed by both parties.

[Remainder of Page left Blank - Signature Page Follows]

DATED this 9<sup>th</sup> day of June, 2015.

CITY OF UNIVERSITY HEIGHTS, IOWA

DEVELOPER

By: Louise From  
Louise From, Mayor

Jeffrey L. Maxwell  
Jeffrey L. Maxwell

ATTEST: Christine M. Anderson  
Christine Anderson, City Clerk

STATE OF IOWA            )  
                                  )        SS:  
COUNTY OF JOHNSON )

On the 9<sup>th</sup> day of June, 2015, before me, a notary public in and for the state of Iowa, personally appeared Louise From, Mayor, and Christine Anderson, Clerk of the City of University Heights, to me personally known, and who, being by me duly sworn, did say that they are the Mayor and City Clerk of the City of University Heights, Iowa; that the seal affixed to this instrument is the corporate seal of the City; and that said instrument was acknowledged and sealed on behalf of the City, and that Louise From and Christine Anderson acknowledged the execution of said instrument to be their voluntary act and deed and the voluntary act and deed of the City, by it and by them voluntarily executed.

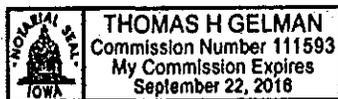


[Signature]  
Notary Public in and for the State of Iowa

My Commission expires 7-16-15

STATE OF IOWA            )  
                                  )        SS:  
COUNTY OF JOHNSON )

The foregoing instrument was acknowledged before me on December 1, 2015, by Jeffrey L. Maxwell.



[Signature]  
Notary Public in and for the State of Iowa

My Commission expires Sept. 22, 2016

Exhibit A – Legal Description of Site for  
**One University Place Project**

**St. Andrew Parcels**

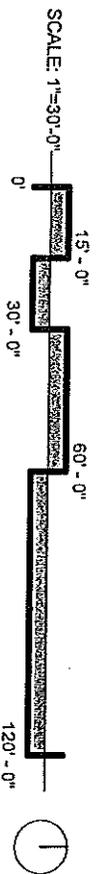
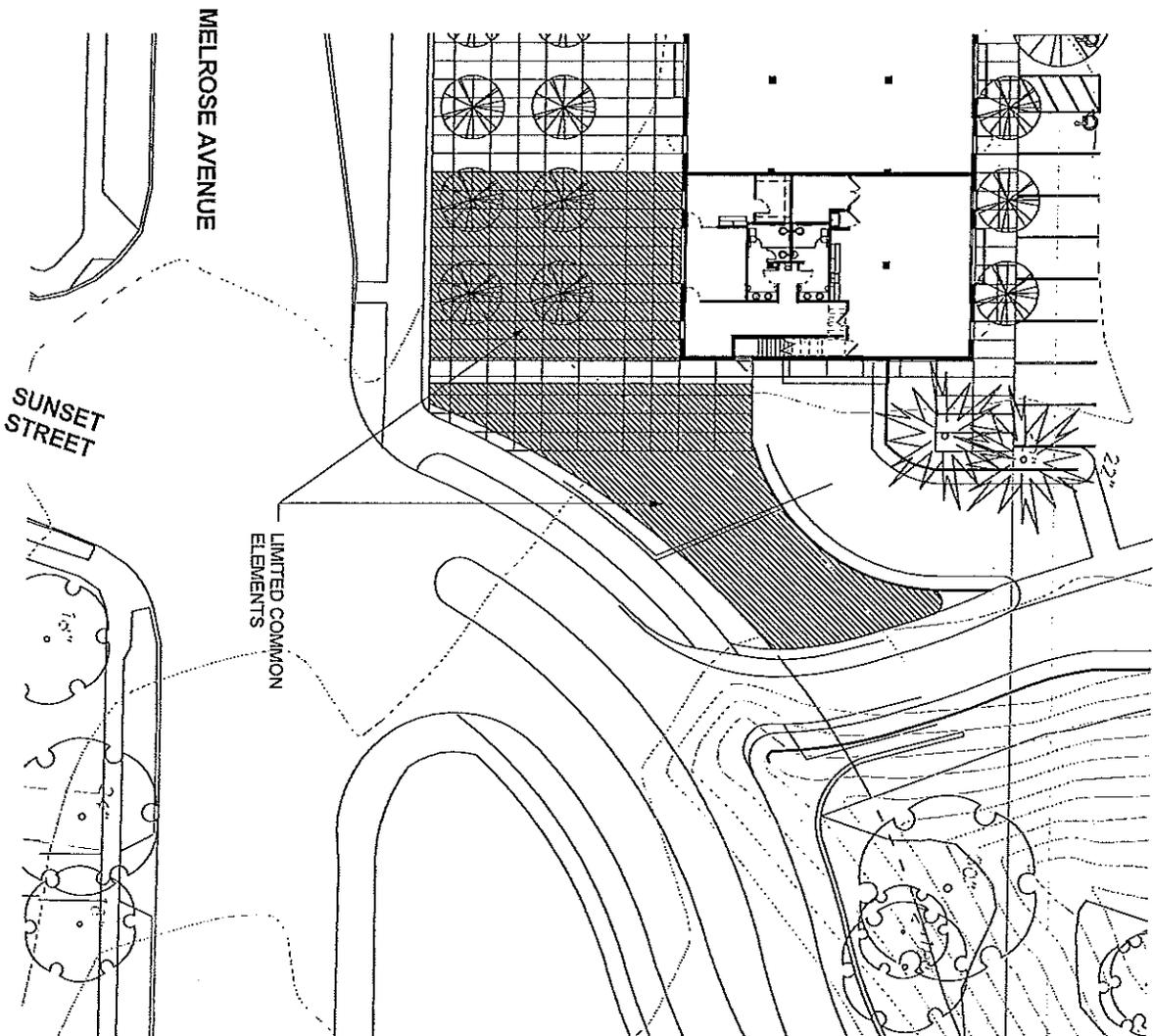
Beginning at the Northeast Corner of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M.; thence North 89 degrees West along the North line of said Section 17, 402.6 feet, thence South 16 degrees East 490 feet to the Northerly line of Snook's Grove Road as now established; thence North 73 degrees East along the Northerly line of said road 291.3 feet; thence North 1 degree 40' West to the point of beginning, as shown by Plat recorded in Plat Book 4, Page 383.

and

That part of the northeast quarter of the northeast quarter of Section 17, Township 79 North, Range 6 West of the 5<sup>th</sup> P.M., described as Auditor's Parcel 96091 on plat of survey recorded in Book 38, Page 125, Plat Records of Johnson County, Iowa.

**Maxwell Parcel**

Auditor's Parcel 2005091 according to the Plat of Survey recorded in Book 49, Page 284, Plat Records of Johnson County, Iowa, being a portion of Outlot 1 and of Lot 238, University Heights, Second Subdivision, according to the plat thereof recorded in Book 2, Page 76, Plat Records of Johnson County, Iowa; EXCEPT beginning at the Southwest corner of Auditor's Parcel 2005091, thence North 0°00'00" East 19.48 feet along the West Line of said Auditor's Parcel (assumed bearing for this description only), thence North 74°40'39" East 8.58 feet to a point of intersection of the Westerly right-of-way line of Sunset Street, thence South 20°48'18" West 23.29 feet along said right-of-way to said point of beginning and containing 81 square feet more or less.



**EXHIBIT C**

**DEVELOPER'S ESTIMATE WORKSHEET**

- (1) Date of Preparation: October \_\_\_\_\_, 20\_\_\_\_.
- (2) Assessed Valuation of Property as of January 1, 20\_\_\_\_:  
\$\_\_\_\_\_.
- (3) Base Valuation of Property (as of January 1, 2015):  
\$0.
- (4) Incremental Valuation of Property (2 minus 3):  
\$\_\_\_\_\_ (the "TIF Value").
- (5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the "Adjusted Levy Rate"):  
\$\_\_\_\_\_ per thousand of value.
- (6) The TIF Value (4) factored by the Adjusted Levy Rate (5).  
\$\_\_\_\_\_ x \$\_\_\_\_\_ /1000
- (7) Developer's Estimate = \$\_\_\_\_\_ x .95 = \_\_\_\_\_

**SECOND AMENDMENT TO PUD DEVELOPMENT AGREEMENT AND  
TIF DEVELOPMENT AGREEMENT CONCERNING ONE UNIVERSITY PLACE**

**WHEREAS**, the City Council of the City of University Heights, Iowa, has previously approved the development known as One University Place (“OUP”); and

**WHEREAS**, the City of University Heights, Iowa, and Jeff Maxwell entered into a PUD Development Agreement for OUP with Jeff Maxwell dated as of June 9, 2015, and a TIF Development Agreement for OUP dated as of August 11, 2015 to permit, govern, and regulate the OUP development; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe the OUP development as concerning one parcel of real property and proceeding as one condominium regime and one governing condominium owners’ association but with two buildings; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe payment for certain public improvements (intersection and turn lane) to be made by the OUP developer by reimbursing the City for such costs; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement address, contemplate, and describe the possible lease or purchase of certain OUP commercial condominium space by the City for use as community space; and

**WHEREAS**, the OUP developer and the City desire to amend the PUD Development Agreement and the TIF Development agreement to clarify, modify, and specify certain provisions concerning the parcels of property involved in, the condominium submission for, and the ongoing governance of the OUP development; the mechanism and timing of reimbursement to the City for certain public improvements; and the acquisition of community space by the City in OUP; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement each provide that they may not be amended or modified except by written instrument signed by both the City and the OUP developer; and

**WHEREAS**, the PUD Development Agreement and the TIF Development Agreement previously were amended to provide that certain utility work would be performed by the City as part of the OUP development, with the costs of such work to be reimbursed to the City,

**NOW, THEREFORE, IN CONSIDERATION OF THE ABOVE RECITALS  
AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND**

**SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:**

1. **Parties.** The parties to this Second Amendment to PUD Development Agreement and TIF Development Agreement Concerning One University Place are the City of University Heights, Iowa (“City”), and Jeffrey L. Maxwell and One University Place, LLC (together “Developer”).
  
2. **Development as 2 Parcels, 2 Condominium Regimes, and 2 Condominium Associations.** The City and Developer agree, acknowledge, and understand that the Developer has divided the One University Place (“OUP”) real property into two parcels; has submitted or will submit each parcel to a horizontal property regime (condominium) pursuant to Iowa Code ch. 499B; and has provided or will provide that each condominium regime will be administered by a separate governing condominium owners’ association.
  - a. The City and Developer agree, acknowledge, and understand that the OUP development constitutes and will proceed as one development comprising real property that has been divided into two parcels and will have two condominium regimes and two governing condominium owners’ associations.
  
  - b. The City and Developer agree, acknowledge, and understand that dividing the real property into two parcels and providing for two condominium regimes and two governing condominium owners’ associations does not substantively alter, modify, or change the OUP development as approved by the City.
  
  - c. The City and Developer agree, acknowledge, and understand that dividing the real property into two parcels and providing for two condominium regimes and two governing condominium owners’ associations does not alter, impact, or affect any of the Developer’s duties, obligations, or commitments under the PUD Development Agreement, TIF Development Agreement, and related OUP documents and submissions.
  
  - d. The City and Developer agree, acknowledge, and understand that dividing the real property into two parcels and providing for two condominium regimes and two governing condominium owners’ associations does not alter, impact, or affect any of the City’s rights, remedies, and privileges under the PUD Development Agreement, TIF

Development Agreement, and related OUP documents and submissions.

- e. The Developer agrees not to raise as a defense, objection, or argument in response to any enforcement other action by the City that the singular construction of any words or phrases in the PUD Development Agreement, TIF Development Agreement, and/or related OUP documents and submissions relieves, limits, and/or restricts the Developer's obligations to adhere to, carry out, and comply with any of the provisions of those documents.
  - f. Unless otherwise indicated to the contrary by context, words and phrases in the PUD Development Agreement, TIF Development Agreement, and related OUP documents and submissions, including in particular but without limitation (and without regard to capitalization as terms of art or lowercase as terms of general reference), the words and phrases "project", "horizontal property regime", "declaration", "association", "development", and "plan" shall be construed such that the singular form includes the plural and the plural form includes the singular.
  - g. The City approves of the OUP development proceeding as two parcels of real property with two condominium regimes and two governing condominium owners' associations.
3. **Payment for Public Improvements.** The City and Developer agree, acknowledge, and understand that certain OUP Public Improvements (namely turn-lane improvements, intersection improvements, and utility relocation) will be paid for by the City initially and reimbursed by OUP property owners (aside from the City) by way of voluntary special assessment, all as previously considered, adopted, and approved by the City and/or the Developer. The particulars of this arrangement are set forth in detail in various documents previously considered, adopted, and approved by the City and/or the Developer including those related to an Essential Purpose Loan Agreement, issuance and sale of General Obligation Bonds, and execution of a related Petition, Contract, and Waiver for the voluntary special assessment. Provisions related to payment and/or reimbursement for these improvements, including those set forth at PUD Development Agreement Section 6 and TIF Development Agreement Section A(6), are specifically amended accordingly.
4. **Community Space Acquisition.** The City and Developer agree, acknowledge, and understand that they have entered into an Offer

to Buy Real Estate and Acceptance (“Purchase Agreement”) for the acquisition by the City of certain community space in the OUP development. The particulars of this arrangement are set forth in detail in various documents previously considered, adopted, and approved by the City and/or the Developer including those related to General Purpose Loan Agreement, issuance and sale of General Obligation Bonds, and the Purchase Agreement. Provisions related to acquisition, price, and payment for the community space, including those set forth at PUD Development Agreement Section 16 and TIF Development Agreement Sections A(5) and B(6), are specifically amended accordingly.

5. **Agreements Amended.** The City and Developer agree that their prior PUD Development Agreement and TIF Development Agreement are amended to the extent set forth herein. Any other provisions or terms of those Agreements not previously amended or specifically amended herein remain inviolate.

Dated as of this 13<sup>th</sup> day of September, 2016.

CITY OF UNIVERSITY HEIGHTS, IOWA

\_\_\_\_\_  
Weldon E. Heitman (“Wally”), Mayor

\_\_\_\_\_  
Jeffrey L. Maxwell

ATTEST:

ONE UNIVERSITY PLACE LLC,  
assignee of Jeffrey L. Maxwell  
and successor developer of  
One University Place

\_\_\_\_\_  
Christine M. Anderson, City Clerk

\_\_\_\_\_  
By: Jeffrey L. Maxwell, member

Development Agreement Requirement	Applicable to South Building	Applicable to North Building	Material Impact from Two Regime Structure	Comments	Condominium Declaration South	Condominium Declaration North
PUD Development Agreement						
1 Purpose	yes	yes	none	general		
2 Submittal of Building plans and Construction Drawings	yes	yes	none	Developer Obligations.		
3 Use Restrictions - Referenced in Condo Declaration						
3a Restriction on commercial uses	yes	no	none		Article IX 2.a	NA
3a Restriction on Game Day activities	yes	yes	none		Article IX 2.k	Article IX 2.k
3b Restriction on commercial drive thru and walk-ups	yes	no	none		Article IX 2.l	NA
3c Advertising signs for commercial use	yes	no	none		Article IX 2.m	NA
3d Temporary commercial signs	yes	no	none		Article IX 2.n	NA
3 e For Rent signs	yes	yes	none		Article IX 2.o	Article IX 2.o
3 f For Sale signs	yes	yes	none		Article IX 2.p	Article IX 2.p
3g Noise	yes	yes	none		Article IX 2.q	Article IX 2.q
3g Outdoor commercial space music	yes	no	none		Article IX 2.k	NA
3h Hours of Operation for Commercial Businesses	Yes	no	none		Article IX 2.r	NA
3i Permitted Commercial uses and grandfathering	yes	no	none		Article IX 2.a	NA
3j Definition of Family for Residential Units	yes	yes	none		Article IX 2.s	Article IX 2.s
3k Sidewalk snow and ice removal obligation of Association to to be in Condo Documents	yes	yes	none		Article IX 2.t	Article IX 2.t
3l Cap on number of residential units	yes	yes	none		Article IX 2.u	Article IX 2.u
3m Left turn restriction on Sunset	yes	yes	none		Article IX 2.v	Article IX 2.v
3n Snow removal on north side of Melrose	yes	yes	none	North Association is Backup	Article IX 2.t	Article IX 2.t
3o Rental of residential units	yes	yes	none		Article IX 2.w	Article IX 2.w

Development Agreement Requirement	Applicable to South Building	Applicable to North Building	Material Impact from Two Regime Structure	Comments		
3p Maintenance of Public Exterior Space by the Association	yes	yes	none	North Association is Backup	Article IX 2.x	Article IX 2.x
3q Report any intention to install additional parking. Maximum surface parking	yes	yes	none		Article IX 2.y	Article IX 2.y
3r If City owns commercial space, then maintenance of play area by association	yes	yes	none	North Association is Backup	Article IX 2.z	Article IX 2.z
3r Maintenance of internal sidewalk at south end of South Building	yes	yes	none	North Association is Backup	Article IX 2.z	Article IX 2.z
3s If City owns commercial space, seat on Association Board	yes	yes, if desired by city	Intangible differences from being in a larger or smaller condominium regime	The City only has a right to own space in the South Regime, but may participate in the governance of both, if it so chooses.	Article VII 7.a & 7.b & Bylaws	Article VII 7.a & 7.b & Bylaws
3t Required Deed Covenants	yes	yes	none		Article VII 7.aa	Article VII 7.aa
3u City beneficiary of 3t covenants	yes	yes	none		Article VII 7(aa)(ii)	Article VII 7(aa)(ii)
4 Grant of easements to City	NA	NA	none	Developer Obligation. Must be completed before occupancy permit	Article VI 11	NA

Development Agreement Requirement	Applicable to South Building	Applicable to North Building	Material Impact from Two Regime Structure	Comments		
5 Dedication of Right of way	NA	NA	none	Developer Obligations. Must be completed before occupancy permit	Article VI 10	Article VI 10
6 Public Street Improvements	NA	NA	none	City and Developer Obligations		
7 Timing of Construction	yes	yes	none	Developer Obligations		
8 Effort to find commercial tenants	yes	no	none	Developer Obligations		
9 Sale/lease to tax exempt entities	yes	yes	none	Developer Obligation	Article VII 7(bb)	Article VII 7(bb)
10 Developer payment of Costs/Fees	yes	yes	none	Developer Obligation		
11 Conflicts of Interest	yes	yes	none	Developer Obligations		
12 Commercial Lease Clause requirement	yes	no	none	Developer Obligation	Article VII 7(cc)	NA
13 Reps and Warranties	yes	yes	none	Developer Obligation		
14 Binding	NA	NA	none	Boilerplate		
15 Complete Agreement	NA	NA	none	Boilerplate		
16 Other matters	NA	NA	none	Boilerplate		
17 Notices and demands	NA	NA	none	Boilerplate		
18 Counterparts	NA	NA	none	Boilerplate		
19 Amendment	NA	NA	none	Boilerplate		

Development Agreement Requirement	Applicable to South Building	Applicable to North Building	Material Impact from Two Regime Structure	Comments		
TIF Development Agreement						
Section A - Developer's Covenants						
1 Project Construction	yes	yes	none	Developer Obligation		
2 Property Taxes	yes	yes	none	Developer Obligation		
3 Developer's Certification	yes	yes	none	Developer Obligation		
4 Property Tax Payment Certification	yes	yes	none	Developer Obligation		
5 Community Center	yes	yes, if desired by city	Intangible differences from being in a larger or smaller condominium regime	The City only has a right to own space in the South Regime, but may participate in the governance of both, if it so chooses.	Article VII 7.a & 7.b & Bylaws	Article VII 7.a & 7.b & Bylaws
6 Intersection and turn lane improvements	no	no	none	City & Developer Obligations		
7 Accessible Playground	yes	no	none	City & Developer Obligations	Article 5 2.g Article VIII 2(a)(ii)	NA
8 Insurance	yes	yes	none	Developer Obligations		
9 Indemnification	yes	yes	none	Developer Obligations		
10 Reps and Warranties	yes	yes	none	Developer Obligations		
11 Events of Default/Remedies	yes	yes	none	Developer Obligations		
12 LMI Determinations	yes	yes	none	Developer Obligations		
13 Legal and Adm Costs	yes	yes	none	Developer Obligations		
14 Sale/Lease to Tax Exempt Entities	yes	yes	none	Developer Obligation	Article VII 7(bb)	Article VII 7(bb)
Section B - City Obligations			none	But see 5 above re Community Center		



Doc ID: 026418290063 Type: GEN  
Kind: CONDOMINIUM AMEND  
Recorded: 08/26/2016 at 03:35:44 PM  
Fee Amt: \$317.00 Page 1 of 63  
Johnson County Iowa  
Kim Painter County Recorder

BK **5554** PG **856-918**

9720

Prepared By and Return to: Thomas H. Gelman, 321 East Market Street, Box 2150, Iowa City, IA 52244 - Phone (319) 354-1104

**FIRST AMENDED AND RESTATED  
DECLARATION  
OF  
SUBMISSION OF PROPERTY TO  
HORIZONTAL PROPERTY REGIME**

**PURSUANT TO CHAPTER 499B OF THE CODE OF IOWA**

**REGIME NAME: One University Place South Condominium**

**DECLARANT: One University Place, LLC,  
an Iowa limited liability company  
3011 Sierra Court SW  
Iowa City, Iowa, 52240**

**ORIGINAL DATE OF DECLARATION: December 29, 2015  
ORIGINAL RECORDING INFORMATION: Book 5459, Page 1**

**DATE OF FIRST AMENDED AND RESTATED DECLARATION: August 22, 2016**

**FIRST AMENDED AND RESTATED  
DECLARATION OF SUBMISSION OF PROPERTY  
TO HORIZONTAL REGIME ESTABLISHING A  
PLAN FOR CONDOMINIUM OWNERSHIP OF PREMISES**

**One University Place South Condominium  
University Heights, Iowa**

This **First Amended and Restated Declaration of Submission of Property to the Horizontal Regime**, is made and executed in Iowa City, Iowa, the 22nd day of August, 2016, by One University Place, LLC, an Iowa limited liability company, hereinafter referred to as “Declarant” pursuant to the provisions of the Horizontal Property Act, Chapter 499B, 2015 Code of Iowa, as amended. This First Amended and Restated Declaration is intended to amend and supersede in its entirety the original *Declaration of Submission of Property to Horizontal Property Regime* recorded on December 29, 2015, in Book 5459, Page 1, of the Records of Johnson County, Iowa, and has been adopted in accordance with the Declarant’s reserved rights as set out in Section 1(a)(i) of Article XII of said original Declaration.

**RECITALS**

1. Declarant is the owner of certain real property located in University Heights, Johnson County, Iowa, and more particularly described as follows:

**Auditor’s Parcel 2015088 according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa, excepting therefrom Auditor’s Parcel 2016019 according to the survey plat thereof recorded in Plat Book 60, page 78, of the Records of Johnson, County, Iowa (the “Real Estate”).**

2. Declarant is the owner of (i) the above-described Real Estate, (ii) the building and other improvements constructed (or to be constructed) upon said Real Estate, and (iii) easements, rights and appurtenances belonging thereto, and it is the desire and the intention of the Declarant to divide the “Project” (defined below) into commercial and residential condominium units in accordance with the applicable zoning and “PUD Documents” (defined below), and to either retain or sell and convey the condominium units to various purchasers, pursuant to the provisions of the Act, and to impose upon the Project and its future owners mutually beneficial restrictions, covenants, and conditions for the ownership, management and operation of the Project.

3. Declarant desires and intends by filing this Declaration to submit the above-described Real Estate and the building and other improvements constructed (or to be constructed) thereon, together with all easements, rights and appurtenances belonging thereto, to the provisions of the Act as a condominium project to be known as One University Place South Condominium, in University Heights, Iowa.

**NOW, THEREFORE**, the Declarant does hereby publish and declare that all property described above as part of the Project is held and shall be held and conveyed subject to the following covenants, conditions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into condominium units and shall be

deemed to run with the land and shall be a burden and a benefit to Declarant, its successors and assigns, and any party acquiring or owning an interest in the Project and their grantees, successors, assigns, agents, personal representatives, executors, administrators, heirs, devisees and beneficiaries.

## ARTICLE I

### Definitions and other General Provisions Applicable to this Declaration

1. Act. The term "Act" shall mean the Horizontal Property Act, Chapter 499B, 2015 Code of Iowa, as amended.
2. Declarant. The term "Declarant" shall mean One University Place, LLC, an Iowa limited liability company, which has made and duly executed this Declaration, and any successor One University Place, LLC may designate in writing as the successor Declarant.
3. Declaration. The term "Declaration" shall mean this instrument by which One University Place South Condominium is established as provided under the Act.
4. Project or Regime. The term "Project" and "regime" shall interchangeably mean the entire parcel of Real Estate described in this Declaration to be divided into common elements and commercial and residential condominium units, including all structures and improvements thereon (or to be built thereon) and all easements, rights and appurtenances belonging thereto.
5. Unit. The term "unit" shall mean one or more rooms occupying part of one or more floors intended for use as a separate commercial suite or as a separate residential dwelling, as permitted by applicable zoning, and not owned in common with other owners in the Regime. The boundary lines of each unit are the interior surfaces of its perimeter walls, bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and each unit includes the portions of the building so described associated with such unit and the air space so encompassed. There is appurtenant to each unit its specified interest in the common elements.
6. General Common Elements. The term "general common elements" shall have the meaning as defined in Article IV of this Declaration.
7. Limited Common Elements. The term "limited common elements" shall have the meaning as defined in Article V of this Declaration.
8. Building. The term "building" shall mean and include the structure described in this Declaration constructed (or to be constructed) on the Real Estate.
9. Condominium. The term "condominium" means the entire estate in the real property owned by all Owners, and consisting of all such Owners' undivided interest in the Common Elements and their separate ownership interest of all units. The condominium may also be referred to as the "Regime" or the "Condominium Regime" and has the same meaning as "Project"
10. Owner. The term "owner" means any person or entity with an ownership interest in a unit in the Project. Owner shall not include a tenant or other occupant who does not also hold an ownership interest.

11. Association. The term “Association” means One University Place South Condominium Owners Association, Inc., an Iowa non-profit corporation, and its successors.

12. Condominium Documents. The term “condominium documents” means this Declaration, all exhibits attached hereto, including the Articles of Incorporation and By-laws of the Association, and any duly adopted amendments to any such documents (“condominium document” in the singular).

13. PUD Documents. The term “PUD Documents” means the One University Place PUD Plan approved by the City Council of University Heights, Iowa on June 9, 2015 and the PUD Development Agreement entered into between the City of University Heights and Jeffrey L. Maxwell (predecessor to Declarant) dated effective on June 9, 2015.

14. TIF Development Agreement. The term “TIF Development Agreement” means the Development Agreement entered into between the City of University Heights, Iowa and Jeffrey L. Maxwell (predecessor to Declarant) dated effective on August 11, 2015.

15. City. The term “City” means the City of University Heights, Iowa.

16. By-laws. The term “By-laws” means the by-laws of the Association as constituted and amended from time to time.

16. Plural and Gender. Whenever the context so permits or requires, the singular shall include the plural and the plural the singular, and the use of any gender shall include all genders.

17. Severability. The invalidity of any covenant, restriction, agreement, undertaking, or other provisions of any condominium document shall not affect the validity of the remaining portions thereof or any other condominium document.

18. Incorporation. Exhibits attached hereto and referred to herein are hereby made a part hereof with the same force and effect as other provisions of this document.

**ARTICLE II**  
Description of Land, Building, and Units

1. Description of Land. The land submitted to the Regime is located in Johnson County, Iowa, and is described as:

**Auditor’s Parcel 2015088 according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa, excepting therefrom Auditor’s Parcel 2016019 according to the survey plat thereof recorded in Plat Book 60, page 78, of the Records of Johnson, County, Iowa, together with all easements, rights and appurtenances presently or in the future associated therewith.**

2. Description of Building. The building consists of one free-standing structure generally described as follows:

A commercial/residential building comprised of approximately 64,000 square feet on four (4) levels, three (3) of which are at or above grade, having initially three (3) ground level commercial units, twenty-two (22) two -bedroom residential units and two (2) one-bedroom residential units on upper levels, and common areas including one level of underground parking, stairwells, utility/equipment/mechanical areas, entrances, foyers, lobbies, corridors and hallways, storage areas, and elevator. The separate levels contain the following:

- The Parking Level, the below grade level contains forty-four (44) parking spaces, plus one stair well, one elevator and elevator equipment room, and three utility rooms.
- The First Level, the ground level, contains commercial office space, with adjacent plaza, walkways, play area and surface parking area, plus two stairwells, elevator, elevator vestibule, walkway/entrance lobby between commercial units, and a storage/multi-purpose closet.
- The Second Level, above grade, contains eleven (11) two-bedroom residential dwelling units, one (1) one-bedroom residential dwelling unit, two stairwells, a mechanical closet, hallways/corridors, elevator and elevator vestibule. The residential units are subject to being combined into fewer larger units.
- The Third Level, above grade, contains eleven (11) two-bedroom residential dwelling units, one (1) one-bedroom residential dwelling unit, two stairwells, a mechanical closet, hallways/corridors, elevator and elevator vestibule. The residential units are subject to being combined into fewer larger units.

The building has been (or will be) constructed to the following general specifications:

The lower level parking area is constructed of cast in place concrete floor and walls with a precast concrete structural frame and ceiling. The first floor of the building is constructed of precast concrete columns, beams and floor plank. First floor contains commercial units, and the residential commons area. The second and third floor levels are constructed of wood framing, which floors contain residential dwelling units. All levels are connected by a common elevator and two stairwells.

The walls at the ground floor levels are constructed with concrete masonry units covered with an air barrier membrane, insulated with 2 inches of exterior rigid insulation, and clad with masonry veneer or thermally modified wood siding.

All exterior walls at the second and third floor levels are constructed with 2x wood studs 16" O.C., fully insulated with R19 fiberglass insulation in the stud cavity. The exterior face is covered with 7/16" o.s.b. sheathing, a weather barrier membrane, and clad with either masonry veneer, or composite metal panel siding

The interior face of the exterior stud walls are covered with 5/8" sheetrock with all joints receiving joint and tape application. All interior wall surfaces are finished with latex paint.

The second level floor systems are constructed of precast concrete plank. The ceiling finish is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The floor surface is 3" cast in place concrete topping on the precast planks. The third level

floor systems are constructed with engineered wood floor joists. The ceiling finish is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The floor surface is 3/4" o.s.b. sheathing, covered by 1 1/2" of gypsum concrete topping.

The roof system is constructed with engineered wood roof joists. The interior face is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The exterior roof surface is 3/4" o.s.b. sheathing, covered by R30 rigid insulation, covered by 60 mil roofing membrane fully adhered. All roof parapet trim is composite with metal coping flashing.

All ground floor level doors and windows are insulated full light glass with aluminum frames, with automatic closures. All second and third floor level windows are insulated glass with aluminum frame. Dwelling unit entry doors are 20 minute rated, solid core, wood, painted, flush panel design, and automatic closure. All dwelling unit interior doors are solid core wood, painted, flush construction. Corridor door frames are to be steel welded type with steel casing trim, painted. Unit interior door frames are wood with wood casing, painted

Generally, all dwelling unit interior cabinets are softwood lumber framing and particle board, with maple overlay door. Kitchen and vanity countertops engineered quartz. Bathroom and kitchens have chrome accessories.

At third floor level, carpeting, vinyl plank, and porcelain tile floor coverings are installed directly on gypsum concrete subfloor. At second floor level, carpeting, vinyl plank, and porcelain tile floor coverings are installed directly on concrete topping slab. At ground floor level commercial spaces, final finish flooring is to be installed directly on concrete topping.

All above ground water supply lines are copper, rigid PVC, or flexible tubing. Waste and vents are PVC. City water and sewer service all commercial spaces and dwelling units. Each commercial unit (excepting possibly subunits), common areas, and dwelling units are individually electric metered. Each commercial unit (excepting possible subunits), apartment commons, and dwelling units are conditioned by individual HVAC equipment. The remote equipment is located on the roof.

Each commercial unit (excepting possibly subunits) and the first floor residential commons area are provided with its own electrical service panel and electric meter. Each dwelling unit is provided with its own 150 amp service panel and electric meter. Cable TV, internet and telephone cable/wiring will be installed to each unit.

3. Description of the Units. Annexed hereto and made part hereof as **Exhibit "A"** is a list of all units in the building containing each unit's designation, approximate area, fractional undivided interest in the common elements, number of votes in the Association, and prorata share of common expenses. Annexed hereto and made part hereof as **Exhibit "D"** is a site plan showing the location of the building, and the exterior common elements to which it has immediate access. Annexed hereto and made a part hereof as **Exhibit "E"** are the building's floor plans. Annexed hereto (or to be annexed hereto as part of an amendment) and made a part hereof as **Exhibit "F"** are the building plans for the Building. These Exhibits, together with the definition of the term "unit" in Article I, show the location and dimensions of each unit and the location of interior and certain exterior common elements. Annexed hereto (or to be annexed hereto as part of an amendment) and made a part hereof as Exhibit "G" is an "as built" certificate of a qualified professional.

**ARTICLE III**  
**Ownership Interests**

1. Exclusive Ownership and Possession by Owner. Each owner shall be entitled to exclusive ownership and possession of such owner's unit. Each owner shall be entitled to an undivided interest in the Common Elements in the fraction expressed in Exhibit "A" to this Declaration. The percentage undivided interest of each owner in the Common Elements as expressed in Exhibit "A" shall have a permanent character and shall not be altered without the consent of all owners expressed in an amendment to this declaration duly recorded. The percentage undivided interest in the Common Elements shall not be separated from the unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Owners may use the common elements in accordance with the purpose for which they are intended, pursuant to the rules and regulations that the Association may enact from time to time, without hindering or encroaching upon the lawful rights of other unit owners.

A unit owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceiling, windows and doors bounding such owner's unit, nor shall the owner be deemed to own the utilities running through such owner's unit that are used for or serve more than one unit, except as a percentage of an undivided interest in the Common Elements. An owner, however, shall have the exclusive right to paint, repaint, tile, wax, paper, carpet or otherwise refinish and decorate the interior surfaces of the walls, floors, ceilings, windows and doors bounding such owner's unit.

2. Appurtenances. There shall pass with the ownership of each unit as a part thereof, whether or not separately described, all appurtenances to such unit and no part of the appurtenant interest of any unit may be sold, transferred or otherwise disposed of except in connection with the sale, transfer or other disposition of such unit itself or of all units in the Regime.

3. Undivided Fractional Interest. An undivided interest in the land and other common elements of the Regime, regardless of whether such elements are general or limited common elements, shall be appurtenant to each unit. The percentage of such undivided interest appurtenant to each unit is as set forth on Exhibit "A".

4. General Common Elements. Appurtenant to each unit shall be a right to use and enjoy the general common elements pursuant to the rules and regulations that the Association may enact from time to time.

5. Limited Common Elements. The exclusive use by owners of the limited common elements shall be deemed an appurtenance to the unit or units for which such limited common elements are reserved, provided use and enjoyment shall be limited to the uses permitted by this Declaration and other condominium documents.

6. Association Membership and Voting Rights. Appurtenant to each unit shall be membership in One University Place South Condominium Owners Association, Inc. and a vote in the affairs of the Association and of the Regime; provided, however, that the exercise of such voting and membership rights shall be subject to the applicable provisions of the Articles and By-laws of the Association and of the other condominium documents. The action of such Association shall be deemed

the action of the owners; and such action, when taken in accordance with the By-laws of the Association and this Declaration shall be final and conclusive upon all unit owners. The number of votes to which each unit owner is entitled on matters subject to owner voting is set out in Exhibit "A" to this Declaration.

7. Cross Easements. Appurtenant to each unit shall be easements from each unit owner to each other unit owner and to the Association and from the Association to the respective unit owners as follows:

- (a) For ingress and egress through the common areas and for maintenance, repairs, and replacements as authorized;
- (b) Through the units and common elements for maintenance, repairs and replacements or reconstruction of common elements, but access to units for such purposes shall be only during reasonable hours except in case of emergency or reconstruction after casualty;
- (c) Every portion of a unit contributing to the support of a building is burdened with an easement for such support for the benefit of all other benefited units;
- (d) Through the units and common areas for conduits, ducts, plumbing, wiring and other systems, equipment and facilities for the furnishing of utility or other services to the other units and the common areas.

**ARTICLE IV**  
General Common Elements

1. Definition. General Common Elements shall include all portions of the Project (land and improvements thereon) not included within any unit except such portions of the Project that are defined as limited common elements in Article V. The general common elements include, but are not limited to, the following:

- (a) The land upon which the Regime (including the building, parking areas, drives, walks, yards, open space, landscaping and all other condominium facilities and common elements) is located and the airspace above such land;
- (b) The foundations, floors, ceiling, roofs and structural components of each unit and of the building;
- (c) All installations, fixtures, improvements, and elements of the building's roof;
- (d) Common installations for Regime utilities, including but not limited to:
  - (i) electricity;
  - (ii) natural gas;

- (iii) communication (telephone, internet, etc.);
  - (iv) cold water;
  - (v) sanitary sewer; and
  - (vi) cable TV.
- (e) Exterior recreational areas, yards, plantings, landscaping, and other street-scape elements; driveways; underground parking areas and northerly most row of surface parking, subject to the Condominium Documents and rules of the Association for assignment and use of such parking areas by unit owners, tenants, customers, guests and others; stormwater drainage ways and systems; on-site stormwater detention facilities; offsite sanitary sewer lift stations; and sidewalks and walkways;
  - (f) The mechanical/utility rooms, chases, closets, trash enclosures, storage areas serving the building generally;
  - (g) Building entrances, exits, vestibules, lobbies, foyers, corridors and hallways existing for common use;
  - (h) The design of the building and grounds and the integrity and appearance of the Regime as a whole are of common interest to all unit owners and, as such, shall be a part of the general common elements;
  - (i) In general, all other installations, fixtures, and improvements existing for common use, except as limited by the limited common elements described in Article V; and
  - (j) The building's solar panels and all related component parts, equipment and systems are general common elements associated with providing power to the general common elements.

**ARTICLE V**  
**Limited Common Elements**

1. **Definition.** The term "limited common elements" shall mean, and such elements shall consist of, those common elements that are reserved for the use of one or more units by this Article and amendments hereto and such reservation shall be to the exclusion of all other units.

2. **Reservation.** The following common elements are reserved and shall constitute the Limited Common Elements:

- (a) Any non-loadbearing walls and partitions separating units from other units are reserved for such affected units;

- (b) Common entrances, exits, lobbies, vestibules, hallways, corridors, stairwells, utility closets, and other common areas and facilities serving only residential units are reserved for the residential units within the building;
- (c) Common entrances, exits, lobbies, vestibules, hallways, corridors, utility closets, and other common areas and facilities serving only commercial units are reserved for the commercial units within the building;
- (d) Balconies, decks, or patios, if any, associated with a unit are reserved for the immediately adjacent unit with direct access thereto;
- (e) Any parking spaces or areas, underground or on the surface, that under the Condominium Documents or rules of the Association have been assigned for use for only certain residential and/or commercial unit owners and/or their respective, tenants, customers, guests and invitees, as may be applicable and permitted;
- (f) Any ground level plaza areas that under the Condominium Documents or rules of the Association have been assigned for use for only certain commercial unit owners and/or their respective, tenants, customers, guests and invitees, as may be applicable and permitted;
- (g) **In the event the City becomes the owner of Unit #103, the exterior fenced green-space area adjacent to and east of such unit, and the area on the south plaza adjacent to the entry door to such unit (a strip 10 feet wide along the south side of said Unit #103) shall each be a limited common element associated exclusively with Unit #103 (subject to Section 2(z) of Article IX below);**
- (h) The building's elevator(s) and all related component parts, equipment and systems are limited common elements associated with all residential units; and
- (i) The surface parking of the Project is a limited common element of the Commercial units, except the northerly most row, which is a general common element, with all such parking subject to the Condominium Documents and rules of the Association for assignment and use of such parking areas by unit owners, tenants, customers, guests and others.

3. Right of Association. The reservation of the limited common elements herein shall not limit any right the Association and its agents may otherwise have to alter such limited common elements or enter upon such limited common elements.

**ARTICLE VI**  
**Declarant's Reserved Rights and Powers**

1. Declarant's Activities. Declarant is irrevocably and perpetually empowered, subject to the City-enforceable restrictions in this Declaration, the PUD Documents, the TIF Development Agreement and applicable laws, to sell, rent or lease units to any person or entity and shall have the right to transact on the condominium Real Estate any activities relating to construction, repair, maintenance, replacement, renovation, sale, lease, rental or management of units, including but not limited to, the right to maintain signs, employees, independent contractors and equipment to show units. All signs and all items and equipment pertaining to sales or rentals or construction and any unit furnished by the Declarant for sales purpose shall not be considered common elements and shall remain the Declarant's separate property. Declarant retains the right to be and remain the owner, and use for Declarant's own business purposes, one or more unsold units under the same terms and conditions as other owners, including membership in the Association, save for Declarants rights to sell, rent or lease.

2. Reservation of Easements. Declarant expressly reserves perpetual easements for ingress, egress and utility purposes as may be required across, under and over the land submitted to the Regime.

3. Designation of Association Directors. Declarant shall have the right to name all members of the Board of Directors of the One University Place South Condominium Owners Association, Inc. until the first annual members' meeting of said Association, which shall be held as provided in the By-laws of said Association. Thereafter the Board of Directors shall be selected in the manner specified in the By-laws of said Association.

4. Completion of Construction of the Units. Declarant hereby reserves the right to complete, finish, alter or improve the exterior and interiors of the units on its own initiative or pursuant to an agreement with the purchaser of a particular unit. Unit owners may also install non-load bearing walls and make other non-structural alterations or improvements to their units. Unit owners are responsible to see to the proper insurance of unit alterations or improvements, whether such alterations or improvements are made by the Declarant or not. Declarant is not responsible for the design and safety of owner-installed alterations or improvements. No work by an owner is permitted that will jeopardize the soundness of a unit or common elements or impair any easement. Any alteration or improvement of a unit shall neither increase nor decrease the fractional interest in the common elements appurtenant to that unit or otherwise affect the rights and privileges of other unit owners.

5. Subdivision of Unit(s). Declarant may subdivide any commercial unit into two or more additional units. Declarant reserves the right at any time to file an amendment to this Declaration in order to fully describe and define the subdivided unit(s) and make adjustments to the percentage interest of common and limited common elements appurtenant to such subdivided units. The Declarant will re-allocate votes and the percentage interest of common and limited common elements appurtenant to subdivided units so that the votes and fractional interests of the original unit so divided will be split, as the Declarant in its sole discretion deems fit, between the newly created subdivided units. The subdivision of a commercial unit shall not affect the percentage interest or voting rights allocated to any other unit. No subdivision of a unit shall violate any applicable City ordinance.

6. Combination of Unit(s). Declarant may combine any two or more units Declarant may own into one larger unit. Declarant may at any time file an amendment to this Declaration in order to fully describe and define the combined unit and make adjustments to the percentage interest of common

and limited common elements appurtenant to such combined unit. The Declarant will re-allocate votes and the percentage interest of common and limited common elements appurtenant to combined units so that the votes and fractional interests of the original units so combined will also be combined in the newly created combined unit. Declarant's combination of units shall not affect the percentage interest or voting rights allocated to any other unit. Nothing in this Declaration shall limit any unit owner from owning adjacent units and combining them for use as a larger residential dwelling. Such owner shall retain all voting rights and assessment obligations associated with the respective combined units. Such a combination for use as a larger dwelling shall not affect the percentage interest or voting rights allocated to any other unit. No combination of two or more units may be made if it will violate any applicable City ordinance. Any units so combined may be later divided back into the original units.

7. Additional Improvements. Declarant may, in its sole discretion (subject to the City enforceable restrictions in this Declaration, the PUD Documents, the TIF Development Agreement and applicable laws) construct additional improvements, including without limitation, roads, drives, parking, sidewalks and landscaping. The consent of owners of units and their mortgagees is not required for the installation of such improvements.

8. Assignment of Declarant's Rights. Declarant may assign its rights and powers under this Declaration, in whole or in part, without the consent of unit owners or the Association.

9. Right of Access. Declarant and its designees, including, but not limited to contractors, shall have and enjoy an on-going easement in, upon, over, through, under and across general common elements for as long as Declarant shall be engaged in the development, construction, ownership, sale or leasing of units, for the purpose of construction, installation, maintenance and repair of the condominium Regime, for ingress and egress to all units and to all general and common elements, and for the use of all driveways and common parking areas. In addition, Declarant reserves for itself and its designees the irrevocable and perpetual right to enter into, upon, over, through or under the general and limited common elements as reasonably necessary to install, maintain and/or repair any improvements located or to be located thereon.

10. Dedication of Public Right-of-way. **The Declarant hereby reserves the right to dedicate and convey portions of the Real Estate within the Regime to the City for Melrose Avenue and/or Sunset Street public street right-of way purposes as shown on the approved PUD Plan or as otherwise may be useful and convenient, with such dedication documentation to be in a form approved by the City Attorney, all to be in accordance with the PUD Documents or as may otherwise be necessary or convenient for the appropriate development of the Project.**

11. Granting of Public Easements. **The Declarant hereby reserves the right to grant to the City the following easements to be in a form approved by the City Attorney:**

- (a) **An easement for the erection, maintenance, replacement and use of a bus shelter along Melrose Avenue, as shown on the PUD Plan, to the extent not within City right-of-way. The bus shelter shall be installed, maintained, repaired and replaced by the City or, in accordance with a 28E agreement, by the municipal provider of the bus service.**

- (b) **An easement for any portion of the sidewalk adjacent to the Project along Melrose Avenue not within City right-of-way, which sidewalk shall be installed by the Declarant and maintained by the Association.**

12. Financial Incentives under TIF Development Agreement. The Declarant, as assignee and successor to the Developer under the TIF Development Agreement, hereby reserves all rights of the Developer under the TIF Development Agreement to all financial incentives, payments, rebates and other entitlements (“TIF Payments”) payable or deliverable to the Developer by the City (or other taxing authority or official) under the TIF Development Agreement. By becoming a unit owner, each such owner (other than Declarant) assigns, transfers and conveys to Declarant (and its specified assignee of such rights) any and all rights and/or entitlements to TIF Payments such owner may at any time acquire by virtue of becoming a unit owner.

13. Assignment of Parking Spaces. The Declarant reserves the right, in connection with its reserved right to sell, rent and lease units, to assign certain underground and surface area parking spaces for the exclusive use, consistent with Project rules, by one or more specific unit owners and/or their invitees and guests.

14. Assignment of South Plaza Areas. The Declarant reserves the right, in connection with its reserved right to sell, rent and lease units, to assign certain areas of the plaza on the south side of the building for the exclusive use, consistent with local ordinances and Project rules, of one or more specific commercial unit owners and/or their tenants, invitees and guests.

15. Access and Utility Easements. The Declarant hereby reserves for Declarant and Declarant’s designees (including, but not limited to its contractors) and successors, and reserves the right to grant to others (including, but not limited to future unit owners, occupants, invitees, guests, and visitors of One University Place North Condominium Regime), a perpetual access easement upon, over, through, under and across the Real Estate of the Regime for i) any and all streets (public and private), drives and walkways shown on the approved PUD Plan or otherwise approved for access to and from the real estate north of the Regime, including, but not limited to, One University Place North Condominium Regime, and ii) any and all utilities and services necessary or convenient for the appropriate development and operation of real estate north of the Regime, including, but not limited to, One University Place North Condominium Regime.

**ARTICLE VII**  
Management of the Regime

1. Association. The operation of the condominium shall be by a nonprofit membership corporation organized and existing under Chapter 504, 2015 Code of Iowa, as amended. The name of the Association shall be “One University Place South Condominium Owners Association, Inc.” Copies of its Articles of Incorporation and of its By-laws are attached hereto as Exhibit “B” and Exhibit “C”, respectively. Whenever a vote or other action of unit owners as a group is required, the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the owners (or the Council of Co-owners) whenever such action is permitted or required herein or by Chapter 499B of the 2015 Code of Iowa, as amended.

2. Compliance. All owners, tenants, guests, and other persons or entities using or occupying the Regime shall be bound by and strictly comply with the provisions of the By-laws of the

Association and applicable provisions of other condominium documents, and all agreements, regulations and determinations lawfully made by the Association through its members, directors, officers or agents, as authorized by the condominium documents, shall be binding on all such owners and other persons. A failure to comply with the By-laws or the provisions of the other condominium documents or any agreement, regulation or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any owner, as applicable, or injunctive relief without waiving either remedy.

3. Powers of Association. Each owner agrees that the Association (acting as the Council of Co-owners) has and shall exercise all powers, rights, and authority granted unto it and the owners as a group by Chapter 504 and 499B of the 2015 Code of Iowa, as amended, and such as are more particularly set forth in the condominium documents, including, but not limited to, the making of assessments chargeable to owners and the creation of a lien on units thereof, and to acquire a unit at foreclosure sale and to hold, lease, mortgage, or convey the same. Assessments made by the Association against the units and unit owners may be for the common benefit of the owners, including, but not limited to: maintenance, repairs, and replacement of the common elements; administering, operating, and insuring the common elements and the Association; providing utilities and services for the common elements; and providing utilities and services to the units, provided that any such services and utilities that are not separately metered to each unit shall be equitably allocated among the units on a prorated or other reasonable basis as maybe determined by the Association.

4. Partition. All unit owners shall be deemed to have waived all rights of partition, if any, which they may have in connection with the ownership of a unit within the Regime.

5. Membership, Voting Rights. The members of the Association shall consist of all of the record owners of units. Change of membership in the Association shall be established by recording in the public records of Johnson County, Iowa, a deed or other instrument establishing a record title to a unit in the condominium, and the membership of the prior owner shall be thereby terminated. The members of the Association shall be entitled to cast the number of votes for each unit owned by such member as is specified in **Exhibit "A"** to this Declaration.

6. Restraint upon Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a unit.

7. Board of Directors/Managers. The affairs of the Association shall be conducted by a board of Directors in accordance with the By-laws of the Association.

(a) Prior the first annual meeting of the Association the initial directors, at least three (3) and up to five (5), shall be appointed by the Declarant (initially being those persons designated as such in the Association's Articles of Incorporation) and may be removed, reappointed and/or replaced by the Declarant, until their successors shall be elected by the members, or **appointed by the City**, in the manner provided in this Declaration and the By-laws. The initial Directors or replacement initial Directors as selected by the Declarant shall serve until the date on which the Declarant has sold and given possession of at least 60% of the units within the Project, and the replacement Directors have been elected from among members at the first annual meeting as prescribed in the By-laws. From and after the first annual meeting, the affairs of the

Association shall be conducted by a board of five (5) Directors elected or appointed as provided in the By-laws and this Declaration; and, until all units are sold by the Declarant, the Declarant may appoint one (1) director to sit as a member of the Board of Directors in addition to the other five (5) elected or appointed directors. Such Director appointed by the Declarant shall have the same voting rights as the other elected or appointed Directors.

**(b) In the event the City becomes the owner of a commercial unit of the Project, and from and so long as the City is such an owner, then in addition to being a voting member of the Association with all rights of membership afforded to a unit owner by the Declaration, one (1) representative of the City, as appointed from time to time by the City Council, shall be a voting member of the Association's Board of Directors adding one (1) initial director or replacing one of the five elected directors, as the case may be. Notwithstanding any other provision of this Declaration, this Section 7(b) of Article VII of the Declaration may not be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council.**

(c) The Board may employ a manager or a managerial service company and delegate certain of its responsibilities to such person as more particularly described in the By-laws. The management fee shall be a common expense.

(d) The Board may cooperate and coordinate with the Board of Directors of the adjacent One University Place North Condominium for any and all matters relating to the mutual welfare of the respective owners and occupants of the Project and such adjacent condominium regime. Areas of cooperation and coordination may include, but are not limited to: i) access drive maintenance, snow removal, repair and replacement; ii) landscaping and landscape maintenance; iii) driveway, walkway and surface parking maintenance, repair and snow removal; iv) surface parking rules and regulation; v) residential occupant concierge, transportation and/or other services; vi) regime rules and enforcement; vii) compliance with applicable City requirements; viii) stormwater management; ix) waste hauling services; x) cost sharing of expenses for any item of cooperation and coordination; xi) engaging and/or hiring managers, employees, contractors, utilities and/or services; xii) traffic control; xiii) signage; xiv) insurance coverage; xv) building maintenance, repairs and replacements; xvi) utilities and services; and xvii) any other matters that the two Boards determine are in the mutual interest of the owners of their respective condominium regimes. Any such shared expenses shall be a common expense of the Regime.

8. Discharge of Liability. All unit owners shall promptly discharge any lien, other than a mortgage lien, that may hereafter be filed against such owner's unit.

9. Limitation of Association's Liability. The Association shall not be liable for any injury or damage to property caused by or on the common elements or by another owner or person in the Project or by any other means unless caused by the gross negligence of the Association. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs, improvements or replacements of the common elements or from any action taken to comply with any law, ordinance or orders of a governmental authority.

10. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of his/her being or having been a director or officer of the Association, or any settlement thereof, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification herein shall apply only when the board of directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

11. Agent to Receive Service of Process. The following person, who is a resident of the State of Iowa, is designated as agent to receive service of process upon the Association:

<u>NAME</u>	<u>ADDRESS</u>
Jeffrey L Maxwell	3011 Sierra Court SW Iowa City, Iowa 52240

**ARTICLE VIII**  
Maintenance, Alteration and Improvement

1. Definitions. Certain terms used in this Article shall have a meaning as follows, provided any dispute over meanings shall be conclusively decided by the Board of Directors of the Association.

- (a) "Maintenance" or "repair" shall mean the act of maintaining, repairing, restoring, renovating, reconstructing, replacing, rebuilding and similar work necessary to preserve a unit or common element of the Regime in or substantially in its original condition as completed.
- (b) "Improvement" shall mean the addition of a new structure, element or facility, other than a structure, element or facility otherwise provided for by this Declaration or any Amended or Supplementary Declaration.

2. Maintenance by Association.

- (a) The Association shall maintain all General Common Elements and, except as otherwise provided herein, all Limited Common Elements. **As part of its maintenance obligations, the Association shall maintain the landscaping and exterior improvements in accordance with the PUD Plan for the Project as approved by the City.** As part of its maintenance obligations, the Association may cooperate and coordinate with the One University Place North Condominium Owners Association, Inc. on any and all matters relating to the mutual welfare of the respective owners and occupants of the Regime and such adjacent condominium regime, as anticipated in Article VII, Paragraph 7(d) above. The Association shall make assessments for such maintenance as a

common expense except where maintenance has been specifically made the responsibility of each unit or certain units. On a reasonable basis, as determined by the Board of Directors of the Association, assessments for limited common element expenses for maintenance, repairs and other items may be made against the type of units (commercial or residential) that exclusively use in common certain of the limited common elements.

(i) For example, assessments for repairs and maintenance to lobbies, vestibules, corridors, hallways, stair wells, parking areas, elevator and elevator lobbies and other areas or facilities within the building or Project providing access or otherwise servicing only or primarily residential units may be assessed solely among the owners of residential units in the proportions for residential units only, as specified on Exhibit "A".

(ii) As a further example, assessments for repairs and maintenance to the south plaza area, the east play area, certain parking areas, solar panels and system, and other areas or facilities within the building or Project providing access or otherwise servicing only or primarily commercial units may be assessed solely among the owners of commercial units in the proportions for commercial units only, as specified on Exhibit "A". Further, the Board of Directors may reasonably assess on a prorata basis certain limited common element expenses benefitting only some units (such as balcony maintenance and repairs) among the units and owners benefited by such limited common elements.

- (b) The Association shall repair incidental damage caused to a unit or common elements through maintenance by the Association and shall assess the cost thereof as a common expense.
- (c) If a unit owner defaults on such owner's responsibilities of maintenance, the Association shall assume such responsibilities and shall assess the cost thereof against the unit of such owner and such assessment shall be collectible as if it were an assessment for common expenses.
- (d) The Association may, in its discretion, assume responsibility for any maintenance that requires reconstruction, repair, rebuilding, conservation, restoration or similar work to more than one unit and the cost thereof may be in the discretion of the Association either assessed against each unit on which such costs were incurred or assessed against all units as a common expense according to the circumstances.
- (e) The unit owners, through the Association, will perform, as recommended in the maintenance manual for the Regime ("Maintenance Manual") provided by the Project's developer (the Declarant) and its contractor(s), all necessary routine maintenance and maintenance inspections of materials, equipment, fixtures, components and/or systems of the Regime's improvements, as well as any

necessary repairs and other maintenance called for as a result of such maintenance inspections. The Association, and each unit owner by acquiring a unit subject to this Declaration, waives any claim against the Project's developer, architects, and contractors for damages and expenses arising from the Association's failure to perform the recommended maintenance and maintenance inspections contained in the Maintenance Manual. The Association shall further indemnify the Project's developer, architects, and contractors from any damages and expenses arising from the Association's failure to perform the recommended maintenance and maintenance inspections specified in the Maintenance Manual.

3. Maintenance by Owners.

- (a) Each unit owner at such owner's expense shall be responsible for maintenance and repair of the interior, including the boundary surfaces, of such unit and its equipment, shall keep the interior of its unit in a clean and sanitary condition, shall do all redecorating, painting and other finishing that may at any time be necessary to maintain the unit, and shall be responsible for the maintenance of all personal property including floors, carpets, cabinets, counters, furnishings, and appliances within such unit.
- (b) Each unit owner shall be responsible for maintaining the plumbing fixtures within such unit, and the heating and air conditioning unit serving such unit, and all other utilities or portions thereof exclusively serving such unit and located within the boundaries of the unit or elsewhere within the building.
- (c) Each unit owner, at such owner's expense, shall maintain any improvement or other alteration made by such unit owner.
- (d) Each unit owner shall promptly report to the Association any defects or other maintenance needs that are the responsibility of the Association.
- (e) Each unit owner shall follow Association rules for preserving the clean, sanitary and maintained condition of the Project.

4. Alterations or Improvements by Owners. No unit owner (except for the Declarant in accordance with its reserved rights under Article VI) shall make or permit to be made any structural alteration to a unit, to a common element, or to the building without first obtaining written consent of the Board of Directors of the Association, which consent may be given by a general rule or regulation. The Association Board shall determine the proper amount of additional Association insurance, if any, for such improvement or other alteration, and the effect of such improvement or alteration on insurance of other property of the Regime. The Board of Directors of the Association shall arrange with such unit owner for the payment of the cost of any additional insurance thereby required. Alterations to the exterior of the building or any common element shall not be made if, in the opinion of the Board of Directors of the Association, such alteration would be detrimental to the integrity or appearance of the Regime as a whole. Such owner shall do no act or work that will impair the structural soundness or integrity of a building or safety of the Regime or impair any easement. The improvement or alteration of a unit shall cause no increase or decrease in the number of votes or ownership interests in the common elements appurtenant to such unit.

5. Alterations or Improvements by the Association. Whenever, in the judgment of the Board of Directors, the common elements shall require an addition, alteration, or improvement costing in excess of \$25,000 and the making of such addition, alteration, or improvement shall have been approved by the unit owners holding a majority of votes, the Board of Directors shall proceed with such addition, alteration or improvement and shall assess all unit owners for the cost thereof as a common charge. Any addition, alteration, or improvement costing \$25,000 or less may be made by the Board of Directors without approval of unit owners, and the cost thereof shall constitute part of the common expenses. Provided, however, that until at least 50% of the units in the Project have been sold and transferred by the declarant, no addition, alteration or improvement costing more than \$25,000 may be made by the Board of Directors without the consent of the declarant and the approval of unit owners holding a majority of votes other than the declarant.

## ARTICLE IX

### Conditions of and Restrictions on Ownership, Use, and Enjoyment

1. Subjection of the Regime to Certain Provisions. The ownership, use, occupation, and enjoyment of each unit and of the common elements of the Regime shall be subject to the provisions of the By-laws of the Association, the Articles of Incorporation of the Association, and this Declaration, all of which provisions, irrespective of where set forth or classified, shall have equal status and shall be enforceable and binding as a covenant, condition, restriction, or requirement running with the land, and shall be binding on and enforceable against each and all units and the owners thereof and their respective assigns, lessees, tenants, occupants, and successors in interest.

2. Use Restrictions and Covenants applicable to the Regime. The use of the Regime shall be in accordance with and subject to the provisions set out below in this Section 2 of Article IX of the Declaration. **The specific restrictions in bold text in this Section 2 of Article IX of the Declaration shall be enforceable by the City (in addition to the Association and/or unit owners) and, notwithstanding any other provision of this Declaration, shall not be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council.**

- (a) Permitted Uses for Commercial Units #101, #102, and #103. Commercial Units #101, #102, and #103 may be used for commercial purpose that are in compliance with applicable zoning, the condominium documents, and is reasonably compatible with the residential uses of the remaining units. **Commercial uses shall be limited to those uses specifically permitted by City ordinance, now or in the future, in the Multiple-Family Commercial zone. In the event such uses are modified by zoning amendment, previously existing permitted uses will be subject to the then applicable non-conforming use regulations of the zoning ordinance.** Such permitted under applicable zoning will be deemed compatible with the residential uses and acceptable, unless a specific occupant's use creates excessive noise, odor or other nuisance not typical of such commercial activity and which unreasonably impacts the residential units. Commercial Units #101, #102, and #103 may not be used for residential purposes.

- (b) Permitted use of all other Units. All units, other than Commercial Units #101, #102, and #103, shall be used and occupied for residential dwelling purposes only in accordance with applicable zoning ordinances.
- (c) Prohibited Activities Generally. No activity shall be allowed that unduly interferes with the peaceful possession and use of the property by another unit owner nor shall any fire hazard or unsightly accumulation of refuse be allowed.
- (d) Integrity of the Common Elements. Except as may be otherwise specifically permitted or required herein, nothing shall be altered in, constructed in, or removed from the common elements, limited or general, except upon written consent of the Board of Directors of the Association, which may be given through regulations of the Association.
- (e) Restriction on Certain Dangerous or Hazardous Materials. Nothing shall be done or kept in any unit or in the common elements that will increase the rate of insurance on the common elements, without the prior written consent of the Association. No owner shall permit anything to be done or kept in such owner's unit or in the common elements that will result in the cancellation of insurance on any unit or any part of the common elements, or that would be in violation of any safety, health or environmental law.
- (f) Rules Governing Use of the Condominium Regime. The Association shall have the authority to adopt rules and regulations governing the use of the common elements of, and the operation of, the Regime and such rules shall be observed and obeyed by the owners, their invitees, guests, and tenants, as well as any tenant's guests and invitees. **The Association's authority to reasonably adopt and implement rules shall include, but not be limited to, the authority to adopt rules to address any issues that may arise from rented units in order to protect owner-occupants' peaceful use, enjoyment and unit values.**
- (g) Right of Entry. Agents of, or contractors hired by, the Association may enter any unit or common element when necessary in connection with any maintenance, repair, replacement or construction for which the Association is responsible, provided such entry into a unit shall be made with as little inconvenience to the owner(s) as practicable, and at reasonable times and with reasonable notice, except in an emergency that threatens harm to persons or property.
- (h) Notice of Liens. A unit owner shall give notice to the Association of (i) every lien against such owner's unit other than permitted mortgages, taxes, and Association assessments, and (ii) any suit or other proceeding that may affect the title to such unit, within ten days after the lien attaches or the owner receives notice of such suit.
- (i) Liability for Causing Damages to the Regime. A unit owner shall be liable to the Association for the expense of any maintenance, repair, or replacement rendered necessary by such unit owner's act, neglect, or carelessness, or by the act, neglect, or carelessness of such unit owner's guests, invitees, employees, agents,

or lessees, which liability shall include any increase in insurance rates resulting therefrom.

- (j) Restriction on Antennas and Satellite Dishes. No television antenna, radio antenna, satellite dish, or similar receiving or transmitting device shall be installed or otherwise located outside of an owner's unit except as may be permitted under rules adopted by the Association.
- (k) Commercial use of Outdoor Areas. Commercial uses may use outdoor sales areas within the Project only in compliance with local ordinances. This restriction applies at all times, including, but not limited to any day on which the University of Iowa plays football games in Kinnick Stadium ("Game Day"). All Game Day activities on both the commercial and residential portions of the Project shall be in compliance with City ordinances and any additional rules that may be imposed from time to time by the Association.
- (l) Drive-through or Walk-through Windows or Service Areas. Unless with the prior approval by Resolution of the City Council, no commercial use shall employ or have as an amenity or feature any sort of drive-through service area or walk up service window to pedestrians or to motor vehicles.
- (m) Commercial Sign Restriction. Any proposed sign (whether lighted or not) associated with the advertising of any commercial use must either 1) be approved by the City Council, or 2) be in full compliance with sign rules applicable to the Project, as may be adopted from time to time by the Association, and expressly approved by Resolution of the City Council.
- (n) Temporary Signage. No temporary signs on or visible from the exterior of a commercial establishment will be permitted except when located in a window of the establishment filling not more than 25% of the window space and for no more than 20 business days during any calendar year. Signs indicating that a business is open or closed or hours of operation, or containing governmentally required disclosures, shall not be deemed temporary signs.
- (o) For Rent Signs. To the extent that a unit may be and is for rent, one "For Rent" sign no larger than three feet by three feet (excluding stand) may be placed in or on the leased unit, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, one additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial leasing of the Declarant's units, the Declarant may either abide by the foregoing requirement or in lieu thereof place one leasing sign no larger than ten feet by ten feet (excluding stand) within the Project at a location reasonable visible to the general public from Melrose Avenue. Any holder of a first mortgage who acquires possession of a unit by foreclosure or by deed in lieu of foreclosure shall have the right to post

signs, in compliance with this provision of the Declaration, for the sale or rental of such unit until such unit is sold or a lease is entered into.

- (p) For Sale Signs. To the extent that a unit is for sale, one "For Sale" sign no larger than three feet by three feet (excluding stand) may be placed in or on the unit for sale, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, an additional such sign may be placed within the Project at another location approved by the Association that is reasonably visible to the general public from Melrose Avenue. In connection with the initial sale of the Declarant's units, the Declarant may either abide by the foregoing requirement or in lieu thereof place one for sale sign no larger than ten feet by ten feet (excluding stand) within the Project at a location reasonable visible to the general public from Melrose Avenue. Any holder of a first mortgage who acquires possession of a unit by foreclosure or by deed in lieu of foreclosure shall have the right to post signs, in compliance with this provision of the Declaration, for the sale or rental of such unit until such unit is sold or a lease is entered into.
- (q) Noise and Outdoor Music. All Project unit owners, occupants and guests shall comply with the noise ordinances of the City and otherwise not create any noise nuisances. Additionally, no music shall be permitted to be played through exterior speakers within any outdoor commercial service areas after 9:00 p.m. on Sundays through Thursdays, or after 10:00 p.m. on Fridays and Saturdays. Any music played through exterior speakers within outdoor commercial service areas shall otherwise be in compliance with City ordinances and any additional rules that may be imposed by the Association from time to time.
- (r) Hours of Operation for Commercial Uses. Unless additional extended hours are approved by Resolution of the City Council, commercial uses, other than fitness centers, may operate and remain open to the public between the hours of 6:00 a.m. and 10:00 p.m. on Sundays through Thursdays, and between the hours of 6:00 a.m. and 12:00 a.m. (midnight) on Fridays and Saturdays; provided, however, that all outdoor service areas shall close no later than 11:00 p.m. on Fridays and Saturdays. Owners, tenants and employees may enter upon and remain in the commercial units at other times for business purposes that do not involve the coming and going of customers or clients. Fitness centers may operate twenty-four (24) hours per day seven (7) days per week, provided all such fitness activities are conducted inside the establishment.
- (s) Occupancy of Residential Units. Residential units may be occupied by a single "family" and no more than one person not a member of the family occupying the premises as part of an individual housekeeping unit. "Family" is defined for purposes of this Declaration in the same manner as it is defined by the City Ordinance 79 (3)(32), as now existing or hereafter amended, modified, renumbered, or substituted. Currently "Family" is

defined as one person or two or more persons related by blood, marriage, or adoption occupying a dwelling as an individual housekeeping unit.

- (t) Snow Removal. The Declarant's (Developer's) obligation, as set forth in the PUD Documents, to remove snow and ice from City sidewalks within or abutting the Project shall be, and is hereby made, the obligation of the Association under the this Declaration. The Association (as the council of co-owners, or its successors and assigns) shall be responsible in perpetuity for the removal of snow and ice on City sidewalks on the north side of Melrose Avenue from the intersection of Melrose Avenue and Sunset Street west to the Project boundary. Snow removed shall not be deposited upon City streets but may be deposited adjacent to the sidewalk upon the area within the City right-of-way. All snow removed from other areas of the Project shall be deposited on the project's property or elsewhere but not upon City streets, City right-of-way, or any other property owned or controlled by the City or upon private property (other than the Project) except with the permission of the property owner. In the event that One University Place South Owners Association, Inc. fails to fulfill this maintenance obligation in any way, the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligation and the One University Place North Owners Association shall have the right to enter upon the Project for this purpose, in which event the One University Place South Owners Association, Inc. shall indemnify and hold harmless the One University Place North Owners Association from any and all costs associated with such maintenance.
- (u) Combining/Dividing Condominium Units. The total maximum number of multi-family residential dwelling units (residential condominium units) within the Project is twenty-four (24) which, when combined with the additional multi-family residential dwelling units (residential condominium units) to be built in phase two of the Project approved under the PUD Documents, will initially establish the PUD Project at or below the 104 maximum dwelling units permitted for the PUD Project by City Ordinances #79, #180 and #188. In accordance with any additional requirements of the condominium documents, (i) a residential condominium unit may be combined horizontally or vertically with one or more other residential condominium units to allow such combined units to be used as a larger single family dwelling unit under applicable City ordinances, or (ii) a larger residential condominium unit (or previously combined condominium units) may be divided into two or more smaller residential condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate single family dwelling units under applicable City ordinances; provided the total number of residential dwelling units in the PUD Project does not at any time exceed the 104 residential dwelling units permitted for the PUD Project by City ordinance. Similarly, in accordance with any additional requirements of the condominium documents, (1) a commercial condominium unit may be combined horizontally with one or more other commercial condominium units to allow such combined units to be used as a larger commercial space under applicable City ordinances, or (ii) a larger

commercial condominium unit (or previously combined condominium units) may be divided into two or more smaller commercial condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate commercial spaces under applicable City ordinances.

- (v) Restriction of Left Turns onto Sunset Street. No left turns shall be permitted from the Project directly onto Sunset Street.
- (w) Rental Requirements/Restrictions. In the PUD Documents, the Developer and City acknowledged and agreed that the residential portion of the PUD Project is being built to standards consistent with owner occupied residential units, but that rental of such units by the Developer and/or subsequent owners is permissible. The residential units of the Project are subject to the same rental requirements, restrictions, and definitions for family, as contained in City ordinances, as other residential properties in the City. The period of rental of a residential condominium shall be at least one year unless some other period is established in the rules and regulations or By-laws of the Association. Every tenant shall fully comply with this Declaration and all rules and regulations of the Association. No lease shall relieve the owner as against the Association and other owners from any responsibility or liability imposed by the condominium documents.
- (x) Maintenance of Exterior Public Space. The Association, as provided in this Declaration, shall have the responsibility to maintain all exterior public space that is shown on the PUD Plan or otherwise part of the PUD Project. In the event that One University Place South Owners Association, Inc. fails to fulfill this maintenance obligation in any way, the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligation and the One University Place North Owners Association shall have the right to enter upon the Project for this purpose, in which event the One University Place South Owners Association, Inc. shall indemnify and hold harmless the One University Place North Owners Association from any and all costs associated with such maintenance.
- (y) Enlargement of Surface Parking. The Declarant or the Association shall report to the City Council any intention to install more surface parking within the PUD Project than is shown on the approved PUD Documents. The PUD Project's maximum amount of surface parking is one hundred eight (108) spaces pursuant to City Ordinance 79(13)(B)(6).
- (z) Limited Common Elements associated with City Ownership of Unit #103. In the event the City becomes the owner of Unit #103, the exterior fenced green-space area adjacent to and east of such unit and the area on the south plaza adjacent to the entry door to such unit shall each be a limited common element associated exclusively with Unit #103, to be insured (general liability, not casualty) by the City, and to be subject to the City's rules and regulations for use by the City and its invitees, guests and the general public. These limited common elements shall be maintained by the

Association. These limited common elements will exclude the sidewalk at the east end of the building (“East Sidewalk”) that is reserved as a general common element for all unit owners, and the City (if the owner of Unit #103) will not impede the other unit owners and their invitees, customers, clients and guests from traversing upon the East Sidewalk adjacent to the City-owned unit and associated limited common elements, for reasonable access to and from the other condominium units in the Project. The Association shall be responsible for the care, upkeep, maintenance, and repair of the East Sidewalk as a general common element. In the event that One University Place South Owners Association, Inc. fails to fulfill in any way the maintenance obligations of this paragraph (z), the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligations and the One University Place North Owners Association shall have the right to enter upon the Project for this purpose, in which event the One University Place South Owners Association, Inc. shall indemnify and hold harmless the One University Place North Owners Association from any and all costs associated with such maintenance.

(aa) Deemed Deed Restrictions and Covenants. The Declarant agrees for itself and for its successors and assigns that each deed or other conveyance of every unit shall be deemed to contain, if not actually specified, the following deed restrictions and covenants on the part of the Declarant to be binding on Declarant and all such successors and assigns, to be appurtenant to each unit in the Regime:

- i. That the real property comprising the Project shall be devoted only to and in accordance with the uses specified in the PUD Development Agreement applicable to the Project (see section 2(a) above in the Article IX), subject to any modifications of such uses that might be contained in the Urban Renewal Plan that has been adopted as part of a separate economic incentives agreement between the Declarant and the City upon which the PUD Development Agreement was conditioned.
- ii. That any owner of the real property comprising the Project shall not discriminate upon the basis of age, race, creed, color, disability, gender identity, marital status, sex, sexual orientation, religion, national origin, or the presence or absence of dependents or public assistance source of income in the sale, lease, or rental or in the use or occupancy of the property or any improvements erected or constructed or to be erected or constructed on that property or any part thereof.

It is intended that the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in paragraph (aa)(ii) above, both for and in its own right and also for purposes of protecting the interests of the community and other parties, public and/or private, in whose or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the City. The City shall have the right in the event

**of any breach of any such agreement or covenant to exercise all the rights and remedies and to maintain any actions or suits at law and/or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled, and shall be entitled to recover, in addition to its court costs, reasonable lawyer fees and litigation expenses.**

iii. Any dispute between any one or more unit owners and the original developer of the Project (the Declarant) or such developer's design professionals or contractors must be submitted first to non-binding mediation before commencement of legal proceedings (other than filings necessary to preclude the expiration of a statute of limitation).

(bb) Sale or Lease of Space to Property Tax Exempt Entities. **Unless approved in advance by Resolution of the City Council, until 25 years after the approval of the initial building permit for the Project (as "Project" is defined in the PUD Development Agreement applicable to the Regime), the Declarant (including its successors and assigns) shall not sell or lease any commercial unit of the Project to a property-tax exempt entity (other than the City) if such sale or lease will result in such commercial unit becoming exempt from the payment of property tax. Until 30 years after the last payment of any TIF benefits to the Declarant, the Declarant (including its successors and assigns) shall not sell or lease any residential unit of the Project to a property tax exempt entity if such sale or lease will result in such residential unit becoming exempt from the payment of property tax.**

(cc) Lease Clause. **Any lease that the Declarant (or its successors or assigns) may enter into for a commercial unit in the Project shall provide that the tenant shall not approach the City Council for, or receive, any direct or indirect lease subsidy.**

(dd) Regime Appearance and Design. **The design of the building and grounds and the integrity and appearance of the Regime as a whole are common elements of this Regime, and similarly of the adjacent One University Place North Condominium regime. The regimes together comprise the approved PUD Plan for the combined properties. No maintenance, repairs, or replacements of the common elements by either owners association shall materially modify the design of the building and grounds, the materials and color scheme of the buildings, or the integrity and appearance of the two regimes as a whole unless with the approval of both Associations and the City when the City's approval may be required under an applicable Development Agreement or ordinance.**

3. No Waiver. **Failure of the Association or any owner to enforce any covenant, condition, restriction, or other provision of Chapter 499B of the 2015 Code of Iowa, as amended, this Declaration, the Articles of Incorporation or By-laws of the Association, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to enforce the same thereafter.**

**ARTICLE X**  
**Insurance and Casualty**

1. **General Liability and Property Damage.** Comprehensive general liability and property damage insurance for the Association and Project shall be purchased by the Board as promptly as possible following its organization, and shall be maintained in force at all times, the premiums thereon to be paid by Association assessments to the owners. Prior to the organizational meeting, such insurance shall be procured by Declarant. The insurance shall be carried with a reputable company or companies authorized to do business in the State of Iowa in such amounts as the Board may determine. The policy or policies shall name as insureds all the owners and the Association. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all of the condominium units in the Project. The policy or policies shall insure against loss arising from perils and occurrences in the common elements (general and limited) and the units, and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association and/or the Board.

2. **Fire and Casualty.** Fire and other hazard insurance shall be purchased by the Board as promptly as possible following its organization and shall thereafter be maintained in force at all times, the premiums thereon to be paid out of Association assessments to the owners. Policies shall provide for the issuance of certificates or such endorsement evidencing the insurance as may be required by the respective mortgagees of unit owners. The policy, and certificates so issued, will bear a mortgage clause naming the mortgagees interested in said Project. The policy or policies shall insure against loss from perils, therein covered, to all of the improvements in the Project, except as may be separately insured. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements. The improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insured all of the owners, the Association, and Declarant so long as Declarant is the owner of any of the units in the Project. The Declarant shall notify the insurance carrier of any change in ownership of a unit until such time as the organizational meeting of the unit owners is held, at which time it shall be the responsibility of the Association to notify the insurance carrier of a change in the ownership of any unit. The policy or policies shall also cover personal property owned in common, and shall further contain waiver of subrogation rights by the carrier as to negligent owners.

3. **Fire and Casualty on Individual Units.** Except as expressly provided in paragraph 4 immediately following, no owner shall separately insure such owner's condominium unit or any part thereof against loss by fire or other casualty covered by the insurance specified in paragraph 2 of this Article X. Should any owner violate this provision, any diminution in insurance proceeds resulting from the existence of such other insurance, shall be chargeable to the owner who acquired such other insurance, who shall be liable to the Association to the extent of any such diminution and/or loss of proceeds.

4. **Personal Liability and Unit Owners Insurance.** An owner may carry such personal liability insurance, in addition to that herein required, as such owner may desire. In addition, such fixtures and mechanical equipment located within a unit (such as plumbing fixtures, electrical lighting fixtures, kitchen and bathroom cabinets and counter tops, furnace, air-conditioning, built-ins and water

heater) together with additions thereto and replacements thereof, as well as the personal property of the unit owner as may be located within a unit or upon or within limited common elements, if any, associated with such unit, may be separately insured by such owner, such insurance to be limited to the type and nature of coverage often referred to as "Condominium Unit-Owners Insurance". All such insurance separately carried shall contain waiver of subrogation rights by the carrier as to negligent owners.

5. Additional Coverage. The Board may purchase and maintain in force, at the expense of the common maintenance fund, debris removal insurance, fidelity bonds, and other insurance and/or bonds that it deems necessary or appropriate for the operation of the Association and the Project. The Board shall purchase and maintain workmen's compensation insurance to the extent that the same shall be required by law respecting any employees of the Association. The Board shall also maintain "all risk" insurance coverage on the Project to insure against water damage and like kind of casualties.

6. Loss Adjustment. The Board is hereby appointed the attorney in fact for all owners to negotiate loss adjustment on the policy or policies carried under paragraphs 1, 2, 3 and 5 above in this Article X.

7. Association as Trustee for Proceeds. In the event of damage or destruction by fire or other casualty affecting a unit or units, and/or if any portion of the common elements are damaged or destroyed by fire or other casualty, all insurance proceeds paid in satisfaction of claims for said loss or losses shall be segregated according to losses suffered by each unit or units and/or the common elements, and shall be paid to the Association as trustee for the owner or owners and for the encumbrance or encumbrances, as their interest may appear. Said insurance proceeds, and the proceeds of any special assessment as hereinafter provided, whether or not subject to liens of mortgages or deeds of trust, shall be collected and disbursed by said trustee through a separate trust account on the following terms and conditions:

- (a) Partial Destruction of Common Elements. If the damage or destruction is to common elements only, the Board of Directors of the Association shall without further authorization contract to repair or rebuild the damaged portion of the common elements substantially in accordance with the original plans and specifications thereof.
- (b) Partial Destruction of Units and Common Elements. In the event of damage to, or destruction of, common elements with accompanying damage to any unit or units where the total destruction or damage does not represent sixty percent (60%) or more of the building and the cost of repairing or rebuilding said damaged area does not exceed the amount of available insurance proceeds for said loss by more than \$50,000, the Board of Directors of the Association shall immediately contract to repair or rebuild the damaged portion of the unit or units and the common elements substantially in accordance with the original plans and specifications. If the cost to repair or rebuild exceeds available insurance by \$50,000, then owners of the individual units, by vote of not less than a majority of the votes of those present and entitled to vote, in person or by proxy, at a duly constituted owners' meeting held within 30 days from the date of such damage or destruction, shall determine whether the Board of Directors shall be authorized to proceed with repair or reconstruction, or whether the Project shall

be sold as in the case of a total destruction according to the provisions of paragraph (c) immediately following.

- (c) Total Destruction. In the event of sixty percent (60%) or more damage to, or destruction of, the building by fire or other casualty, the owners of the individual units, by vote of not less than a majority of the votes of those present and entitled to vote, in person or by proxy, at a duly constituted owners' meeting held within 30 days from the date of such damage or destruction, shall determine whether the Board of Directors shall be authorized to proceed with repair or reconstruction, or whether said Project shall be sold; provided, however, that such determination shall be subject to the express written approval of all record owners of mortgages upon any part of the Regime.

In the event of a determination to rebuild or repair, the Board shall have prepared the necessary plans, specifications and drawings and shall execute the necessary documents to effect such reconstruction or repair as promptly as practicable and in a lawful and workmanlike manner.

In the event of a determination not to rebuild, the Board shall offer the Project for sale forthwith, at the highest and best price obtainable, either in its damaged condition, or after damaged structures have been razed, the net proceeds of such sale, and the proceeds, if any, of insurance carried by the Association, and/or by the owners as a whole on the Project, including coverage on the units and the common elements, except for unit coverages under paragraph 4 of this Article X, shall be distributed proportionately to the unit owners in the same proportion that the unit in which they have an interest shares in the common elements, except that where there is a mortgage of record or other valid encumbrance on any one unit then, and in that event, with respect to said unit the Association will distribute said proceeds that would otherwise have been distributable to such unit owner as follows: first to the record owner of mortgages upon units and common elements in the Regime in satisfaction of the balance currently due on said encumbrances and then the remaining proceeds, if any, to the unit owner of record.

- (d) In the event that the common elements are repaired or reconstructed pursuant to the provisions of paragraphs (a), (b) or (c) of this paragraph 7 and there is any deficiency between the insurance proceeds paid for the damage to the common elements and the contract price for repairing or rebuilding the common elements, the Board shall levy a special assessment against each owner in proportion to such owner's percentage of ownership in the common elements to make up such deficiency. If any owner shall fail to pay said special assessment or assessments within thirty (30) days after the levy thereof, the Board shall make up the deficiency by payment from the common maintenance fund, and the Association and remaining owners shall be entitled to the same remedies as those provided in Article VII of this Declaration, covering a default of any owner in the payment of maintenance charges.

(e) In the event of a dispute among the owners and/or mortgagees respecting the provisions of this clause, any such party may cause the same to be referred to arbitration in accordance with the then prevailing rules of the American Arbitration Association. In the event of arbitration, the party requesting the arbitration will give immediate notice thereof to the Board, which shall notify all other owners and mortgagees as promptly as possible after the reference to arbitration is made, giving all such parties an opportunity to appear at such arbitration proceedings. The decision of the arbitrator in this matter shall be final and conclusive upon all of the parties. The arbitrator may include in his determination an award for costs and/or attorney fees against any one or more parties to the arbitration.

8. Abatement of Common Expenses. The Board is authorized to provide coverage for payment of maintenance charges that are abated hereunder on behalf of an owner whose unit is rendered uninhabitable for a peril insured against.

9. Review of Insurance Needs. Insurance coverages will periodically be analyzed by the Board, or its representative, and the insurance program revised accordingly.

#### **ARTICLE XI** **Termination**

1. Procedure. The condominium may be terminated in the following manner in addition to the manner provided by the Iowa Horizontal Property Act:

- (a) Destruction. In the event it is determined in the manner elsewhere provided that the Project shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated in compliance with the provisions of Section 499B.8 of the 2015 Code of Iowa, as amended, or its applicable successor provision.
- (b) Agreement. The condominium may be terminated at any time by the approval in writing of all of the owners of the condominium and by holders of all liens affecting any of the units by filing an instrument to that effect, duly recorded, as provided in Section 499B.8 of the 2014 Code of Iowa, as amended, or its applicable successor provision. It shall be the duty of every unit owner and such owner's respective lien holder to execute and deliver such instrument and to perform all acts as in manner and form may be necessary to effect the sale of the Project when at a meeting duly convened of the Association, the owners of 100% of the voting power, and all record owners of mortgages upon units in the Regime, elect to terminate and/or sell the Project.
- (c) Certificate. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by all members of the Association and the respective holders of all liens affecting their interest in the condominium, certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the office of the Johnson County Recorder in Iowa City, Iowa.

2. Form of Ownership after Termination. After termination of the condominium, the Project will be held as follows:

- (a) The Real Estate (land and improvements) shall be deemed to be owned in common by the owners;
- (b) The undivided interest in the property owned in common that shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common elements and facilities;
- (c) Any liens affecting any of the condominiums shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owner in the property.
- (d) After termination, the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the owners in a percentage equal to the percentage of undivided interest owned by each owner in the common elements; after first paying out of the respective shares of the owners, to the extent sufficient for that purpose, all liens on the undivided interest in the property owned by each owner.

## **ARTICLE XII**

### Amendments and Miscellaneous

1. Amendments. Except as otherwise provided in this Declaration, this Declaration may be amended and such amendment shall be made in the following manner:

(a) Amendment by the Declarant.

- (i) The Declarant or its successor in interest reserves the right to amend this Declaration at any time prior to the sale of a unit within the Regime, and/or as otherwise expressly provided in this Declaration.
- (ii) The Declarant or its successor in interest reserves the right to correct, supplement and/or amend this Declaration in order to file original, corrected, supplemental or amended floor plans, site plans, building plans and "as built" certificates for the building or any unit whether completed or not yet completed at the time of the initial filing of this Declaration. Except as otherwise permitted in this Declaration for subdivided or combined units, no such amendment or filing shall change i) the number of units, ii) any unit's appurtenant ownership in the common elements, iii) any unit's appurtenant votes in the association or iv) any unit's share of common expenses, unless with the written consent of all affected unit owners.
- (iii) Amendments to the Declaration made by the Declarant, as provided above, may be made without the consent of the unit owners.

- (b) Amendments by Unit Owners. Amendments by the unit owners shall be made in compliance with the following procedure.
- (i) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. Holders of a first mortgage of record shall receive notice of such proposed amendment as provided in the By-laws of the Association.
  - (ii) Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by any member of the Association. Except as provided elsewhere in this Declaration, the resolution must be adopted by a vote of not less than 75% of all owner votes, in person or by proxy; provided, however, no amendment effecting a substantial change in this Declaration or the By-laws of the Association shall affect the rights of the holder of any mortgage on a unit, if the mortgage was recorded prior to recordation of such amendment, who does not join in the execution thereof or does not otherwise approve said amendment in writing.
  - (iii) By-laws. In the case of an amendment to this Declaration by reason of an amendment to the By-laws of the Association, then in the manner specified in such By-laws.
  - (iv) Execution and Recording. An amendment adopted pursuant to (ii) or (iii) above shall be executed by an officer specifically delegated to do so with the formalities required by Chapter 499B of the 2015 Code of Iowa, as amended. Upon the recordation of such instrument in the office of the Johnson County Recorder, the same shall be effective against any persons owning an interest in a unit or the Regime.

2. Amendment of Ownership Interest. No amendment shall change the percentage of ownership in the common elements appurtenant to a unit, nor increase the owner's share of the common expenses unless the record owner of the unit concerned and all record owners of mortgages thereon shall affirmatively join in the adoption of such amendment.

**[Signature Page and Exhibits Follow]**

IN WITNESS WHEREOF, Declarant has executed the foregoing First Amended and Restated Declaration of Condominium the day and year first above written.

**DECLARANT**

**One University Place, LLC**  
an Iowa limited liability company

By: *Jeffrey L. Maxwell*  
Jeffrey L. Maxwell, President and Member

By: *Kevin Monson*  
Kevin Monson, Vice President and Member

By: See Page 33-A  
Justin Doyle, Sec./Treas. and Member

State of Iowa, County of Johnson, ss:

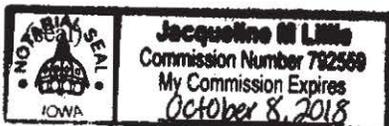
This instrument was acknowledged before me on the 11 day of August, 2016 by Jeffrey L. Maxwell as President and a Member of **One University Place, LLC**, an Iowa limited liability company.



*Jacqueline M. Gillie*  
Notary Public in and for said State  
My Commission Expires October 8, 2018

State of Iowa, County of Johnson, ss:

This instrument was acknowledged before me on the 11 day of August, 2016 by Kevin Monson as Vice President and a Member of **One University Place, LLC**, an Iowa limited liability company.



*Jacqueline M. Gillie*  
Notary Public in and for said State  
My Commission Expires October 8, 2018

State of Iowa, County of \_\_\_\_\_, ss:

This instrument was acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2016 by Justin C. Doyle as Secretary/Treasurer and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

\*\*\*\*\*

IN WITNESS WHEREOF, Declarant has executed the foregoing First Amended and Restated Declaration of Condominium the day and year first above written.

**DECLARANT**

**One University Place, LLC**  
an Iowa limited liability company

By: \_\_\_\_\_  
Jeffrey L. Maxwell, President and Member

By: \_\_\_\_\_  
Kevin Monson, Vice President and Member

By: \_\_\_\_\_  
Justin Doyle, Sec./Treas. and Member

State of Iowa, County of Johnson, ss:

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2016 by Jeffrey L. Maxwell as President and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

State of Iowa, County of Johnson, ss:

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2016 by Kevin Monson as Vice President and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

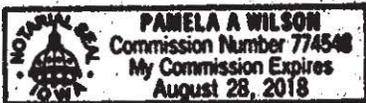
\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

State of Iowa, County of \_\_\_\_\_, ss:

This instrument was acknowledged before me on the 22<sup>nd</sup> day of August, 2016 by Justin C. Doyle as Secretary/Treasurer and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

Pamela A. Wilson  
\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires August 28, 2018



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## **Exhibit “A”**

Identification of Units, Interest in Common Elements, Percent of  
Common Expenses and Votes

**See Chart on Next Page**

Unit Number	Building Level	Use Classification: Com=Commercial R1=Residential One-Bedroom R2=Residential Two-Bedroom	Residential Unit Type	Approximate Square Footage (rounded)	Percentage of Ownership Interest in Common Elements	Percentage of Common Expenses that are Allocable to all Owners	Percentage of Certain Common Expenses that are Allocable only to Commercial Owners	Percentage of Certain Common Expenses that are Allocable only to Residential Owners	Votes in Association on Matters that are for all Members to Vote on	Votes in Association on Matters that are Specified for only Commercial Members to Vote on	Votes in Association on Matters that are Specified for only Residential Members to Vote on
101	First	Com		9,654	22.56%	22.56%	65.82%		23	66	
102	First	Com		2,564	5.99%	5.99%	17.48%		6	17	
103	First	Com		2,450	5.65%	5.65%	16.70%		6	17	
201	Second	R2	B	1,175	2.75%	2.75%		4.17%	3		4
202	Second	R2	B	1,175	2.75%	2.75%		4.17%	3		4
203	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
204	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
205	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
206	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
207	Second	R2	A.1	1,200	2.80%	2.80%		4.26%	3		4
208	Second	R1	C	980	2.30%	2.30%		3.50%	2		3
209	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
210	Second	R2	A	1,200	2.80%	2.80%		4.26%	3		4
211	Second	R2	B	1,175	2.75%	2.75%		4.17%	3		4
212	Second	R2	B	1,175	2.75%	2.75%		4.17%	3		4
301	Third	R2	B	1,175	2.75%	2.75%		4.17%	3		4
302	Third	R2	B	1,175	2.75%	2.75%		4.17%	3		4
303	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
304	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
305	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
306	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
307	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
308	Third	R1	C	980	2.30%	2.30%		3.50%	2		3
309	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
310	Third	R2	A	1,200	2.80%	2.80%		4.26%	3		4
311	Third	R2	B	1,175	2.75%	2.75%		4.17%	3		4
312	Third	R2	B	1,175	2.75%	2.75%		4.17%	3		4
<b>Totals</b>				<b>42,828</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>105</b>	<b>101</b>	<b>94</b>

Commercial Only 14,668  
Residential Only 28,160  

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42,828

## **Exhibit “B”**

**ARTICLES OF INCORPORATION  
OF  
ONE UNIVERSITY PLACE SOUTH CONDOMINIUM OWNERS ASSOCIATION, INC.**

**See Attached**

518567

ARTICLES OF INCORPORATION  
OF  
ONE UNIVERSITY PLACE SOUTH CONDOMINIUM OWNERS ASSOCIATION, INC.

777205 ARTI \$20.00 RAVE 2 3/14/16

The undersigned, acting as incorporator of a corporation pursuant to the provisions of the Revised Iowa Nonprofit Corporation Act under Chapter 504 of the 2015 Code of Iowa, as amended, adopts the following Articles of Incorporation for such corporation:

ARTICLE I  
Name and Principal Office

The corporation shall be known as **One University Place South Condominium Owners Association, Inc.**, and its principal office shall be located in Johnson County, Iowa.

ARTICLE II  
Corporate Existence

The corporate existence of this corporation shall begin upon the date these articles are filed with the Secretary of State, and the period of its duration is perpetual.

ARTICLE III  
Purposes and Powers

(A) The purpose and objective of the corporation is to provide an entity to conduct the business and affairs of, and to act as or for, the co-owners of that certain horizontal property regime (condominium) created and submitted pursuant to the provisions of Chapter 499B of the 2015 Code of Iowa, as amended, known as **One University Place South Condominium** and to be located on certain portions of real estate situated in University Heights, Johnson County, Iowa.

The corporation shall have all powers and purposes granted or implied to a council of co-owners under the provisions of Chapter 499B of the 2015 Code of Iowa, as amended, and as are granted or implied by the Declaration of Condominium establishing the One University Place South Condominium regime ("Declaration"), and all of such powers shall likewise constitute lawful purposes of this mutual benefit corporation.

(B) The purposes of the corporation are exclusively not for private profit or gain and no part of its activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation, and the corporation shall make no distribution of income to its members, directors or officers except as may be specifically permitted by Chapter 499B of the 2015 Code of Iowa, as amended, and the Declaration.

(C) The corporation shall, additionally, have unlimited power to engage in, and to do, any lawful act concerning any or all lawful business for which a mutual benefit non-profit corporation may be

3

organized under the Revised Iowa Nonprofit Corporation Act, as amended (Chapter 504 of the Code of Iowa).

ARTICLE IV  
Registered Office and Agent

The address of the initial registered office of the corporation is P.O. Box 2150, 321 East Market Street, Iowa City, IA 52244, and the name of its initial registered agent at such address is Thomas H. Gelman.

ARTICLE V  
Board of Directors

The number of directors constituting the initial Board of Directors of the corporation is three (3), and the name and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS
Jeffrey L. Maxwell	3011 Sierra Court SW Iowa City, Iowa 52240
Kevin Monson	3069 Rohret Road SW Iowa City, Iowa 52246
Justin C. Doyle	One University Place, Suite 400, 130 E 3rd St, Des Moines, Iowa 50309

The initial Board of Directors shall be subject to removal only by One University Place, LLC, or its designated successor, until the director's term expires as provided in the Declaration and By-laws, but directors other than the initial directors may be removed from office in such manner as may be provided by the By-laws.

ARTICLE VI  
By-Laws

The initial By-laws of the corporation shall be adopted by its initial Board of Directors, but the power to thereafter alter, amend, or repeal the same or adopt new By-laws is reserved to the members of the corporation.

ARTICLE VII  
Members and Voting

Persons or entities owning condominium units submitted to the regime shall be the members of the corporation, all of which and the rights and obligations thereof shall be governed by the provisions of the By-laws. The voting rights of the members shall be fixed, limited, enlarged, or denied to the extent specified in the Declaration and By-laws.

ARTICLE VIII  
Distribution of Assets Upon Dissolution

In the event of dissolution assets, if any remain, shall be distributed to the members in accordance to their proportionate share of ownership in the condominium regime, as determined by the Declaration and the By-laws.

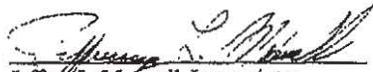
ARTICLE IX  
Amendment

Any purported amendment to these Articles of Incorporation in conflict with or contrary to the provisions of the Declaration, including supplements and amendments thereto that submit lands and units to the regime, shall be void and of no force and effect.

ARTICLE X  
Incorporators

The names and addresses of the incorporators are as follows:

NAME	ADDRESS
Jeffrey L. Maxwell	3011 Sierra Court SW Iowa City, Iowa, 52240
Kevin Monson	3069 Rohret Road SW Iowa City, Iowa 52246

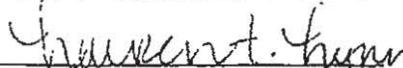
  
Jeffrey L. Maxwell, Incorporator

  
Kevin Monson, Incorporator

State of Iowa, County of Johnson, ss:

This instrument was acknowledged before me on the 29 day of December, 2015 by Jeffrey L. Maxwell.

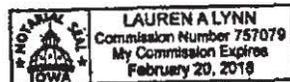


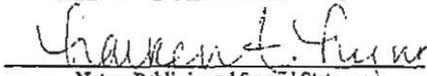
  
Notary Public in and for said State

State of Iowa, County of Johnson, ss:

This instrument was acknowledged before me on the 29 day of December, 2015 by Kevin Monson.

(seal)



  
Notary Public in and for said State

FILED  
IOWA  
SECRETARY OF STATE  
3-9-16  
10:52am  
W01036898

**Exhibit “C”**  
**FIRST AMENDED AND RESTATED BY-LAWS OF**  
**ONE UNIVERSITY PLACE SOUTH CONDOMINIUM OWNERS**  
**ASSOCIATION, INC.**

These are the By-laws of One University Place South Condominium Owners Association, Inc. (hereinafter referred to as “Association” or “Corporation”), a corporation organized pursuant to Chapter 504 of the 2015 Code of Iowa, as amended, for the purpose of administering One University Place South Condominium, a horizontal property regime (“condominium”, “Regime” or “condominium regime”) established pursuant to Chapter 499B of the 2015 Code of Iowa, as amended, in accordance with the *Declaration of Submission of Property to Horizontal Property Regime* therefor (“Declaration”), said Regime located on the following land in the University Heights, Johnson County, Iowa:

**Auditor’s Parcel 2015088 according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa, excepting therefrom Auditor’s Parcel 2016019 according to the survey plat thereof recorded in Plat Book 60, page 78, of the Records of Johnson, County, Iowa (the “Real Estate”).**

I. MEMBERS AND VOTING RIGHTS

1. The owners of all condominium units shall constitute the members of the Association (each a “member”), and membership shall automatically cease upon termination of all interests that constitute a person an owner. “Declarant” (defined below) shall be and have the rights of a member with respect to unsold units. Whenever only one spouse is a record titleholder, the other spouse shall be considered an owner for the purposes of membership, and shall be bound by the provisions of all “condominium documents” (as that term is defined in the Declaration) including those provisions relating to the Homestead exemption contained in Article VII of the Declaration.

2. An owner of record shall be recognized as a member without further action for so long as such owner holds an ownership interest. If ownership is acquired but not of record, or if acquired other than by way of conveyance or other formal instrument of transfer (such as by death, judicial act or dissolution), the person acquiring or succeeding to ownership shall present the Board of Directors of the Association evidence satisfactory to the Board of facts evidencing lawful ownership status prior to exercise of any rights of membership in the Association. (Failure to provide such evidence shall not, however, relieve an owner of such owner’s ownership obligations). A fiduciary or other official acting in a representative capacity shall exercise all membership rights and privileges of the owner so represented.

3. If more than one person is the owner of the same unit, all such owners shall be members and remain jointly and severally liable for all membership obligations. In such cases, or if more than one fiduciary or other official is acting in the premises, the votes entitled to be cast by the owners of that unit shall be cast by the person named for that purpose on a certificate signed by all such owners or fiduciaries or other officials and filed with the Secretary of the Association and such person shall be deemed to hold an ownership interest to such unit for purposes of voting and determining the representation of such ownership interest at any meeting or for purposes otherwise provided herein. If such certificate is not executed and filed with the Secretary, such membership shall not be considered in considering a quorum or a vote or for any other purposes until this Bylaw is complied with.

4. The owner(s) of each unit shall be entitled to vote the number of votes assigned to such unit on all matters to be determined by the members of the Association either as owners generally or as owners of units (such as commercial units or residential units) or as contemplated by Chapter 499B of the 2014 Code of Iowa, as amended, in accordance with the Declaration, including any supplements or amendments thereto. Votes of a single unit may not be divided.

## II. MEMBERS' MEETINGS

1. The organizational meeting of the members of the Association to elect successors of the initial Board of Directors shall be held within 60 days after the date on which the Declarant has sold and given possession of at least 75% of all of the units within the Regime. Thereafter the annual and any special meetings shall be held at a time and at a place within Iowa City, Johnson County, Iowa, (or other location convenient to all directors) chosen by the Board of Directors and all such meetings, annual or special, shall be held at such particular time and place as is set forth in the notice thereof.

2. A special meeting shall be held whenever called by the President or, in the President's absence or disability, the Vice President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-fourth of the votes of the entire membership.

3. The Secretary or the Secretary's designee shall give written notice to each member of the annual meeting. The person or persons calling a special meeting pursuant to Paragraph 2 hereof shall be given like written notice of such special meeting. All notices shall set forth the time and place and purpose or purposes for which the meeting will be held. No action shall be taken at a special meeting that is not directly related to the purpose or purposes stated in the notice of such meeting.

4. Notice of members' meetings shall be given by mailing, or delivering such notice not less than ten (10), nor more than thirty (30) days prior to the date of the meeting. Notice may be given by email or other electronic means when reasonable evidence of receipt is provided. Notice shall be deemed to be given if mailed by First Class Mail to the member at the address of such member's unit within the regime, unless at the time of giving such notice such member has given written direction, delivered to the Secretary, specifying a different mailing address to be carried on the rolls of the Association. If more than one person is the owner of the same unit or if more than one fiduciary or one official is acting in the premises, notice to such person shall be deemed to have been given, when given in accordance with this Paragraph to the person named in the certificate filed with the Secretary in accordance with Paragraph 3 of Article I. Notice of any meeting may be waived in writing by the person entitled thereto, and will be deemed waived upon such person's presence and participation at the meeting for any purpose other than to object to the notice process.

5. A quorum at a members' meeting shall consist of the presence of members in person or by proxy, representing a majority of the votes of unit owners entitled to vote. The acts carried or approved by a majority of the votes represented at a meeting at which a quorum is present shall constitute the acts of the membership unless a different rule is provided herein or by the Articles of Incorporation, the Declaration, or other agreement to which the Association is a party. The President, or, in the President's absence or disability, the Vice President, shall preside at each members' meeting; if neither the President nor the Vice President is able to preside, a chairperson shall be elected by the members present at such meeting.

6. At any membership meeting, a person holding a member's proxy to vote shall be permitted to participate in such meeting and shall be permitted to cast such member's votes on all questions properly coming before such meeting, provided such proxy must be in writing and signed by a member or other person entitled to cast votes, and shall set forth the unit(s) with respect to which such rights are pertinent, and the period during which the proxy is to be in force and effect. A decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal by or to the members.

7. At all member meetings, the order of business shall consist of the following:

- (a) Election of Chairman, if required.
- (b) Calling roll and certification of proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers, if applicable.
- (f) Election of Directors, if applicable.
- (g) Unfinished business.
- (h) New Business.
- (i) Adjournment.

### III. BOARD OF DIRECTORS

1. The affairs of the Association shall be managed by a Board of up to five (5) Directors, and possible six (6). The initial Board of Directors shall consist of three (3) to (five (5) persons as the Declarant may appoint pursuant to the Declaration who need not be members of the Association. The initial Board of Directors shall serve until the first annual members' meeting. From and after the first annual meeting of members, the Board of Directors shall be selected by the members of the Association, subject to the Declaration and these By-laws. As provided in the Declaration:

(a) Prior the first annual meeting of the Association the initial directors, at least three (3) and up to five (5), shall be appointed by the Declarant (initially being those persons designated as such in the Association's Articles of Incorporation) and may be removed, reappointed and/or replaced by the Declarant until their successors shall be elected by the members, or appointed by the City, in the manner provided in the Declaration and these By-laws. The initial Directors or replacement initial Directors as selected by the Declarant or its successor shall serve until the date on which the Declarant has sold and given possession of at least 60% of the units within the condominium, and the replacement Directors have been elected from among members at the first annual meeting as prescribed in these By-laws. From and after the first annual meeting, the affairs of the Association shall be conducted by a board of five (5) Directors elected or appointed as provided in the Declaration and these By-laws; and until all units are sold by the Declarant, the Declarant may appoint one (1) director to sit as a member of the Board of Directors in addition to the other five (5) elected or appointed directors. Such Director appointed by the Declarant shall have the same voting rights as the other elected or appointed Directors.

2. At the first annual members' meeting and at each annual meeting thereafter five (5) directors shall be elected and the term of office of each director shall extend until the next annual

meeting of the members and thereafter until their successors are duly elected and qualified or until removal in the manner as elsewhere provided.

3. In the event the City of University Heights ("City") becomes the owner of a commercial unit in the condominium, and from and so long as the City is such an owner, then in addition to being a voting member of the Association with all rights of membership afforded to a unit owner by the Declaration, one (1) representative of the City, as appointed from time to time by the City Council, shall be a voting member of the Association's Board of Directors adding one (1) initial director to those appointed by the Declarant for the period before the first annual meeting, or replacing one (1) of the five (5) elected directors from and after the first annual meeting, as the case may be.

4. Each elected director shall be elected by ballot (unless such requirement is waived by unanimous consent) and by a plurality of the votes cast at the annual meeting of the members of the Association. Each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled by election.

5. Except as provided in Paragraph 6 of this Article, Vacancies of elected Directors (as opposed to appointed Directors) may be filled until the date of the next annual meeting by a vote of a majority of the Directors remaining in office regardless of whether those remaining constitute a quorum.

6. The initial Directors and the additional Director appointed by the Declarant under paragraph 1(a) of this Article III shall be subject to removal only by the Declarant. After the election of Directors at the first annual meeting, any elected Director or City appointed Director may be removed by seventy-five percent (75%) of the votes of members of the Association at a special meeting called for that purpose. The vacancy on the Board of Directors so created shall be filled at the same meeting by the persons entitled to vote, or if the City appointed Director then by a City Council appointment as soon as is practicable.

7. The initial Directors as well as any other Director appointed by the Declarant or the City shall serve without compensation. Directors elected by the members shall receive such compensation and expenses as may be approved by a vote of the members at any annual or special meeting.

8. An organizational meeting of a newly elected Board of Directors, at which time officers will be elected among other business, shall be held within ten (10) days after their election at such place and time as shall be fixed by the Directors at the meeting at which they are elected. No further notice of the organizational meeting shall be necessary.

9. A majority of the Board may, by resolution, set the time and place for regular meetings of the Board and no notice thereof shall be required until such resolution is modified or rescinded. Special meetings of the Directors may be called by the President, Vice President, or any two Directors, provided not less than two days' notice shall be given, personally or by mail, email or telephone, which notice shall state the time, place, and purpose of the meeting.

10. A quorum at a directors' meeting shall consist of two-thirds of the entire Board of Directors. The acts approved by a majority of those present at a meeting duly called at which a quorum is present shall constitute the acts of the entire Board of Directors.

11. The presiding officer at a directors' meeting shall be the President, or in his absence, the Vice President.

12. The Board of Directors, by resolution approved by all members thereof, may designate from among its members such committees as it deems advisable and by resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

#### IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation, and the documents establishing the condominium Regime. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration, and, in addition to those elsewhere provided, shall include but not be limited to the following:

1. The determination and collection of assessments against members for all common expenses and other charges that may be assessed against members under applicable laws, the Declaration and other duly adopted condominium documents.

2. The use of the proceeds of assessments in the exercise of its powers and duties.

3. The maintenance, repair, replacement, and operation of the Regime property, including all common areas, elements, and facilities, and units as applicable, and the making or providing for payment for all such work and approving or delegating to the officers authority to approve vouchers therefor.

4. The reconstruction, repair, restoration, or rebuilding of the Regime property and of any units as applicable after casualty; and construction of new improvements or alterations as may be authorized in the Declaration.

5. To make and amend regulations respecting the use and occupancy of the property in the condominium Regime and to permit or forbid an action or conduct within the discretion committed to them in the Declaration, By-laws, and Resolutions of the members.

6. The enforcement by legal means of the provisions of the Horizontal Property Act, the Articles of Incorporation, these By-laws, the Declaration, and the regulations for the use of the property in the Regime; and to take legal action in the name of the Association and on behalf of its members.

7. To contract for management of the Regime and to delegate to such manager any or all powers and duties of the Association except such as are specifically required by the Declaration, By-laws or Resolutions of the members to have approval of the Board of Directors and/or the membership of the Association.

8. To employ, designate, and discharge personnel and/or contractors to perform services required for proper operation of the Regime.

9. To carry insurance on the property committed to the Regime and insurance for the protection of unit owners and occupants, and members of the Association, in accordance with the Declaration.

10. To pay the cost of all power, water, sewer, and other utility or other services rendered to the Regime and not billed directly to the owners of the individual units.

11. To conduct all votes or determinations of the members other than at a membership meeting.

12. To borrow money from any bank, lending institution, or agency for the use and benefit of the Association and to secure the loan or loans by pledge of the assets of the Association.

13. To do such other acts as are necessary and proper to effect the purpose of the Regime as stated in the Declaration and these By-laws provided such acts are not otherwise prohibited.

#### V. OFFICERS

1. The officers of the Association shall be the President, who shall be a Director, a Vice President, who shall be a Director, and a Secretary and Treasurer, which offices shall be filled by one person, who need not be either a director or member. All such officers shall be elected annually by the Board of Directors and may be preemptorily removed and replaced by the vote of two-thirds of the Directors at any meeting. The initial officers and their successors, until the first annual meeting, shall be chosen by the initial Board of Directors and shall serve until the organizational meeting of the Board of Directors at which officers are elected. The Board of Directors may from time to time create and fill other offices and designate the powers and duties thereof. Each officer shall have the powers and duties usually vested in such office, and such authority as is committed to the office by the By-laws or by specific grant from the Board, but subject at all times to the provisions of the Declaration, By-laws and to the control of the Board of Directors.

2. The President shall be the chief executive officer of the Association. The President shall preside at all membership meetings and meetings of the Board of Directors and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the Association and the Regime.

3. The Vice President shall preside over the membership meetings in the absence or disability of the President, and shall otherwise exercise the powers and duties of the President in the event of the absence or disability of the President, and shall generally assist the President and exercise such other powers and duties as are prescribed by the Directors.

4. The Secretary and Treasurer, which shall constitute one office, shall keep the minutes of all proceedings of membership meetings and Directors' meetings, shall have custody and control of the Minute Book of the Association, shall keep or be in charge and control of the records of the Association, and additionally as Treasurer shall have control of the funds and other property of the Association and shall keep (and/or supervise the keeping of) the financial books and records thereof.

5. The compensation of all officers and employees shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee, nor the contracting with a Director for management of the Regime.

6. Any instrument affecting an interest in real property may be executed by the President or Vice President and one other officer upon authorization of the Directors or in such manner as the Directors may otherwise direct.

## VI. FISCAL MANAGEMENT

1. The Board of Directors shall adopt a budget for each fiscal year (which shall be the same as the Association's fiscal year for Income Tax purposes), which shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the following accounting categories according to good accounting practices:

- (a) Current expenses, which shall include all funds and expenditures to be made for the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.
- (b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
- (c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, destruction, depreciation, or obsolescence.

2. The Board of Directors shall assess against each unit and the owners thereof shall be liable for, a share of the items in the budget adopted pursuant to paragraph 1 above equal to such unit's percentage share of common expenses as set forth in the Declaration. Such shares shall be assessed annually in advance for the fiscal year for which the budget was prepared and notice of such assessments shall be mailed or delivered not less than fifteen (15) days prior to the first day of such fiscal year: provided, however, no delay in giving such notice shall relieve any owner of the obligation to pay a duly adopted assessment. Such assessment shall be due and payable from the respective unit owner or owners in twelve (12) equal installments, each installment being due and payable the first day of each calendar month, within such fiscal year. In the event notice of such assessment is not timely given, the amount of such assessment will not change, but the due date for each installment that would otherwise be due and payable, less than fifteen (15) days from the giving of such notice, shall be due and payable on the due date of the first installment that is due after fifteen (15) days from the date such notice was mailed or delivered. In the event the annual assessment proves to be insufficient, the budget and assessments therefor, may be amended at any time by the Board of Directors. Such amended budget may be adopted at a special directors' meeting upon an affirmative vote of a majority of the directors. The additional amount so budgeted shall be assessed to each unit in the same manner as assessments for the annual budget and shall be prorated among the remaining installments due and payable in such year.

3. Assessments for common expenses for emergencies and extraordinary expenditures, that cannot be paid from the annual assessments for common expenses and maintenance funds, shall be made

only after notice of the need thereof to the unit owners. After such notice and upon approval in writing by owners entitled to cast more than one-half of the votes in the Condominium, the assessments shall become effective, and shall be due in such manner as the Board of Directors may require after fifteen (15) days' notice thereof. In the event any expenditure for repair or replacement of any unit or common elements cannot be paid from annual assessments, but can be at least ninety percent (90%) paid from insurance proceeds therefor, such expenditures may be made upon approval of the Board of Directors without approval of the members and an amended budget and assessment may be made therefor if necessary.

4. The Board of Directors may assess certain expenses pertaining to the common elements benefiting only residential owners to all residential owners and units provided the assessments are equal to the percentages of such residential units' shares of residential common expenses as set forth in the Declaration. Similarly, the Board of Directors may assess certain expenses pertaining to the common elements benefiting only commercial owners to all commercial owners and units provided the assessments are equal to the percentages of such commercial units' shares of commercial common expenses as set forth in the Declaration. Further, as provided in the Declaration, the Board of Directors may reasonably assess on a percentage prorata basis certain expenses for limited common elements benefitting only some units among the units and owners so benefited.

5. If an owner shall be in default of a payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to such owner, and thereupon the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to such owner either personally or by registered or certified mail. Interest shall be computed and due on balances due under this paragraph but unpaid on such due date at the rate of 10% per annum from the date such balance becomes due and payable in accordance with the preceding sentence; such interest shall be in addition to any other payments for which said owner is liable.

6. The holder of a mortgage on any unit, upon its filing written request with the Association, shall be given written notice by the Association of the nonperformance of a mortgagor's obligations under these By-laws, the Declaration, or other condominium documents, which is not cured within thirty (30) days.

7. All sums assessed but unpaid, including, but not limited to, interest with respect to a unit or against a unit owner, shall constitute a lien on such unit prior to all other liens except:

- (a) Tax liens on the unit in favor of any assessing unit and special district, and
- (b) All sums unpaid on the first mortgage of record.

Said lien may be foreclosed by the Association in the manner and with the consequences provided in Section 499B.17 of the 2015 Code of Iowa, as amended, in which event the owner shall be required to pay a reasonable rental for the unit. The Association may sue for money judgment for unpaid assessments and interest or sums due without foreclosing or waiving any lien it holds.

8. If a mortgagee or purchaser of a unit obtains title as a result of foreclosure of a first mortgage, neither such mortgagee or purchaser nor their successors or assigns shall be liable for the assessments chargeable to such unit, due prior to the acquisition of title, and such unpaid assessments

shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser, and their successors and assigns. The owner of a unit pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments against the grantor or prior owner, but without prejudice to the right of such grantee or devisee to recover from the grantor the amounts paid therefor. The grantee or other successor in interest of an individual subject to a levy of an assessment on account of default shall be liable for any such special assessment.

9. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from the accounts shall only be by checks signed by such persons as are authorized by the Directors.

10. An audit of the accounts of the Association may be made annually by a Certified Public Accountant as may be retained by the Board of Directors, and if such audit is made a copy of the report shall be furnished to each member not later than sixty (60) days after the close of the fiscal year for which the report is made, or fifteen (15) days after the completion of the audit report, whichever is later.

#### VII. AMENDMENT

1. These By-laws may be amended, altered, or repealed, or new By-laws adopted by the members at a regular or special meeting of the members upon the affirmative vote of 75% of all votes entitled to be cast; provided, however, no amendment effecting a substantial change in these By-laws shall affect the rights of the holder of any mortgage recorded prior to recordation of such amendment who does not join in the execution thereof or otherwise approve said amendment in writing.

2. No amendment may be adopted at either a special or regular membership meeting not included in the notice thereof, except if notice of the proposed amendment has been given, an amendment relative to the same subject may be adopted by those present, in person or by proxy, and possessing the requisite percentage of membership and voting interests, provided further no vote by proxy may be counted unless the proxy expressly provides for such contingency. Notice referred to herein shall be given in the manner prescribed in Article II Section 3 of these By-laws and shall be given to the persons described in Article II Section 4 and the holder of any first mortgage of record that has notified the Association of its interests not less than thirty (30) days before the date such meeting will be held. More than one proposed amendment may be included in the notice of a meeting.

3. To the extent provided by Section 499B.14 of the 2015 Code of Iowa, as amended, no modification nor amendment to these By-laws shall be effective unless set forth in an amendment to the Declaration of Condominium, executed and recorded in the manner set forth in the Declaration, and an amendment to these By-laws shall constitute an amendment to the Declaration as provided for by law. Upon such recording said amendment shall be effective against all persons having an interest in a unit or the Regime regardless of whether said person had such interest at the time said amendment was adopted.

#### VIII. MISCELLANEOUS PROVISIONS

1. The invalidity of any portion or provision of these By-laws shall not affect the validity of the remaining provisions or portions hereof.

2. The Association shall not have and employ a corporate seal.

3. The Board of Directors may require fidelity bonds from all directors, officers, or agents handling or responsible for Association funds and the expense of such bonds shall be common expenses of the Association.

4. The Association shall promulgate such Rules and Regulations for the operation, use and enjoyment of the Regime that are in the best interest of all owners within the Regime and are not contrary to the Declaration. The initial Board of Directors may adopt initial Rules and Regulations that may from time to time be added to, amended, or modified by majority vote of the initial Board of Directors or a subsequent Board, or by a vote of members representing a 60% majority of the units' votes in the Association, which vote by the members shall supersede the Board of Directors if there is a conflict with the Rules and Regulations adopted by the Board. The Rules and Regulations, as amended, shall be binding upon all members and representatives of members, and to the extent applicable also binding upon tenants, guests and invitees. An amendment to the Rules and Regulations shall not constitute an amendment to the Declaration, and shall be valid and enforceable upon adoption without recording the same as an amendment to the Declaration. The Association shall keep among its records and periodically distribute to members, and make available to members upon request, the most current version of the duly adopted Rules and Regulations of the condominium Regime.

5. The Association shall at all times maintain separate and accurate written records of each unit and owner and the address of each, which shall set forth the status of all assessments, accounts, and funds pertinent to that unit and owner. Any person not a unit owner may rely on a certificate made from such records by an officer or agent of the Association as to the status of all assessments and accounts for a unit in the Regime.

6. Each member shall have the obligations as a member that are imposed on such member, as a unit owner, by the Regime documents, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the Regime property except as the same may attach only against such member's interest therein.

7. The Board of Directors may, in its discretion, issue written evidence of membership, but the same shall be evidence thereof only, and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as appurtenant to an assignment, hypothecation, or transfer of the unit.

8. Each owner or tenant of such owner's unit, as applicable, shall have a right to use and enjoy the common elements provided that such use shall be limited to the uses permitted by the Declaration, the Rules and Regulations, and other governing documents of the Regime.

#### IX. DEFINITIONS

Unless the context otherwise requires, the terms used herein shall have the meanings stated in the Horizontal Property Act, and as follows:

1. Person. The term "person" shall include an individual, a corporation, or other legal entity or its representative.

2. Owner. The term "owner" for purposes of these By-laws shall mean any person who owns or holds for such owner an interest in one or more units subject to the Regime provided that the holder of a leasehold interest in a unit shall not be an owner and further provided that the holder of an equitable interest shall be an owner.

3. Unit. The term "unit" means each unit subjected to the Regime of one or more rooms intended for use as commercial space or residential dwelling, as more fully defined in the Declaration.

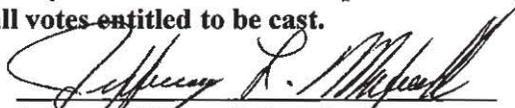
4. Common expenses. The term "common expenses" shall include:

- (a) Expenses of administration of the Association;
- (b) Expenses of operating the general common elements and the portions of limited common elements to be operated by the Association, in accordance with the Declaration;
- (b) Expenses of maintenance, repair, or replacement of general common elements and of the portions of limited common elements and units to be maintained, repaired, or replaced by the Association, in accordance with the Declaration;
- (c) Expenses of insurance for the Association and its directors, officers, and members; for the common elements; and for the units as may be provided for in the Declaration;
- (d) Expenses and obligations allocated to the Association or declared common expenses by the Declaration or these By-laws; and
- (c) Any valid charge against the Regime as a whole.

5. Declarant. The term "Declarant" shall mean One University Place, LLC, an Iowa limited liability company, which has made and duly executed the Declaration, and any successor that One University Place, LLC may designate in writing to be the successor Declarant.

6. Singular, plural and gender. Whenever the context so permits or requires, the use of the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

**This *First Amended and Restated By-Laws of One University Place South Condominium Owners Association, Inc.* was adopted by the Members at a special meeting of the Members upon the affirmative vote of 100% of all votes entitled to be cast.**



\_\_\_\_\_  
 Jeffrey L. Maxwell, President

One University Place South Condominium Owners Association, Inc.

Attest:

see Page 51-A  
 \_\_\_\_\_  
 Justin Doyle, Secretary/Treasurer

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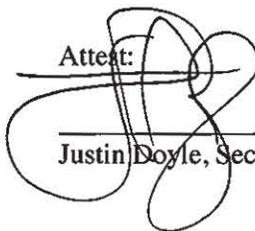
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- (c) Expenses of insurance for the Association and its directors, officers, and members; for the common elements; and for the units as may be provided for in the Declaration;
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Jeffrey L. Maxwell, President  
One University Place South Condominium Owners Association, Inc.

Attest:  
  
\_\_\_\_\_  
Justin Doyle, Secretary/Treasurer

## **Exhibit D - Site Plan**

**[See Attached Site Plan]**

## **Exhibit D - Site Plan**

**[See Attached Site Plan]**



CIVIL ENGINEERS  
LAND PLANNERS  
LAND SURVEYORS  
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1917 S. GILBERT ST.  
IOWA CITY, IOWA 52240  
(319) 351-8282

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Date	Revision
08-02-16	ADD AP 2016019 -JDM
08-17-16	REV PER ATTORNEY -MAK

# EXHIBIT "D"- SITE PLAN

ONE UNIVERSITY  
PLACE SOUTH  
CONDOMINIUM  
IOWA CITY  
JOHNSON COUNTY  
IOWA  
MMS CONSULTANTS, INC.

Date: 12-28-15

Designed by:	Field Book No:
RLA	
Drawn by:	Scale:
JDM	1"=50'
Checked by:	Sheet No:
RLA	1
Project No:	of:
IC 5138012	1

## EXHIBIT "D" - SITE PLAN ONE UNIVERSITY PLACE SOUTH CONDOMINIUM IOWA CITY, IOWA

LEGAL DESCRIPTION  
AUDITOR'S PARCEL 2015088 ACCORDING TO THE SURVEY PLAT THEREOF RECORDED IN BOOK 60, PAGE 10, OF THE PLAT RECORDS OF JOHNSON COUNTY, IOWA,

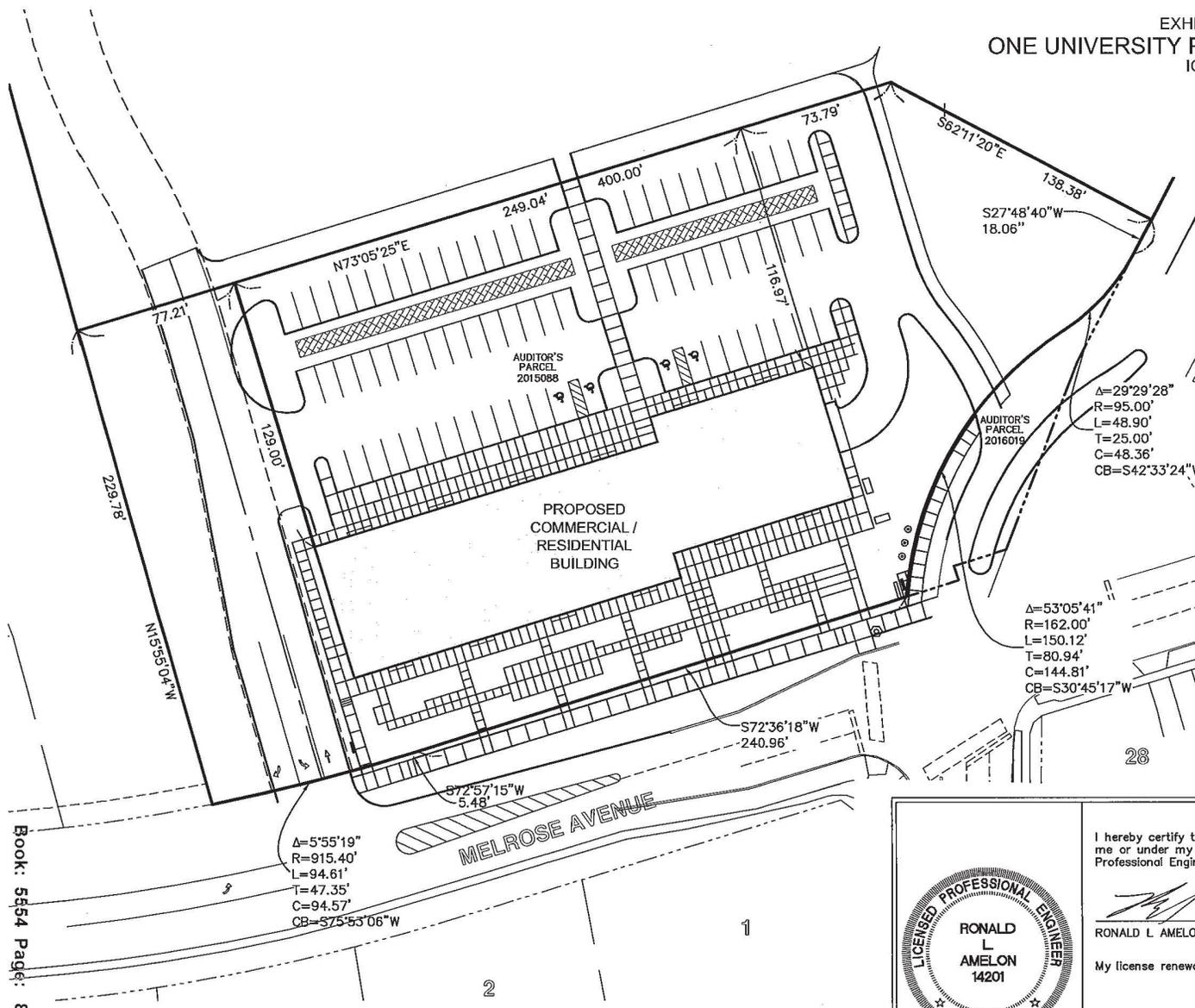
EXCEPTING THEREFROM,

AUDITOR'S PARCEL 2016019 ACCORDING TO THE SURVEY PLAT THEREOF RECORDED IN BOOK 60, PAGE 78, OF THE PLAT RECORDS OF JOHNSON COUNTY, IOWA.

### NOTES:

1. ALL MEASUREMENTS FROM PROPERTY LINES TO BUILDINGS ARE PERPENDICULAR AND/OR RADIAL TO SAID PROPERTY LINES.
2. THIS DRAWING DEPICTS IMPROVEMENTS COMPLETED AS OF XX/XX/XX.
3. REFERENCE BUILDING PLANS, EXHIBIT "F" FOR BUILDING DIMENSIONS.
4. THIS IS A CONDO SURVEY AND NOT A BOUNDARY OR PROPERTY SURVEY AND SHOULD NOT BE RELIED UPON AS SUCH. THE PROPERTY BOUNDARIES ARE RECORD DIMENSIONS AND APPROXIMATE ONLY.

XXX - INDICATES UNIT NUMBER



$\Delta=5^{\circ}55'19''$   
 $R=915.40'$   
 $L=94.61'$   
 $T=47.35'$   
 $C=94.57'$   
 $CB=575^{\circ}53'06''W$

$\Delta=53^{\circ}05'41''$   
 $R=162.00'$   
 $L=150.12'$   
 $T=80.94'$   
 $C=144.81'$   
 $CB=530^{\circ}45'17''W$

$\Delta=29^{\circ}29'28''$   
 $R=95.00'$   
 $L=48.90'$   
 $T=25.00'$   
 $C=48.36'$   
 $CB=542^{\circ}33'24''W$

SEAL

I hereby certify that this engineering document was prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.

*Ronald L. Amelon* 8/23/2016

RONALD L. AMELON, P.E. Iowa Lic. No. 14201

My license renewal date is December 31, 20 17.

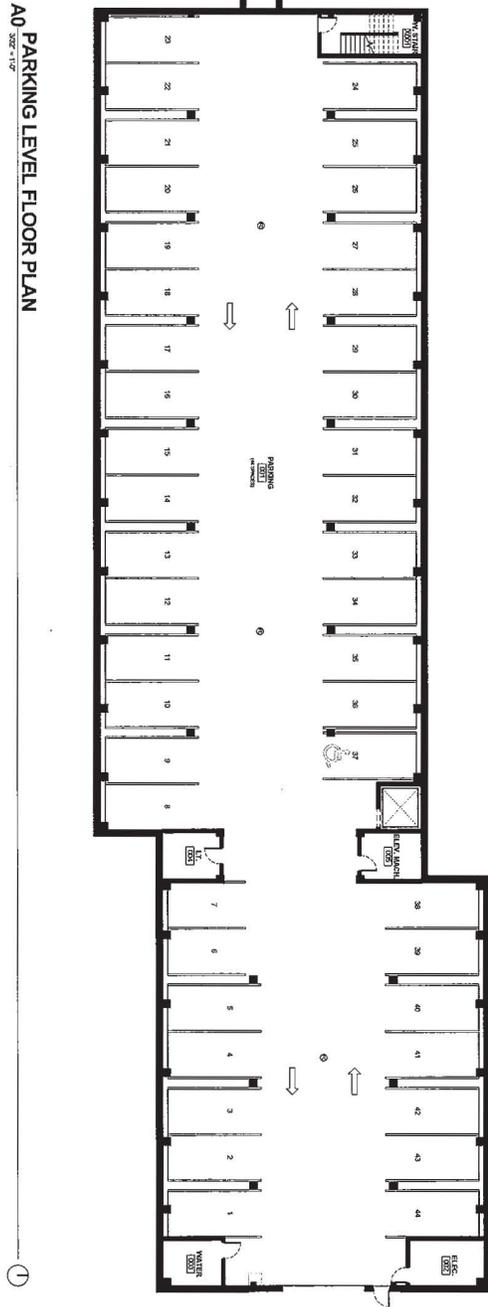
Pages or sheets covered by this seal:

*this sheet only*

## **Exhibit E - Floorplans**

**[See Attached Floorplans]**

# parking level



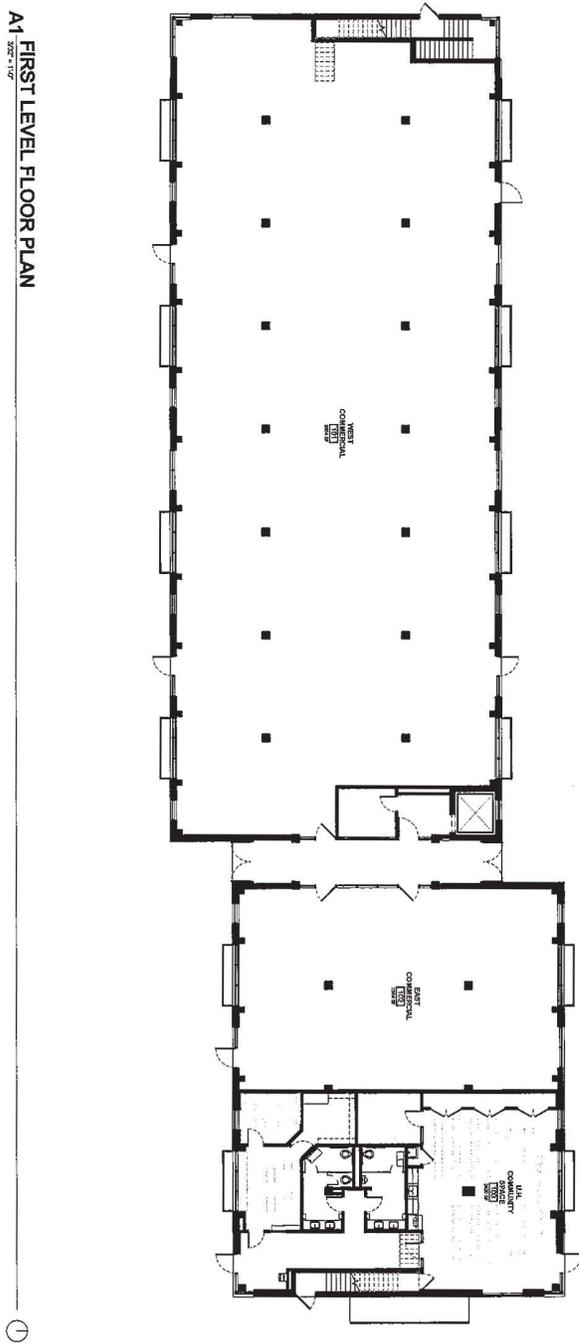
A0 PARKING LEVEL FLOOR PLAN  
SCALE: 1/8" = 1'-0"

UNIVERSITY PLACE - SOUTH BUILDING

ONE UNIVERSITY PLACE - SOUTH BUILDING

AS-100

# first level

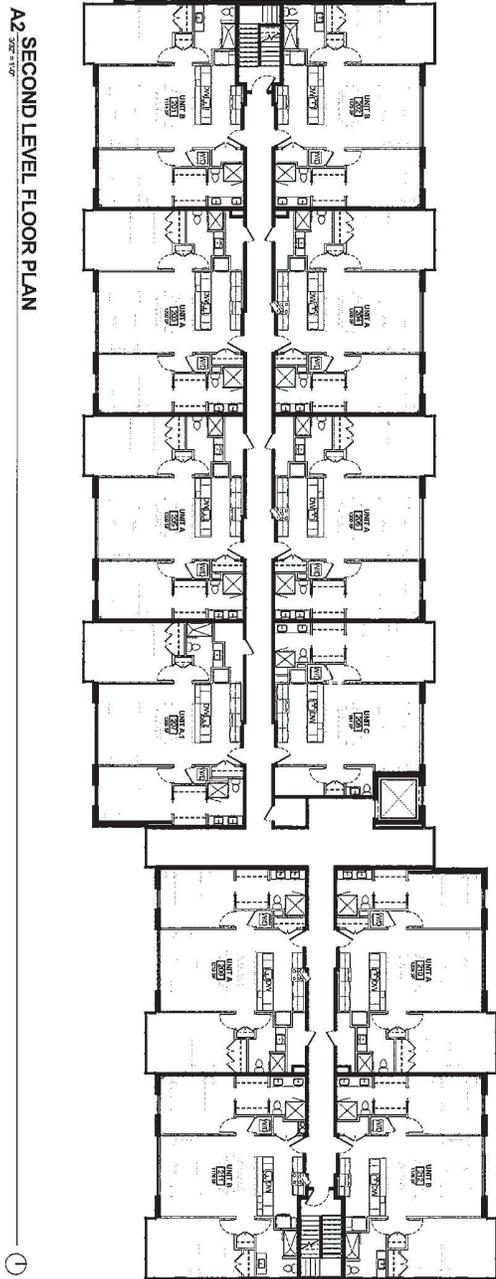


PLAN NUMBER: A1

ONE UNIVERSITY PLACE - SOUTH BUILDING

AS101

# Second level

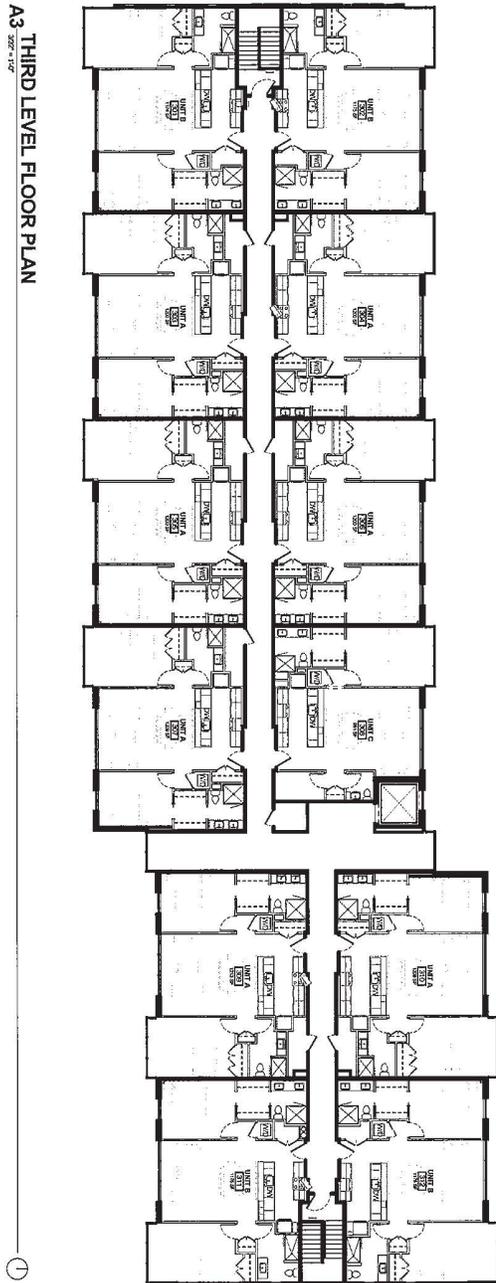


STEVENS ARCHITECT ASSOCIATES

ONE UNIVERSITY PLACE - SOUTH BUILDING

AS102

# third level



ARCHITECTURAL SERVICES

ONE UNIVERSITY PLACE - SOUTH BUILDING

AS103

## **Exhibit F - Building Plans**

**[Building Plans will be filed as a Supplement and/or Amendment to the Declaration when the Building is Substantially Completed]**

## **Exhibit G - As Built Certificate**

**[An *As Built Certificate* will be filed as a Supplement and/or Amendment to the Declaration when the Building is Substantially Completed]**

Prepared By and Return to: Thomas H. Gelman, 321 East Market Street, Box 2150, Iowa City, IA 52244 - Phone (319) 354-1104

**DECLARATION  
OF  
SUBMISSION OF PROPERTY TO  
HORIZONTAL PROPERTY REGIME**

**PURSUANT TO CHAPTER 499B OF THE CODE OF IOWA**

**REGIME NAME:** One University Place ~~South~~North Condominium

**DECLARANT:** One University Place, LLC,  
an Iowa limited liability company  
3011 Sierra Court SW  
Iowa City, Iowa, 52240

**DATE OF DECLARATION:** ~~December~~ \_\_\_\_\_, 2015

**DECLARATION OF SUBMISSION OF PROPERTY  
TO HORIZONTAL REGIME ESTABLISHING A  
PLAN FOR CONDOMINIUM OWNERSHIP OF PREMISES**

**One University Place ~~South-North~~ Condominium  
University Heights, Iowa**

This Declaration of Submission of Property to the Horizontal Regime is made and executed in Iowa City, Iowa, the \_\_\_\_\_ day of ~~December~~, 201~~65~~, by One University Place, LLC, an Iowa limited liability company, hereinafter referred to as “Declarant” pursuant to the provisions of the Horizontal Property Act, Chapter 499B, 2015 Code of Iowa, as amended.

**RECITALS**

1. Declarant is the owner of certain real property located in University Heights, Johnson County, Iowa, and more particularly described as follows:

**Auditor’s Parcel ~~2015088-2015087~~ according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa (the “~~real estate~~Real Estate”).**

2. Declarant is the owner of (i) the above-described ~~real-estate~~Real Estate, (ii) the building and other improvements constructed (or to be constructed) upon said ~~real-estate~~Real Estate, and (iii) easements, rights and appurtenances belonging thereto, and it is the desire and the intention of the Declarant to divide the “~~project~~Project” (defined below) into ~~commercial-and~~residential condominium units in accordance with the applicable zoning and “PUD Documents” (defined below), and to either retain or sell and convey the condominium units to various purchasers, pursuant to the provisions of the Act, and to impose upon the ~~project~~Project and its future owners mutually beneficial restrictions, covenants, and conditions for the ownership, management and operation of the ~~project~~Project.

3. Declarant desires and intends by filing this Declaration to submit the above-described ~~real-estate~~Real Estate and the building and other improvements constructed (or to be constructed) thereon, together with all easements, rights and appurtenances belonging thereto, to the provisions of the Act as a condominium project to be known as One University Place ~~SouthNorth~~ Condominium, in University Heights, Iowa.

**NOW, THEREFORE**, the Declarant does hereby publish and declare that all ~~property-Real~~ Estate described above as part of the ~~project~~Project is held and shall be held and conveyed subject to the following covenants, conditions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into condominium units and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, its successors and assigns, and any party acquiring or owning an interest in the ~~project~~Project and their grantees, successors, assigns, agents, personal representatives, executors, administrators, heirs, devisees and beneficiaries.

## ARTICLE I

### Definitions and other General Provisions Applicable to this Declaration

1. Act. The term “Act” shall mean the Horizontal Property Act, Chapter 499B, 2015 Code of Iowa, as amended.
2. Declarant. The term “Declarant” shall mean One University Place, LLC, an Iowa limited liability company, which has made and duly executed this Declaration, and any successor One University Place, LLC may designate in writing as the successor Declarant.
3. Declaration. The term “Declaration” shall mean this instrument by which One University Place ~~South~~North Condominium is established as provided under the Act.
4. Project or Regime. The term “~~P~~project” and “~~R~~regime” shall interchangeably mean the entire parcel of ~~real-estate~~Real Estate described in this Declaration to be divided into common elements and ~~commercial and~~ residential condominium units, including all structures and improvements thereon (or to be built thereon) and all easements, rights and appurtenances belonging thereto.
5. Unit. The term “unit” shall mean one or more rooms occupying part of one or more floors intended for use as a ~~separate commercial suite or as a~~ separate residential dwelling, as permitted by applicable zoning, and not owned in common with other owners in the ~~regime~~Regime. The boundary lines of each unit are the interior surfaces of its perimeter walls, bearing walls, floors, ceilings, windows and window frames, doors and door frames, and trim, and each unit includes the portions of the building so described associated with such unit and the air space so encompassed. There is appurtenant to each unit its specified interest in the common elements.
6. General Common Elements. The term “general common elements” shall have the meaning as defined in Article IV of this Declaration.
7. Limited Common Elements. The term “limited common elements” shall have the meaning as defined in Article V of this Declaration.
8. Building. The term “building” shall mean and include the structure described in this Declaration constructed (or to be constructed) on the ~~real-estate~~Real Estate.
9. Condominium. The term “condominium” means the entire estate in the real property owned by all Owners, and consisting of all such Owners’ undivided interest in the Common Elements and their separate ownership interest of all units. The condominium may also be referred to as the “Regime” or the “Condominium Regime” and has the same meaning as “~~p~~Project”
10. Owner. The term “owner” means any person or entity with an ownership interest in a unit in the ~~project~~Project. Owner shall not include a tenant or other occupant who does not also hold an ownership interest.
11. Association. The term “Association” means One University Place ~~South~~North Condominium Owners Association, Inc., an Iowa non-profit corporation, and its successors.

12. Condominium Documents. The term “condominium documents” means this Declaration, all exhibits attached hereto, including the Articles of Incorporation and By-laws of the Association, and any duly adopted amendments to any such documents (“condominium document” in the singular).

13. PUD Documents. The term “PUD Documents” means the One University Place PUD Plan approved by the City Council of University Heights, Iowa on June 9, 2015 and the PUD Development Agreement entered into between the City of University Heights and Jeffrey L. Maxwell (predecessor to Declarant) dated effective on June 9, 2015.

14. TIF Development Agreement. The term TIF Development Agreement” means the Development Agreement entered into between the City of University Heights, Iowa and Jeffrey L. Maxwell (predecessor to Declarant) dated effective on August 11, 2015.

15. City. The term “City” means the City of University Heights, Iowa.

16. By-laws. The term “By-laws” means the by-laws of the Association as constituted and amended from time to time.

16. Plural and Gender. Whenever the context so permits or requires, the singular shall include the plural and the plural the singular, and the use of any gender shall include all genders.

17. Severability. The invalidity of any covenant, restriction, agreement, undertaking, or other provisions of any condominium document shall not affect the validity of the remaining portions thereof or any other condominium document.

18. Incorporation. Exhibits attached hereto and referred to herein are hereby made a part hereof with the same force and effect as other provisions of this document.

## **ARTICLE II**

### Description of Land, Building, and Units

1. Description of Land. The land submitted to the ~~regime~~Regime is located in Johnson County, Iowa, and is described as:

**Auditor’s Parcel ~~2015088-2015087~~ according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa, together with all easements, rights and appurtenances presently or in the future associated therewith.**

2. Description of Building. The building consists of one free-standing structure generally described as follows:

A ~~commercial/multi-family~~ residential building comprised of approximately ~~60,000~~161,194 square feet on ~~four-seven~~ (7) levels, ~~three-five~~ (~~35~~) of which are at or above grade, having ~~initially three~~ (~~3~~) ~~ground level commercial units, twenty-four~~seventy-three (2473) two (2) bedroom residential units on ~~upper levels~~the ground level and upper four levels, ~~seven~~ (7) ~~one~~ (1) bedroom residential units on the ground level and upper four levels, and common areas including ~~one-two~~ levels of underground parking, stairwells, utility/equipment/mechanical areas, entrances, foyers, lobbies, corridors, —and hallways,

storage areas, a concierge office, and two building and elevators. The separate levels contain the following:

- The Parking Level 1, the two levels below grade, level contains approximately forty-four (44)fifty-nine (59) parking spaces, plus one two utility rooms, two elevators, an IT room, and a stairwell, stair well, one elevator and elevator equipment room, and three utility rooms.
- The Parking Level 2, one level below grade, contains approximately sixty-one (61) parking spaces, plus two utility rooms, two elevators, an elevator machine room, a stairwell, and a refuse/recycling enclosure.
- The First Level, the ground level, contains thirteen (13) two-bedroom residential dwelling units and three (3) one-bedroom residential dwelling units (all subject to being combined as permitted in this Declaration into fewer larger units), plus a concierge office, a common room, two elevators, elevator vestibule, two stairwells, hallways, corridors, and a refuse shaftcommercial office space, with adjacent plaza, walkways, play area and surface parking area, plus two stairwells, elevator, elevator vestibule, walkway/entrance lobby between commercial units, and a storage/multi purpose closet.
- The Second Level, above grade, contains twelve (12)fifteen (15) two-bedroom residential dwelling units and one (1) one-bedroom residential dwelling unit (all subject to being combined as permitted in this Declaration into fewer larger units), plus two elevators, elevator vestibule, two stairwells, hallways, corridors, and a refuse shafttwo stairwells, a storage/multipurpose closet, hallways/corridors, elevator and elevator vestibule.
- The Third Level, above grade, contains twelve (12)fifteen (15) two-bedroom residential dwelling units and one (1) one-bedroom residential dwelling unit (all subject to being combined as permitted in this Declaration into fewer larger units), plus two elevators, elevator vestibule, two stairwells, hallways, corridors, and a refuse shafttwo stairwells, a storage/multipurpose closet, hallways/corridors, elevator and elevator vestibule.
- The Fourth Level, above grade, contains fifteen (15) two-bedroom residential dwelling units and one (1) one-bedroom residential dwelling unit (all subject to being combined as permitted in this Declaration into fewer larger units), plus two elevators, elevator vestibule, two stairwells, hallways, corridors, and a refuse shaft.
- The Fifth Level, above grade, contains fifteen (15) two-bedroom residential dwelling units and one (1) one-bedroom residential dwelling unit (all subject to being combined as permitted in this Declaration into fewer larger units), plus two elevators, elevator vestibule, two stairwells, hallways, corridors, and a refuse shaft.

The building has been (or will be) constructed to the following general specifications:

The lower ~~level~~ parking ~~area levels is are~~ constructed of cast in place concrete floor ~~and walls~~ with ~~a~~ precast concrete exterior walls, structural frame and ceiling. The first floor of the building is constructed of precast concrete ~~columns, beams and~~ floor plank with wood framed walls and

ceilings. First floor contains ~~commercial-residential~~ units, and the residential commons area. The second, ~~and~~ third, fourth and fifth floor levels are constructed of wood framing, which floors contain residential dwelling units. All levels are connected by ~~a-two~~ common elevators and two stairwells.

~~The walls at the ground floor levels are constructed with concrete masonry units covered with an air barrier membrane, insulated with 2 inches of exterior rigid insulation, and clad with masonry veneer or thermally modified wood siding.~~

All exterior walls at the ~~second-first through and third~~fifth floor levels are constructed with 2x wood studs 16" O.C., fully insulated with R19 fiberglass insulation in the stud cavity. The exterior face is covered with 7/16" ~~o.s.b. sheathing~~fire retardant plywood or gypsum board sheathing, a weather barrier membrane, and clad with either masonry veneer, thermally modified wood siding, or composite metal panel siding

The interior face of the exterior stud walls are covered with 5/8" sheetrock with all joints receiving joint and tape application. All interior wall surfaces are finished with latex paint.

~~—————~~The ~~first second~~ level floor systems are constructed of precast concrete plank. The ceiling finish is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The floor surface is 3" cast in place concrete topping on the precast planks. The ~~second through fifth~~third level floor systems are constructed with engineered wood floor joists. The ceiling finish is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The floor joist compartment is partially insulated with fiberglass batt insulation. The floor surface is 3/4" o.s.b. sheathing, covered by 1 1/2" of gypsum concrete topping.

~~—————~~The roof system is constructed with engineered wood roof joists. The interior face is covered with 5/8" gypsum sheathing fastened to a suspended framing system hung from the joists. The exterior roof surface is 3/4" o.s.b. sheathing, covered by R30 rigid insulation, covered by 60 mil roofing membrane fully adhered. All roof parapet trim is composite with metal coping flashing.

~~—————~~All ground floor level doors and windows are insulated full light ~~tempered~~ glass with aluminum frames, with automatic closures. All second and third floor level windows are insulated glass with aluminum frame. Dwelling unit entry doors are 20 minute rated, solid core, wood, painted, flush panel design, and automatic closure. All dwelling unit interior doors are solid core wood, painted, flush construction. Door frames are to be steel welded type with steel casing trim, painted.

~~—————~~Generally, all dwelling unit interior cabinets are softwood lumber framing and particle board, with painted maple overlay door. Kitchen and vanity countertops engineered quartz. Bathroom and kitchens have chrome accessories.

~~—————~~At ~~third-first through fifth~~ floor levels, carpeting, vinyl plank, and porcelain tile floor coverings are installed directly on gypsum concrete subfloor. At ~~second-ground~~ floor level, carpeting, vinyl plank, and porcelain tile floor coverings are installed directly on concrete

topping slab. ~~At ground floor level commercial spaces, final finish flooring is to be installed directly on concrete topping.~~

~~—————~~All above ground water supply lines are copper, rigid PVC, or flexible tubing. Waste and vents are PVC. City water and sewer service all ~~commercial spaces and~~ dwelling units. Each ~~commercial unit (excepting possibly subunits), apartment common areas,~~ and dwelling units are individually electric metered. Each ~~commercial dwelling unit (excepting possible subunits), and the~~ apartment commons, ~~and dwelling units~~ are conditioned by individual HVAC equipment. The remote equipment is located on the roof.

~~—————~~~~Each commercial unit (excepting possibly subunits) and t~~The first floor residential commons area ~~are is~~ provided with ~~its a separate own~~ electrical service panel and electric meter. Each dwelling unit is provided with ~~its own a separate~~ 150 amp service panel and electric meter. Cable TV, internet and telephone cable/wiring will be installed to each unit.

3. Description of the Units. Annexed hereto and made part hereof as **Exhibit “A”** is a list of all units in the building containing each unit’s designation, approximate area, fractional undivided interest in the common elements, number of votes in the Association, and prorata share of common expenses. Annexed hereto and made part hereof as **Exhibit “D”** is a site plan showing the location of the building, and the exterior common elements to which it has immediate access. Annexed hereto and made a part hereof as **Exhibit “E”** are the building’s floor plans. Annexed hereto (or to be annexed hereto as part of an amendment) and made a part hereof as **Exhibit “F”** are the building plans for the Building. These Exhibits, together with the definition of the term “unit” in Article I, show the location and dimensions of each unit and the location of interior and certain exterior common elements. Annexed hereto (or to be annexed hereto as part of an amendment) and made a part hereof as Exhibit “G” is an “as built” certificate of a qualified professional.

### **ARTICLE III** **Ownership Interests**

1. Exclusive Ownership and Possession by Owner. Each owner shall be entitled to exclusive ownership and possession of such owner’s unit. Each owner shall be entitled to an undivided interest in the Common Elements in the fraction expressed in Exhibit “A” to this Declaration. The percentage undivided interest of each owner in the Common Elements as expressed in Exhibit “A” shall have a permanent character and shall not be altered without the consent of all owners expressed in an amendment to this declaration duly recorded. The percentage undivided interest in the Common Elements shall not be separated from the unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. ~~Each o~~Owners may use the common elements in accordance with the purpose for which they are intended, pursuant to the rules and regulations that the Association may enact from time to time, without hindering or encroaching upon the lawful rights of other unit owners.

A unit owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceiling, windows and doors bounding such owner’s unit, nor shall the owner be deemed to own the utilities running through such owner’s unit that are used for or serve more than one unit, except as a percentage of an undivided interest in the Common Elements. An owner, however, shall

have the exclusive right to paint, repaint, tile, wax, paper, carpet or otherwise refinish and decorate the interior surfaces of the walls, floors, ceilings, windows and doors bounding such owner's unit.

2. Appurtenances. There shall pass with the ownership of each unit as a part thereof, whether or not separately described, all appurtenances to such unit and no part of the appurtenant interest of any unit may be sold, transferred or otherwise disposed of except in connection with the sale, transfer or other disposition of such unit itself or of all units in the ~~regime~~Regime.

3. Undivided Fractional Interest. An undivided interest in the land and other common elements of the ~~regime~~Regime, regardless of whether such elements are general or limited common elements, shall be appurtenant to each unit. The percentage of such undivided interest appurtenant to each unit is as set forth on Exhibit "A".

4. General Common Elements. Appurtenant to each unit shall be a right to use and enjoy the general common elements pursuant to the rules and regulations that the Association may enact from time to time.

5. Limited Common Elements. The exclusive use by owners of the limited common elements shall be deemed an appurtenance to the unit or units for which such limited common elements are reserved, provided use and enjoyment shall be limited to the uses permitted by this Declaration and other condominium documents.

6. Association Membership and Voting Rights. Appurtenant to each unit shall be membership in One University Place ~~South~~North Condominium Owners Association, Inc. and a vote in the affairs of the Association and of the ~~regime~~Regime; provided, however, that the exercise of such voting and membership rights shall be subject to the applicable provisions of the Articles and By-laws of the Association and of the other condominium documents. The action of such Association shall be deemed the action of the owners; and such action, when taken in accordance with the By-laws of the Association and this Declaration shall be final and conclusive upon all unit owners. The number of votes to which each unit owner is entitled on matters subject to owner voting is set out in Exhibit "A" to this Declaration.

7. Cross Easements. Appurtenant to each unit shall be easements from each unit owner to each other unit owner and to the Association and from the Association to the respective unit owners as follows:

- (a) For ingress and egress through the common areas and for maintenance, repairs, and replacements as authorized;
- (b) Through the units and common elements for maintenance, repairs and replacements or reconstruction of common elements, but access to units for such purposes shall be only during reasonable hours except in case of emergency or reconstruction after casualty;
- (c) Every portion of a unit contributing to the support of a building is burdened with an easement for such support for the benefit of all other benefited units;

- (d) Through the units and common areas for conduits, ducts, plumbing, wiring and other systems, equipment and facilities for the furnishing of utility or other services to the other units and the common areas.

**ARTICLE IV**  
General Common Elements

1. Definition. General Common Elements shall include all portions of the ~~project~~Project (land and improvements thereon) not included within any unit except such portions of the ~~project~~Project that are defined as limited common elements in Article V. The general common elements include, but are not limited to, the following:

- (a) The land upon which the ~~regime~~Regime (including the building, parking areas, drives, walks, yards, open space, landscaping and all other condominium facilities and common elements); is located and the airspace above such land;
- (b) The foundations, floors, ceiling, roofs and structural components of each unit and of the building;
- (c) All installations, fixtures, improvements, and elements of the building's roof;
- (d) Common installations for ~~regime~~Regime utilities, including but not limited to:
  - (i) electricity;
  - (ii) natural gas;
  - (iii) communication (telephone, internet, etc.);
  - (iv) cold water;
  - (v) sanitary sewer; and
  - (vi) cable TV.
- (e) Exterior recreational areas, yards, plantings, landscaping, ~~and other street scape elements~~; driveways; surface and underground parking areas, subject to the Condominium Documents and rules of the Association for assignment and use of such parking areas by unit owners, tenants, customers, guests and others; stormwater drainage ways and systems; on-site stormwater detention facilities; offsite sanitary sewer lift stations; and ~~sidewalks and~~ walkways;
- (f) The mechanical/utility rooms, chases, closets, trash enclosures, storage areas serving the building generally;

- (g) Building entrances, exits, vestibules, lobbies, foyers, corridors and hallways existing for common use;
- (h) The design of the building and grounds and the integrity and appearance of the ~~regime~~Regime as a whole are of common interest to all unit owners and, as such, shall be a part of the general common elements; ~~and~~
- (i) In general, all other installations, fixtures, and improvements existing for common use, except as limited by the limited common elements described in Article V; ~~and-~~
- ~~(j) The building's solar panels and all related component parts, equipment and systems are common elements associated with providing energy for the common elements.~~

**ARTICLE V**  
Limited Common Elements

1. Definition. The term "limited common elements" shall mean, and such elements shall consist of, those common elements that are reserved for the use of one or more units by this Article and amendments hereto and such reservation shall be to the exclusion of all other units.

2. Reservation. The following common elements are reserved and shall constitute the Limited Common Elements:

- (a) Any non-loadbearing walls and partitions separating units from other units are reserved for such affected units;
- (b) Common entrances, exits, lobbies, vestibules, hallways, corridors, stairwells, utility closets, and other common areas and facilities serving only a portion of the residential units are reserved for the residential units such areas and facilities serve within the building;
- ~~(c) (Reserved) Common entrances, exits, lobbies, vestibules, hallways, corridors, utility closets, and other common areas and facilities serving only commercial units are reserved for the commercial units within the building;~~
- (d) Balconies, decks, or patios, if any, associated with a unit are reserved for the immediately adjacent unit with direct access thereto;
- (e) Any parking spaces or areas, underground or on the surface, that under the Condominium Documents or rules of the Association have been assigned for use for only certain ~~residential and/or commercial~~ unit owners and/or their respective, tenants, customers, guests and invitees, as may be applicable and permitted;
- ~~(f) (Reserved) Any ground level plaza areas that under the Condominium Documents or rules of the Association have been assigned for use for only certain~~

~~commercial unit owners and/or their respective, tenants, customers, guests and invitees, as may be applicable and permitted;~~

- (g) ~~In the event the City becomes the owner of Unit #103, the exterior fenced green-space area adjacent to and east of such unit, and the area on the south plaza adjacent to the entry door to such unit ( a strip 10 feet wide along the south side of said Unit #103) shall each be a limited common element associated exclusively with Unit #103 (subject to Section 2(z) of Article IX below)(Reserved);~~
- (h) ~~The building's elevator(s) and all related component parts, equipment and systems are limited common elements associated with all residential units(Reserved); and~~
- ~~(i) The building's solar panels and all related component parts, equipment and systems are limited common elements associated with all commercial units; and~~
- (ji) ~~(Reserved)The surface parking of the project is a limited common element of the Commercial units, except the northerly most row, which is a general common element, with all such parking subject to the Condominium Documents and rules of the Association for assignment and use of such parking areas by unit owners, tenants, customers, guests and others.~~

3. Right of Association. The reservation of the limited common elements herein shall not limit any right the Association and its agents may otherwise have to alter such limited common elements or enter upon such limited common elements.

## ARTICLE VI

### Declarant's Reserved Rights and Powers

1. Declarant's Activities. Declarant is irrevocably and perpetually empowered, subject to the City-enforceable restrictions in this Declaration, the PUD Documents, the TIF Development Agreement and applicable laws, to sell, rent or lease units to any person or entity and shall have the right to transact on the condominium ~~real-estate~~Real Estate any activities relating to construction, repair, maintenance, replacement, renovation, sale, lease, rental or management of units, including but not limited to, the right to maintain signs, employees, independent contractors and equipment to show units. All signs and all items and equipment pertaining to sales or rentals or construction and any unit furnished by the Declarant for sales purpose shall not be considered common elements and shall remain the Declarant's separate property. Declarant retains the right to be and remain the owner, and use for Declarant's own business purposes, one or more unsold units under the same terms and conditions as other owners, including membership in the Association, save for Declarants rights to sell, rent or lease.

2. Reservation of Easements. Declarant expressly reserves perpetual easements for ingress, egress and utility purposes as may be required across, under and over the land submitted to the ~~regime~~Regime.

3. Designation of Association Directors. Declarant shall have the right to name all members of the Board of Directors of the One University Place ~~South~~North Condominium Owners Association, Inc. until the first annual members' meeting of said Association, which shall be held as provided in the By-laws of said Association. Thereafter the Board of Directors shall be selected in the manner specified in the By-laws of said Association.

4. Completion of Construction of the Units. Declarant hereby reserves the right to complete, finish, alter or improve the exterior and interiors of the units on its own initiative or pursuant to an agreement with the purchaser of a particular unit. Unit owners may also install non-load bearing walls and make other non-structural alterations or improvements to their units. Unit owners are responsible to see to the proper insurance of unit alterations or improvements, whether such alterations or improvements are made by the Declarant or not. Declarant is not responsible for the design and safety of owner-installed alterations or improvements. No work by an owner is permitted that will jeopardize the soundness of a unit or common elements or impair any easement. Any alteration or improvement of a unit shall neither increase nor decrease the fractional interest in the common elements appurtenant to that unit or otherwise affect the rights and privileges of other unit owners.

5. Subdivision of Unit(s). Declarant may subdivide any ~~commercial—four-bedroom residential dwelling~~ unit Declarant may own into two ~~or more additional~~two-bedroom units, provided the total number of residential dwelling units in the Regime (or in the combined Regime and One University Place South Regime) does not exceed the total number of residential dwelling units permitted under applicable ordinances. Developer may at any time file an amendment to this Declaration in order to fully describe and define the subdivided unit(s) and make adjustments to the percentage interest of common and limited common elements appurtenant to such subdivided units. The Declarant will re-allocate votes and the percentage interest of common and limited common elements appurtenant to subdivided units so that the votes and fractional interests of the original unit so divided will be split, as the Declarant in its sole discretion deems fit, between the newly created subdivided units. Declarant's subdivision of a unit shall not affect the percentage interest or voting rights allocated to any other unit.

6. Combination of Unit(s). Declarant may combine any two or more units Declarant may own into one larger unit. ~~Developer-Declarant~~ may at any time file an amendment to this Declaration in order to fully describe and define the combined unit and make adjustments to the percentage interest of common and limited common elements appurtenant to such combined unit. The Declarant will re-allocate votes and the percentage interest of common and limited common elements appurtenant to combined units so that the votes and fractional interests of the original units so combined will also be combined in the newly created combined unit. Declarant's combination of units shall not affect the percentage interest or voting rights allocated to any other unit. Nothing in this Declaration shall limit any unit owner from owning adjacent units and combining them for use as a larger residential dwelling. Such owner shall retain all voting rights and assessment obligations associated with the respective combined units. Such a combination for use as a larger dwelling shall not affect the percentage interest or voting rights allocated to any other unit. No combination of two or more units may be made if it will violate any applicable City ordinance. Any units so combined may be later divided back into the original units.

7. Additional Improvements. Declarant may, in its sole discretion (subject to the City enforceable restrictions in this Declaration, the PUD Documents, the TIF Development Agreement and applicable laws) construct additional improvements, including without limitation, roads, drives, parking, sidewalks and landscaping. The consent of owners of units and their mortgagees is not required for the installation of such improvements.

8. Assignment of Declarant's Rights. Declarant may assign its rights and powers under this Declaration, in whole or in part, without the consent of unit owners or the Association.

9. Right of Access. Declarant and its designees, including, but not limited to contractors, shall have and enjoy an on-going easement in, upon, over, through, under and across general common elements for as long as Declarant shall be engaged in the development, construction, ownership, sale or leasing of units, for the purpose of construction, installation, maintenance and repair of the condominium ~~regime~~Regime, for ingress and egress to all units and to all general and common elements, and for the use of all driveways and common parking areas. In addition, Declarant reserves for itself and its designees the irrevocable and perpetual right to enter into, upon, over, through or under the general and limited common elements as reasonably necessary to install, maintain and/or repair any improvements located or to be located thereon.

10. Dedication of Public Right-of-way. ~~The Declarant hereby reserves the right to dedicate and convey portions of the real-Real estate-Estate within the regime to the City for Melrose Avenue-Sunset Street public street right-of way purposes as shown on the approved PUD Plan or as otherwise may be useful and convenient, with such dedication documentation to be in a form approved by the City Attorney, all to be in accordance with the PUD Documents or as may otherwise be necessary or convenient for the appropriate development of the pProject.~~

11. ~~(Reserved) Granting of Public Easements. The Declarant hereby reserves the right to grant to the City the following easements to be in a form approved by the City Attorney:~~

~~(a) — An easement for the erection, maintenance, replacement and use of a bus shelter along Melrose Avenue, as shown on the PUD Plan, to the extent not within City right-of-way. The bus shelter shall be installed, maintained, repaired and replaced by the City or, in accordance with a 28E agreement, by the municipal provider of the bus service.~~

~~(b) — An easement for any portion of the sidewalk adjacent to the project along Melrose Avenue not within City right-of-way, which sidewalk shall be installed by the Declarant and maintained by the Association.~~

12. Financial Incentives under TIF Development Agreement. The Declarant, as assignee and successor to the Developer under the TIF Development Agreement, hereby reserves all rights of the Developer under the TIF Development Agreement to all financial incentives, payments, rebates and other entitlements ("TIF Payments") payable or deliverable to the Developer by the City (or other taxing authority or official) under the TIF Development Agreement. By becoming a unit owner, each such owner (other than Declarant) assigns, transfers and conveys to Declarant (and its specified assignee of such rights) any and all rights and/or entitlements to TIF Payments such owner may at any time acquire by virtue of becoming a unit owner.

13. Assignment of Parking Spaces. The Declarant reserves the right, in connection with its reserved right to sell, rent and lease units, to assign certain underground and surface area parking spaces for the exclusive use, consistent with ~~project~~Project rules, by one or more specific unit owners and/or their invitees and guests.

~~1314. (Reserved) Assignment of South Plaza Areas. The Declarant reserves the right, in connection with its reserved right to sell, rent and lease units, to assign certain areas of the plaza on the~~

~~south side of the building for the exclusive use, consistent with local ordinances and project rules, of one or more specific commercial unit owners and/or their tenants, invitees and guests.~~

~~15. Access and Utility Easements. The Declarant hereby reserves for Declarant and Declarant's designees (including, but not limited to its contractors) and successors, and reserves the right to grant to others (including, but not limited to future unit owners, occupants, invitees, guests, and visitors of One University Place South Condominium Regime), a perpetual access easement upon, over, through, under and across the Real Estate of the Regime for i) any and all streets (public and private), drives and walkways shown on the approved PUD Plan or otherwise approved for access to and from the real estate south of the Regime, including, but not limited to, One University Place South Condominium Regime, and ii) any and all utilities and services necessary or convenient for the appropriate development and operation of real estate south of the Regime, including, but not limited to, One University Place South Condominium Regime.~~

## **ARTICLE VII**

### Management of the Regime

1. Association. The operation of the condominium shall be by a nonprofit membership corporation organized and existing under Chapter 504, 2015 Code of Iowa, as amended. The name of the Association shall be "One University Place ~~South~~North Condominium Owners Association, Inc." Copies of its Articles of Incorporation and of its By-laws are attached hereto as Exhibit "B" and Exhibit "C", respectively. Whenever a vote or other action of unit owners as a group is required, the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the owners (or the Council of Co-owners) whenever such action is permitted or required herein or by Chapter 499B of the 2015 Code of Iowa, as amended.

2. Compliance. All owners, tenants, guests, and other persons or entities using or occupying the ~~regime~~Regime shall be bound by and strictly comply with the provisions of the By-laws of the Association and applicable provisions of other condominium documents, and all agreements, regulations and determinations lawfully made by the Association through its members, directors, officers or agents, as authorized by the condominium documents, shall be binding on all such owners and other persons. A failure to comply with the By-laws or the provisions of the other condominium documents or any agreement, regulation or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any owner, as applicable, or injunctive relief without waiving either remedy.

3. Powers of Association. Each owner agrees that the Association (acting as the Council of Co-owners) has and shall exercise all powers, rights, and authority granted unto it and the owners as a group by Chapter 504 and 499B of the 2015 Code of Iowa, as amended, and such as are more particularly set forth in the condominium documents, including, but not limited to, the making of assessments chargeable to owners and the creation of a lien on units thereof, and to acquire a unit at foreclosure sale and to hold, lease, mortgage, or convey the same. Assessments made by the Association against the units and unit owners may be for the common benefit of the owners, including, but not limited to: maintenance, repairs, and replacement of the common elements; administering, operating, and insuring the common elements and the Association; providing utilities and services for the common elements; and providing utilities and services to the units, provided that any such services and utilities that are not

separately metered to each unit shall be equitably allocated among the units on a prorated or other reasonable basis as maybe determined by the Association.

4. Partition. All unit owners shall be deemed to have waived all rights of partition, if any, which they may have in connection with the ownership of a unit within the ~~regime~~Regime.

5. Membership, Voting Rights. The members of the Association shall consist of all of the record owners of units. Change of membership in the Association shall be established by recording in the public records of Johnson County, Iowa, a deed or other instrument establishing a record title to a unit in the condominium, and the membership of the prior owner shall be thereby terminated. The members of the Association shall be entitled to cast the number of votes for each unit owned by such member as is specified in **Exhibit "A"** to this Declaration.

6. Restraint upon Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to a unit.

7. Board of Directors/Managers. The affairs of the Association shall be conducted by a board of Directors in accordance with the By-laws of the Association.

(a) Prior the first annual meeting of the Association the initial directors, at least three (3) and up to five (5), shall be appointed by the Declarant (initially being those persons designated as such in the Association's Articles of Incorporation) and may be removed, reappointed and/or replaced by the Declarant, until their successors shall be elected by the members, or **appointed by the City**, in the manner provided in this Declaration and the By-laws. The initial Directors or replacement initial Directors as selected by the Declarant shall serve until the date on which the Declarant has sold and given possession of at least 60% of the units within the ~~project~~Project, and the replacement Directors have been elected from among members at the first annual meeting as prescribed in the By-laws. From and after the first annual meeting, the affairs of the Association shall be conducted by a board of five (5) Directors elected or appointed as provided in the By-laws and this Declaration; and, until all units are sold by the Declarant, the Declarant may appoint one (1) director to sit as a member of the Board of Directors in addition to the other five (5) elected or appointed directors. Such Director appointed by the Declarant shall have the same voting rights as the other elected or appointed Directors.

(b) **In the event the City becomes the owner of a commercial unit ~~of the Project~~in the adjacent One University Place South Condominium, and from and so long as the City is such an owner, then at the City's option ~~in addition to being a voting member of the Association with all rights of membership afforded to a unit owner by the Declaration~~, one (1) representative of the City, as appointed from time to time by the City Council, shall be a voting member of the Association's Board of Directors adding one (1) initial director or replacing one of the five elected directors, as the case may be. Notwithstanding any other provision of this Declaration, this Section 7(b) of Article VII of the Declaration may not be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council.**

(c) The Board may employ a manager or a managerial service company and delegate certain of its responsibilities to such person as more particularly described in the By-laws. The management fee shall be a common expense.

(d) The Board may cooperate and coordinate with the Board of Directors of the adjacent One University Place South Condominium for any and all matters relating to the mutual welfare of the respective owners and occupants of the Project and such adjacent condominium regime. Areas of cooperation and coordination may include, but are not limited to: i) access drive maintenance, snow removal, repair and replacement; ii) landscaping and landscape maintenance; iii) driveway, walkway and surface parking maintenance, repair and snow removal; iv) surface parking rules and regulation; v) residential occupant concierge, transportation and/or other services; vi) regime rules and enforcement; vii) compliance with applicable City requirements; viii) stormwater management; ix) waste hauling services; x) cost sharing of expenses for any item of cooperation and coordination; xi) engaging and/or hiring managers, employees, contractors, utilities and/or services; xii) traffic control; xiii) signage; xiv) insurance coverage; xv) building maintenance, repairs and replacements; xvi) utilities and services; and xvii) any other matters that the two Boards determine are in the mutual interest of the owners of their respective condominium regimes. Any such shared expenses shall be a common expense of the Regime.

8. Discharge of Liability. All unit owners shall promptly discharge any lien, other than a mortgage lien, that may hereafter be filed against such owner's unit.

9. Limitation of Association's Liability. The Association shall not be liable for any injury or damage to property caused by or on the common elements or by another owner or person in the ~~project~~Project or by any other means unless caused by the gross negligence of the Association. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs, improvements or replacements of the common elements or from any action taken to comply with any law, ordinance or orders of a governmental authority.

10. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of his/her being or having been a director or officer of the Association, or any settlement thereof, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification herein shall apply only when the board of directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

11. Agent to Receive Service of Process. The following person, who is a resident of the State of Iowa, is designated as agent to receive service of process upon the Association:

NAME

ADDRESS

### ARTICLE VIII

#### Maintenance, Alteration and Improvement

1. Definitions. Certain terms used in this Article shall have a meaning as follows, provided any dispute over meanings shall be conclusively decided by the Board of Directors of the Association.

- (a) “Maintenance” or “repair” shall mean the act of maintaining, repairing, restoring, renovating, reconstructing, replacing, rebuilding and similar work necessary to preserve a unit or common element of the ~~regime~~Regime in or substantially in its original condition as completed.
- (b) “Improvement” shall mean the addition of a new structure, element or facility, other than a structure, element or facility otherwise provided for by this Declaration or any Amended or Supplementary Declaration.

2. Maintenance by Association.

- (a) The Association shall maintain all General Common Elements and, except as otherwise provided herein, all Limited Common Elements. **As part of its maintenance obligations, the Association shall maintain the landscaping and exterior improvements in accordance with the PUD Plan for the ~~project~~Project as approved by the City. As part of its maintenance obligations, the Association may cooperate and coordinate with the One University Place South Condominium Owners Association, Inc. on any and all matters relating to the mutual welfare of the respective owners and occupants of the Regime and such adjacent condominium regime, as anticipated in Article VII, Paragraph 7(d) above. The Association shall make assessments for such maintenance as a common expense except where maintenance has been specifically made the responsibility of each unit or certain units. On a reasonable basis, as determined by the Board of Directors of the Association, assessments for limited common element expenses for maintenance, repairs and other items may be made against the ~~type of units (commercial or residential)~~ that exclusively use in common certain of the limited common elements.**

~~(i) For example, assessments for repairs and maintenance to lobbies, vestibules, corridors, hallways, stair wells, parking areas, elevator and elevator lobbies and other areas or facilities within the building or project providing access or otherwise servicing only or primarily residential units may be assessed solely among the owners of residential units in the proportions for residential units only, as specified on Exhibit “A”.~~

~~(ii) As a further example, assessments for repairs and maintenance to the south plaza area, the east play area, certain parking areas, solar panels and system, and other areas or facilities within the building or project providing access or otherwise servicing only or primarily commercial units may be assessed solely among the owners of commercial units in the proportions for commercial units only, as specified on Exhibit "A". Further, For example, the Board of Directors may reasonably assess on a prorata basis certain limited common element expenses benefitting only some units (such as balcony or patio maintenance and repairs) among the units and owners benefited by such limited common elements.~~

- (b) The Association shall repair incidental damage caused to a unit or common elements through maintenance by the Association and shall assess the cost thereof as a common expense.
- (c) If a unit owner defaults on such owner's responsibilities of maintenance, the Association shall assume such responsibilities and shall assess the cost thereof against the unit of such owner and such assessment shall be collectible as if it were an assessment for common expenses.
- (d) The Association may, in its discretion, assume responsibility for any maintenance that requires reconstruction, repair, rebuilding, conservation, restoration or similar work to more than one unit and the cost thereof may be in the discretion of the Association either assessed against each unit on which such costs were incurred or assessed against all units as a common expense according to the circumstances.

~~(e) The unit owners, through the Association, will perform, as recommended in the maintenance manual for the Regime ("Maintenance Manual") provided by the Project's developer (the Declarant) and its contractor(s), all necessary routine maintenance and maintenance inspections of materials, equipment, fixtures, components and/or systems of the Regime's improvements, as well as any necessary repairs and other maintenance called for as a result of such maintenance inspections. The Association, and each unit owner by acquiring a unit subject to this Declaration, waives any claim against the Project's developer, architects, and contractors for damages and expenses arising from the Association's failure to perform the recommended maintenance and maintenance inspections contained in the Maintenance Manual. The Association shall further indemnify the Project's developer, architects, and contractors from any damages and expenses arising from the Association's failure to perform the recommended maintenance and maintenance inspections specified in the Maintenance Manual.~~

### 3. Maintenance by Owners.

- (a) Each unit owner at such owner's expense shall be responsible for maintenance and repair of the interior, including the boundary surfaces, of such unit and its

equipment, shall keep the interior of its unit in a clean and sanitary condition, shall do all redecorating, painting and other finishing that may at any time be necessary to maintain the unit, and shall be responsible for the maintenance of all personal property including floors, carpets, cabinets, counters, furnishings, and appliances within such unit.

- (b) Each unit owner shall be responsible for maintaining the plumbing fixtures within such unit, and the heating and air conditioning unit serving such unit, and all other utilities or portions thereof exclusively serving such unit and located within the boundaries of the unit or elsewhere within the building.
- (c) Each unit owner, at such owner's expense, shall maintain any improvement or other alteration made by such unit owner.
- (d) Each unit owner shall promptly report to the Association any defects or other maintenance needs that are the responsibility of the Association.
- (e) Each unit owner shall follow Association rules for preserving the clean, sanitary and maintained condition of the ~~project~~Project.

4. Alterations or Improvements by Owners. No unit owner (except for the Declarant in accordance with its reserved rights under Article VI) shall make or permit to be made any structural alteration to a unit, to a common element, or to the building without first obtaining written consent of the Board of Directors of the Association, which consent may be given by a general rule or regulation. The Association Board shall determine the proper amount of additional Association insurance, if any, for such improvement or other alteration, and the effect of such improvement or alteration on insurance of other property of the ~~regime~~Regime. The Board of Directors of the Association shall arrange with such unit owner for the payment of the cost of any additional insurance thereby required. Alterations to the exterior of the building or any common element shall not be made if, in the opinion of the Board of Directors of the Association, such alteration would be detrimental to the integrity or appearance of the ~~regime~~Regime as a whole. Such owner shall do no act or work that will impair the structural soundness or integrity of a building or safety of the ~~regime~~Regime or impair any easement. The improvement or alteration of a unit shall cause no increase or decrease in the number of votes or ownership interests in the common elements appurtenant to such unit.

5. Alterations or Improvements by the Association. Whenever, in the judgment of the Board of Directors, the common elements shall require an addition, alteration, or improvement costing in excess of \$25,000 and the making of such addition, alteration, or improvement shall have been approved by the unit owners holding a majority of votes, the Board of Directors shall proceed with such addition, alteration or improvement and shall assess all unit owners for the cost thereof as a common charge. Any addition, alteration, or improvement costing \$25,000 or less may be made by the Board of Directors without approval of unit owners, and the cost thereof shall constitute part of the common expenses. Provided, however, that until at least 50% of the units in the ~~project~~Project have been sold and transferred by the declarant, no addition, alteration or improvement costing more than \$25,000 may be made by the Board of Directors without the consent of the declarant and the approval of unit owners holding a majority of votes other than the declarant.

## ARTICLE IX

Conditions of and Restrictions on  
Ownership, Use, and Enjoyment

1. Subjection of the Regime to Certain Provisions. The ownership, use, occupation, and enjoyment of each unit and of the common elements of the ~~regime~~Regime shall be subject to the provisions of the By-laws of the Association, the Articles of Incorporation of the Association, and this Declaration, all of which provisions, irrespective of where set forth or classified, shall have equal status and shall be enforceable and binding as a covenant, condition, restriction, or requirement running with the land, and shall be binding on and enforceable against each and all units and the owners thereof and their respective assigns, lessees, tenants, occupants, and successors in interest.

2. Use Restrictions and Covenants applicable to the Regime. The use of the ~~regime~~Regime shall be in accordance with and subject to the provisions set out below in this Section 2 of Article IX of the Declaration. **The specific restrictions in bold text in this Section 2 of Article IX of the Declaration shall be enforceable by the City (in addition to the Association and/or unit owners) and, notwithstanding any other provision of this Declaration, shall not be amended, deleted or otherwise modified without approval of the City by appropriate resolution of the City Council.**

- (a) ~~Permitted Uses for Commercial Units #101, #102, and #103. Commercial Units #101, #102, and #103 may be used for commercial purpose that are in compliance with applicable zoning, the condominium documents, and is reasonably compatible with the residential uses of the remaining units. Commercial uses shall be limited to those uses specifically permitted by City ordinance, now or in the future, in the Multiple-Family Commercial zone. In the event such uses are modified by zoning amendment, previously existing permitted uses will be subject to the then applicable non-conforming use regulations of the zoning ordinance. Such permitted under applicable zoning will be deemed compatible with the residential uses and acceptable, unless a specific occupant's use creates excessive noise, odor or other nuisance not typical of such commercial activity and which unreasonably impacts the residential units. Commercial Units #101, #102, and #103 may not be used for residential purposes.~~(Reserved)
- (b) Permitted use of all other Units. All units, ~~other than Commercial Units #101, #102, and #103,~~ shall be used and occupied for residential dwelling purposes only in accordance with applicable zoning ordinances.
- (c) Prohibited Activities Generally. No activity shall be allowed that unduly interferes with the peaceful possession and use of the property by another unit owner nor shall any fire hazard or unsightly accumulation of refuse be allowed.
- (d) Integrity of the Common Elements. Except as may be otherwise specifically permitted or required herein, nothing shall be altered in, constructed in, or removed from the common elements, limited or general, except upon written consent of the Board of Directors of the Association, which may be given through regulations of the Association.
- (e) Restriction on Certain Dangerous or Hazardous Materials. Nothing shall be done or kept in any unit or in the common elements that will increase the rate of

insurance on the common elements, without the prior written consent of the Association. No owner shall permit anything to be done or kept in such owner's unit or in the common elements that will result in the cancellation of insurance on any unit or any part of the common elements, or that would be in violation of any safety, health or environmental law.

- (f) Rules Governing Use of the Condominium Regime. The Association shall have the authority to adopt rules and regulations governing the use of the common elements of, and the operation of, the ~~regime~~Regime and such rules shall be observed and obeyed by the owners, their invitees, guests, and tenants, as well as any tenant's guests and invitees. **The Association's authority to reasonably adopt and implement rules shall include, but not be limited to, the authority to adopt rules to address any issues that may arise from rented units in order to protect owner-occupants' peaceful use, enjoyment and unit values.**
- (g) Right of Entry. Agents of, or contractors hired by, the Association may enter any unit or common element when necessary in connection with any maintenance, repair, replacement or construction for which the Association is responsible, provided such entry into a unit shall be made with as little inconvenience to the owner(s) as practicable, and at reasonable times and with reasonable notice, except in an emergency that threatens harm to persons or property.
- (h) Notice of Liens. A unit owner shall give notice to the Association of (i) every lien against such owner's unit other than permitted mortgages, taxes, and Association assessments, and (ii) any suit or other proceeding that may affect the title to such unit, within ten days after the lien attaches or the owner receives notice of such suit.
- (i) Liability for Causing Damages to the Regime. A unit owner shall be liable to the Association for the expense of any maintenance, repair, or replacement rendered necessary by such unit owner's act, neglect, or carelessness, or by the act, neglect, or carelessness of such unit owner's guests, invitees, employees, agents, or lessees, which liability shall include any increase in insurance rates resulting therefrom.
- (j) Restriction on Antennas and Satellite Dishes. No television antenna, radio antenna, satellite dish, or similar receiving or transmitting device shall be installed or otherwise located outside of an owner's unit except as may be permitted under rules adopted by the Association.
- (k) ~~Commercial use of~~ Outdoor Areas. ~~Commercial uses~~**Unit owners** may use ~~outdoor sales areas within the project~~**Project** only in compliance with local ordinances. This restriction applies at all times, including, but not limited to any day on which the University of Iowa plays football games in Kinnick Stadium ("Game Day"). All Game Day activities on ~~both the commercial and residential portions of the project~~**Project** shall be in compliance with City ordinances and any additional rules that may be imposed from time to time by the Association.

- (l) ~~Drive-through or Walk through Windows or Service Areas. Unless with the prior approval by Resolution of the City Council, no commercial use shall employ or have as an amenity or feature any sort of drive-through service area or walk up service window to pedestrians or to motor vehicles.~~(Reserved)
- (m) ~~Commercial Sign Restriction. Any proposed sign (whether lighted or not) associated with the advertising of any commercial use must either 1) be approved by the City Council, or 2) be in full compliance with sign rules applicable to the project, as may be adopted from time to time by the Association, and expressly approved by Resolution of the City Council.~~(Reserved)
- (n) ~~Temporary Signage. No temporary signs on or visible from the exterior of a commercial establishment will be permitted except when located in a window of the establishment filling not more than 25% of the window space and for no more than 20 business days during any calendar year. Signs indicating that a business is open or closed or hours of operation, or containing governmentally required disclosures, shall not be deemed temporary signs.~~(Reserved)
- (o) For Rent Signs. To the extent that a unit may be and is for rent, one "For Rent" sign no larger than three feet by three feet (excluding stand) may be placed in or on the leased unit, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, one additional such sign may be placed within the Project (or the adjacent One University Place South Condominium real estate) at another location approved by the Association (or the One University Place South Condominium Owners Association, Inc., if applicable) that is reasonably visible to the general public from Melrose Avenue. In connection with the initial leasing of the Declarant's units, the Declarant may either abide by the foregoing requirement or in lieu thereof place one leasing sign no larger than ten feet by ten feet (excluding stand) within the Project (or the adjacent One University Place South Condominium real estate acceptable to the One University Place South Condominium Owners Association, Inc., if applicable) at a location reasonable visible to the general public from Melrose Avenue. Any holder of a first mortgage who acquires possession of a unit by foreclosure or by deed in lieu of foreclosure shall have the right to post signs, in compliance with this provision of the Declaration, for the sale or rental of such unit until such unit is sold or a lease is entered into.
- (p) For Sale Signs. To the extent that a unit is for sale, one "For Sale" sign no larger than three feet by three feet (excluding stand) may be placed in or on the unit for sale, or near the leased unit at a location approved by the Association. Additionally, if such sign is not reasonably visible to the general public from Melrose Avenue, an additional such sign may be placed within the Project (or the adjacent One University Place South

Condominium real estate) at another location approved by the Association (or the One University Place South Condominium Owners Association, Inc., if applicable) that is reasonably visible to the general public from Melrose Avenue. In connection with the initial sale of the Declarant's units, the Declarant may either abide by the foregoing requirement or in lieu thereof place one for sale sign no larger than ten feet by ten feet (excluding stand) within the Project (or the adjacent One University Place South Condominium real estate acceptable to the One University Place South Condominium Owners Association, Inc., if applicable) at a location reasonable visible to the general public from Melrose Avenue. Any holder of a first mortgage who acquires possession of a unit by foreclosure or by deed in lieu of foreclosure shall have the right to post signs, in compliance with this provision of the Declaration, for the sale or rental of such unit until such unit is sold or a lease is entered into.

- (q) Noise and Outdoor Music. All ~~project~~**Project** unit owners, occupants and guests shall comply with the noise ordinances of the City and otherwise not create any noise nuisances. ~~Additionally, no music shall be permitted to be played through exterior speakers within any outdoor commercial service areas after 9:00 p.m. on Sundays through Thursdays, or after 10:00 p.m. on Fridays and Saturdays. Any music played through exterior speakers within outdoor commercial service areas shall otherwise be in compliance with City ordinances and any additional rules that may be imposed by the Association from time to time.~~
- (r) ~~Hours of Operation for Commercial Uses. Unless additional extended hours are approved by Resolution of the City Council, commercial uses, other than fitness centers, may operate and remain open to the public between the hours of 6:00 a.m. and 10:00 p.m. on Sundays through Thursdays, and between the hours of 6:00 a.m. and 12:00 a.m. (midnight) on Fridays and Saturdays; provided, however, that all outdoor service areas shall close no later than 11:00 p.m. on Fridays and Saturdays. Owners, tenants and employees may enter upon and remain in the commercial units at other times for business purposes that do not involve the coming and going of customers or clients. Fitness centers may operate twenty-four (24) hours per day seven (7) days per week, provided all such fitness activities are conducted inside the establishment.~~(Reserved)
- (s) Occupancy of Residential Units. Residential units may be occupied by a single "family" and no more than one person not a member of the family occupying the premises as part of an individual housekeeping unit. "Family" is defined for purposes of this Declaration in the same manner as it is defined by the City Ordinance 79 (3)(32), as now existing or hereafter amended, modified, renumbered, or substituted. Currently "Family" is defined as one person or two or more persons related by blood, marriage, or adoption occupying a dwelling as an individual housekeeping unit.
- (t) Snow Removal. The One University Place South Owners Association, Inc., as provided in the Declaration for One University Place South Condominium,

~~has the responsibility to perform the The Declarant's (Developer's) obligation, as set forth in the PUD Documents, to remove snow and ice from City sidewalks within or abutting that condominium regime on the north side of Melrose Avenue from the intersection of Melrose Avenue and Sunset Street west to the boundary of the One University Place South Condominium Regime within or abutting the project shall be, and is hereby made, the obligation of the Association under the this Declaration. In the event that One University Place South Owners Association, Inc. fails to fulfill this maintenance obligation in any way, The the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligation, subject to its rights under the One University Place South Condominium Declaration to receive full reimbursement from the One University Place South Owners Association, Inc. Association (as the council of co-owners, or its successors and assigns) shall be responsible in perpetuity for the removal of snow and ice on City sidewalks on the north side of Melrose Avenue from the intersection of Melrose Avenue and Sunset Street west to the project boundary. Additionally, any S~~ snow removed from the Regime shall not be deposited upon City streets but may be deposited adjacent to the sidewalk upon the area within the City right-of-way. All snow removed from other areas of the Project shall be deposited on the ~~project~~Project's property or elsewhere but not upon City streets, City right-of-way, or any other property owned or controlled by the City or upon private property (other than the Project) except with the permission of the property owner.

- (u) Combining/Dividing Condominium Units. The total maximum number of multi-family residential dwelling units (residential condominium units) within the ~~project~~Project is ~~twenty-four~~eighty (2480) which, when combined with the additional multi-family residential dwelling units (residential condominium units) ~~to be built~~ in phase ~~two~~one of the Project approved under the PUD Documents (now known as One University Place South Condominium), will initially establish the PUD Project at or below the 104 maximum dwelling units permitted for the PUD Project by City Ordinances #79, #180 and #188. In accordance with any additional requirements of the condominium documents, (i) a residential condominium unit may be combined horizontally or vertically with one or more other residential condominium units to allow such combined units to be used as a larger single family dwelling unit under applicable City ordinances, or (ii) a larger residential condominium unit (or previously combined condominium units) may be divided into two or more smaller residential condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate single family dwelling units under applicable City ordinances; provided the total number of residential dwelling units in the PUD Project does not at any time exceed the 104 residential dwelling units permitted for the PUD Project by City ordinance. ~~Similarly, in accordance with any additional requirements of the condominium documents, (1) a commercial condominium unit may be combined horizontally with one or more other~~

~~commercial condominium units to allow such combined units to be used as a larger commercial space under applicable City ordinances, or (ii) a larger commercial condominium unit (or previously combined condominium units) may be divided into two or more smaller commercial condominium sub-units (or units) to allow such smaller sub-units (or units) to be used as separate commercial spaces under applicable City ordinances.~~

- (v) Restriction of Left Turns onto Sunset Street. No left turns shall be permitted from the **projectProject** directly onto Sunset Street.
- (w) Rental Requirements/Restrictions. In the PUD Documents, the Developer and City acknowledged and agreed that the residential portion of the **PUD Project** is being built to standards consistent with owner occupied residential units, but that rental of such units by the Developer and/or subsequent owners is permissible. The residential units of the **projectProject** are subject to the same rental requirements, restrictions, and definitions for family, as contained in City ordinances, as other residential properties in the City. The period of rental of a residential condominium shall be at least one year unless some other period is established in the rules and regulations or By-laws of the Association. Every tenant shall fully comply with this Declaration and all rules and regulations of the Association. No lease shall relieve the owner as against the Association and other owners from any responsibility or liability imposed by the condominium documents.
- (x) Maintenance of Exterior Public Space. The **One University Place South Owners Association, Inc.**, as provided in ~~this the~~ Declaration for One University Place South Condominium, shall have the responsibility to maintain all exterior public space that is shown on the PUD Plan or otherwise part of the **PUD pProject related to that condominium project.** In the event that One University Place South Owners Association, Inc. fails to fulfill this maintenance obligation in any way, the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligation, subject to its rights under the One University Place South Condominium Declaration to receive full reimbursement from the One University Place South Owners Association, Inc.
- (y) Enlargement of Surface Parking. The Declarant or the Association shall report to the City Council any intention to install more surface parking within the **PUD Project** than is shown on the approved PUD Documents. The **PUD pProject's** maximum amount of surface parking is one hundred eight (108) spaces pursuant to City Ordinance 79(13)(B)(6).
- (z) Limited Common Elements associated with City Ownership of Unit #103. In the event the City becomes the owner of Unit #103 in One University Place South Condominium, the exterior fenced green-space area adjacent to and east of such unit and the area on the south plaza adjacent to the entry door to such unit shall each be a limited common element associated exclusively with Unit #103, to be insured (general liability, not casualty) by the City,

and to be subject to the City's rules and regulations for use by the City and its invitees, guests and the general public. These limited common elements shall be maintained by the One University Place South Owners Association, Inc. These limited common elements will exclude the sidewalk at the east end of the building ("East Sidewalk") that is reserved as a general common element for all unit owners of One University Place South Condominium, and the City (if the owner of Unit #103) will not impede the other unit owners of One University Place South Condominium and their invitees, customers, clients and guests from traversing upon the East Sidewalk adjacent to the City-owned unit and associated limited common elements, for reasonable access to and from the other condominium units in the ~~project~~Project. The One University Place South Owners Association, Inc. Association shall be responsible for the care, upkeep, maintenance, and repair of ~~the such~~ East Sidewalk as a general common element of that regime. In the event that One University Place South Owners Association, Inc. fails to fulfill in any way the maintenance obligations of this paragraph (z), the One University Place North Owners Association shall have joint and several responsibility to fulfill such maintenance obligations, subject to its rights under the One University Place South Condominium Declaration to receive full reimbursement from the One University Place South Owners Association, Inc.

(aa) Deemed Deed Restrictions. The Declarant agrees for itself and for its successors and assigns that each deed or other conveyance of every unit shall be deemed to contain, if not actually specified, the following covenants on the part of the Declarant for itself and all such successors and assigns:

- i. That the real property comprising the ~~project~~Project shall be devoted only to and in accordance with the uses specified in the PUD Development Agreement applicable to the ~~project~~Project (see section 2(a) above in the Article IX), subject to any modifications of such uses that might be contained in the Urban Renewal Plan that has been adopted as part of a separate economic incentives agreement between the Declarant and the City upon which the PUD Development Agreement was conditioned.
- ii. That any owner of the real property comprising the ~~project~~Project shall not discriminate upon the basis of age, race, creed, color, disability, gender identity, marital status, sex, sexual orientation, religion, national origin, or the presence or absence of dependents or public assistance source of income in the sale, lease, or rental or in the use or occupancy of the property or any improvements erected or constructed or to be erected or constructed on that property or any part thereof.

It is intended that the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in paragraph (aa)(ii) above, both for and in its own right and also for purposes of protecting the interests of the community and other parties, public and/or private, in whose or for whose benefit such agreements

and covenants have been provided. Such agreements and covenants shall run in favor of the City. The City shall have the right in the event of any breach of any such agreement or covenant to exercise all the rights and remedies and to maintain any actions or suits at law and/or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled, and shall be entitled to recover, in addition to its court costs, reasonable lawyer fees and litigation expenses.

iii. Any dispute between any one or more unit owners and the original developer of the Project (the Declarant) or such developer's design professionals or contractors must be submitted first to non-binding mediation before commencement of legal proceedings (other than filings necessary to preclude the expiration of a statute of limitation).

(bb) Sale or Lease of Space to Property Tax Exempt Entities. ~~Unless approved in advance by Resolution of the City Council, until 25 years after the approval of the initial building permit for the Project (as "Project" is defined in the PUD Development Agreement applicable to the project), the Declarant (including its successors and assigns) shall not sell or lease any commercial unit of the project to a property tax exempt entity (other than the City) if such sale or lease will result in such commercial unit becoming exempt from the payment of property tax. Until 30 years after the last payment of any TIF benefits to the Declarant, the Declarant (including its successors and assigns) shall not sell or lease any residential unit of the project~~ **Project** to a property tax exempt entity if such sale or lease will result in such residential unit becoming exempt from the payment of property tax.

(cc) ~~(Reserved) Lease Clause. Any lease that the Declarant (or its successors or assigns) may enter into for a commercial unit in the project shall provide that the tenant shall not approach the City Council for, or receive, any direct or indirect lease subsidy.~~

(dd) Regime Appearance and Design. The design of the building and grounds and the integrity and appearance of the Regime as a whole are common elements of this Regime, and similarly of the adjacent One University Place South Condominium regime. The regimes together comprise the approved PUD Plan for the combined properties. No maintenance, repairs, or replacements of the common elements by either owners association shall materially modify the design of the building and grounds, the materials and color scheme of the buildings, or the integrity and appearance of the two regimes as a whole unless with the approval of both Associations and the City when the City's approval may be required under an applicable Development Agreement or ordinance.

3. No Waiver. Failure of the Association or any owner to enforce any covenant, condition, restriction, or other provision of Chapter 499B of the 2015 Code of Iowa, as amended, this Declaration,

the Articles of Incorporation or By-laws of the Association, or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to enforce the same thereafter.

## **ARTICLE X**

### Insurance and Casualty

1. General Liability and Property Damage. Comprehensive general liability and property damage insurance for the Association and ~~project~~Project shall be purchased by the Board as promptly as possible following its organization, and shall be maintained in force at all times, the premiums thereon to be paid by Association assessments to the owners. Prior to the organizational meeting, such insurance shall be procured by Declarant. The insurance shall be carried with a reputable company or companies authorized to do business in the State of Iowa in such amounts as the Board may determine. The policy or policies shall name as insureds all the owners and the Association. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all of the condominium units in the ~~project~~Project. The policy or policies shall insure against loss arising from perils and occurrences in the common elements (general and limited) and the units, and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association and/or the Board.

2. Fire and Casualty. Fire and other hazard insurance shall be purchased by the Board as promptly as possible following its organization and shall thereafter be maintained in force at all times, the premiums thereon to be paid out of Association assessments to the owners. Policies shall provide for the issuance of certificates or such endorsement evidencing the insurance as may be required by the respective mortgagees of unit owners. The policy, and certificates so issued, will bear a mortgage clause naming the mortgagees interested in said ~~project~~Project. The policy or policies shall insure against loss from perils, therein covered, to all of the improvements in the ~~project~~Project, except as may be separately insured. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements. The improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insured all of the owners, the Association, and Declarant so long as Declarant is the owner of any of the units in the ~~project~~Project. The Declarant shall notify the insurance carrier of any change in ownership of a unit until such time as the organizational meeting of the unit owners is held, at which time it shall be the responsibility of the Association to notify the insurance carrier of a change in the ownership of any unit. The policy or policies shall also cover personal property owned in common, and shall further contain waiver of subrogation rights by the carrier as to negligent owners.

3. Fire and Casualty on Individual Units. Except as expressly provided in paragraph 4 immediately following, no owner shall separately insure such owner's condominium unit or any part thereof against loss by fire or other casualty covered by the insurance specified in paragraph 2 of this Article X. Should any owner violate this provision, any diminution in insurance proceeds resulting from the existence of such other insurance, shall be chargeable to the owner who acquired such other insurance, who shall be liable to the Association to the extent of any such diminution and/or loss of proceeds.

4. Personal Liability and Unit Owners Insurance. An owner may carry such personal liability insurance, in addition to that herein required, as such owner may desire. In addition, such fixtures and mechanical equipment located within a unit (such as plumbing fixtures, electrical lighting fixtures, kitchen and bathroom cabinets and counter tops, furnace, air-conditioning, built-ins and water heater) together with additions thereto and replacements thereof, as well as the personal property of the unit owner as may be located within a unit or upon or within limited common elements, if any, associated with such unit, may be separately insured by such owner, such insurance to be limited to the type and nature of coverage often referred to as "Condominium Unit-Owners Insurance". All such insurance separately carried shall contain waiver of subrogation rights by the carrier as to negligent owners.

5. Additional Coverage. The Board may purchase and maintain in force, at the expense of the common maintenance fund, debris removal insurance, fidelity bonds, and other insurance and/or bonds that it deems necessary or appropriate for the operation of the Association and the ~~project~~Project. The Board shall purchase and maintain workmen's compensation insurance to the extent that the same shall be required by law respecting any employees of the Association. The Board shall also maintain "all risk" insurance coverage on the ~~project~~Project to insure against water damage and like kind of casualties.

6. Loss Adjustment. The Board is hereby appointed the attorney in fact for all owners to negotiate loss adjustment on the policy or policies carried under paragraphs 1, 2, 3 and 5 above in this Article X.

7. Association as Trustee for Proceeds. In the event of damage or destruction by fire or other casualty affecting a unit or units, and/or if any portion of the common elements are damaged or destroyed by fire or other casualty, all insurance proceeds paid in satisfaction of claims for said loss or losses shall be segregated according to losses suffered by each unit or units and/or the common elements, and shall be paid to the Association as trustee for the owner or owners and for the encumbrance or encumbrances, as their interest may appear. Said insurance proceeds, and the proceeds of any special assessment as hereinafter provided, whether or not subject to liens of mortgages or deeds of trust, shall be collected and disbursed by said trustee through a separate trust account on the following terms and conditions:

- (a) Partial Destruction of Common Elements. If the damage or destruction is to common elements only, the Board of Directors of the Association shall without further authorization contract to repair or rebuild the damaged portion of the common elements substantially in accordance with the original plans and specifications thereof.
- (b) Partial Destruction of Units and Common Elements. In the event of damage to, or destruction of, common elements with accompanying damage to any unit or units where the total destruction or damage does not represent sixty percent (60%) or more of the building and the cost of repairing or rebuilding said damaged area does not exceed the amount of available insurance proceeds for said loss by more than \$50,000, the Board of Directors of the Association shall immediately contract to repair or rebuild the damaged portion of the unit or units and the common elements substantially in accordance with the original plans and specifications. If the cost to repair or rebuild exceeds available insurance by \$50,000, then owners of the individual units, by vote of not less than a majority

of the votes of those present and entitled to vote, in person or by proxy, at a duly constituted owners' meeting held within 30 days from the date of such damage or destruction, shall determine whether the Board of Directors shall be authorized to proceed with repair or reconstruction, or whether the ~~project~~Project shall be sold as in the case of a total destruction according to the provisions of paragraph (c) immediately following.

- (c) Total Destruction. In the event of sixty percent (60%) or more damage to, or destruction of, the building by fire or other casualty, the owners of the individual units, by vote of not less than a majority of the votes of those present and entitled to vote, in person or by proxy, at a duly constituted owners' meeting held within 30 days from the date of such damage or destruction, shall determine whether the Board of Directors shall be authorized to proceed with repair or reconstruction, or whether said ~~project~~Project shall be sold; provided, however, that such determination shall be subject to the express written approval of all record owners of mortgages upon any part of the ~~regime~~Regime.

In the event of a determination to rebuild or repair, the Board shall have prepared the necessary plans, specifications and drawings and shall execute the necessary documents to effect such reconstruction or repair as promptly as practicable and in a lawful and workmanlike manner.

In the event of a determination not to rebuild, the Board shall offer the ~~project~~Project for sale forthwith, at the highest and best price obtainable, either in its damaged condition, or after damaged structures have been razed, the net proceeds of such sale, and the proceeds, if any, of insurance carried by the Association, and/or by the owners as a whole on the ~~project~~Project, including coverage on the units and the common elements, except for unit coverages under paragraph 4 of this Article X, shall be distributed proportionately to the unit owners in the same proportion that the unit in which they have an interest shares in the common elements, except that where there is a mortgage of record or other valid encumbrance on any one unit then, and in that event, with respect to said unit the Association will distribute said proceeds that would otherwise have been distributable to such unit owner as follows: first to the record owner of mortgages upon units and common elements in the ~~regime~~Regime in satisfaction of the balance currently due on said encumbrances and then the remaining proceeds, if any, to the unit owner of record.

- (d) In the event that the common elements are repaired or reconstructed pursuant to the provisions of paragraphs (a), (b) or (c) of this paragraph 7 and there is any deficiency between the insurance proceeds paid for the damage to the common elements and the contract price for repairing or rebuilding the common elements, the Board shall levy a special assessment against each owner in proportion to such owner's percentage of ownership in the common elements to make up such deficiency. If any owner shall fail to pay said special assessment or assessments within thirty (30) days after the levy thereof, the Board shall make up the deficiency by payment from the common maintenance fund, and the Association and remaining owners shall be entitled to the same remedies as those provided in

Article VII of this Declaration, covering a default of any owner in the payment of maintenance charges.

(e) In the event of a dispute among the owners and/or mortgagees respecting the provisions of this clause, any such party may cause the same to be referred to arbitration in accordance with the then prevailing rules of the American Arbitration Association. In the event of arbitration, the party requesting the arbitration will give immediate notice thereof to the Board, which shall notify all other owners and mortgagees as promptly as possible after the reference to arbitration is made, giving all such parties an opportunity to appear at such arbitration proceedings. The decision of the arbitrator in this matter shall be final and conclusive upon all of the parties. The arbitrator may include in his determination an award for costs and/or attorney fees against any one or more parties to the arbitration.

8. Abatement of Common Expenses. The Board is authorized to provide coverage for payment of maintenance charges that are abated hereunder on behalf of an owner whose unit is rendered uninhabitable for a peril insured against.

9. Review of Insurance Needs. Insurance coverages will periodically be analyzed by the Board, or its representative, and the insurance program revised accordingly.

## **ARTICLE XI** Termination

1. Procedure. The condominium may be terminated in the following manner in addition to the manner provided by the Iowa Horizontal Property Act:

- (a) Destruction. In the event it is determined in the manner elsewhere provided that the ~~project~~Project shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated in compliance with the provisions of Section 499B.8 of the 2015 Code of Iowa, as amended, or its applicable successor provision.
- (b) Agreement. The condominium may be terminated at any time by the approval in writing of all of the owners of the condominium and by holders of all liens affecting any of the units by filing an instrument to that effect, duly recorded, as provided in Section 499B.8 of the 2014 Code of Iowa, as amended, or its applicable successor provision. It shall be the duty of every unit owner and such owner's respective lien holder to execute and deliver such instrument and to perform all acts as in manner and form may be necessary to effect the sale of the ~~project~~Project when at a meeting duly convened of the Association, the owners of 100% of the voting power, and all record owners of mortgages upon units in the ~~regime~~Regime, elect to terminate and/or sell the ~~project~~Project.
- (c) Certificate. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by all members of the Association and the respective holders of all liens affecting their

interest in the condominium, certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the office of the Johnson County Recorder in Iowa City, Iowa.

2. Form of Ownership after Termination. After termination of the condominium, the ~~project~~Project will be held as follows:

- (a) The ~~real-estate~~Real Estate (land and improvements) shall be deemed to be owned in common by the owners;
- (b) The undivided interest in the property owned in common that shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common elements and facilities;
- (c) Any liens affecting any of the condominiums shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owner in the property.
- (d) After termination, the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the owners in a percentage equal to the percentage of undivided interest owned by each owner in the common elements; after first paying out of the respective shares of the owners, to the extent sufficient for that purpose, all liens on the undivided interest in the property owned by each owner.

## **ARTICLE XII**

### Amendments and Miscellaneous

1. Amendments. Except as otherwise provided in this Declaration, this Declaration may be amended and such amendment shall be made in the following manner:

(a) Amendment by the Declarant.

- (i) The Declarant or its successor in interest reserves the right to amend this Declaration at any time prior to the sale of a unit within the ~~regime~~Regime, and/or as otherwise expressly provided in this Declaration.
- (ii) The Declarant or its successor in interest reserves the right to correct, supplement and/or amend this Declaration in order to file original, corrected, supplemental or amended floor plans, site plans, building plans and “as built” certificates for the building or any unit whether completed or not yet completed at the time of the initial filing of this Declaration. Except as otherwise permitted in this Declaration for subdivided or combined units, no such amendment or filing shall change i) the number of units, ii) any unit’s appurtenant ownership in the common elements, iii) any unit’s appurtenant votes in the association or

- iv) any unit's share of common expenses, unless with the written consent of all affected unit owners.
- (iii) Amendments to the Declaration made by the Declarant, as provided above, may be made without the consent of the unit owners.
- (b) Amendments by Unit Owners. Amendments by the unit owners shall be made in compliance with the following procedure.
  - (i) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. Holders of a first mortgage of record shall receive notice of such proposed amendment as provided in the By-laws of the Association.
  - (ii) Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by any member of the Association. Except as provided elsewhere in this Declaration, the resolution must be adopted by a vote of not less than 75% of all owner votes, in person or by proxy; provided, however, no amendment effecting a substantial change in this Declaration or the By-laws of the Association shall affect the rights of the holder of any mortgage on a unit, if the mortgage was recorded prior to recordation of such amendment, who does not join in the execution thereof or does not otherwise approve said amendment in writing.
  - (iii) By-laws. In the case of an amendment to this Declaration by reason of an amendment to the By-laws of the Association, then in the manner specified in such By-laws.
  - (iv) Execution and Recording. An amendment adopted pursuant to (ii) or (iii) above shall be executed by an officer specifically delegated to do so with the formalities required by Chapter 499B of the 2015 Code of Iowa, as amended. Upon the recordation of such instrument in the office of the Johnson County Recorder, the same shall be effective against any persons owning an interest in a unit or the ~~regime~~Regime.

2. Amendment of Ownership Interest. No amendment shall change the percentage of ownership in the common elements appurtenant to a unit, nor increase the owner's share of the common expenses unless the record owner of the unit concerned and all record owners of mortgages thereon shall affirmatively join in the adoption of such amendment.

**[Signature Page and Exhibits Follow]**

**IN WITNESS WHEREOF**, Declarant has executed the foregoing Declaration of Condominium the day and year first above written.

**DECLARANT**

**One University Place, LLC**  
an Iowa limited liability company

By: \_\_\_\_\_  
Jeffrey L. Maxwell, President and Member

By: \_\_\_\_\_  
Kevin Monson, Vice President and Member

By: \_\_\_\_\_  
Justin Doyle, Sec./Treas. and Member

**State of Iowa, County of Johnson, ss:**

| This instrument was acknowledged before me on the \_\_\_\_ day of December, 2015-2016 by Jeffrey L. Maxwell as President and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

**State of Iowa, County of Johnson, ss:**

| This instrument was acknowledged before me on the \_\_\_\_ day of December, 2015-2016 by Kevin Monson as Vice President and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

| **State of Iowa, County of Johnson, ss:**

| This instrument was acknowledged before me on the \_\_\_\_ day of December, 2015-2016 by Justin C. Doyle as Secretary/Treasurer and a Member of **One University Place, LLC**, an Iowa limited liability company.

(seal)

\_\_\_\_\_  
Notary Public in and for said State  
My Commission Expires \_\_\_\_\_

\* \* \* \* \*



**Exhibit “A”**

Identification of Units, Interest in Common Elements, Percent of  
Common Expenses and Votes

**See Chart on Next Page**

<b>Unit Number</b>	<b>Building Level</b>	<b>Use Classification:</b> R1=Residential One-Bedroom R2=Residential Two-Bedroom	<b>Residential Unit Type</b>	<b>Approximate Square Footage (rounded)</b>	<b>Percentage of Ownership Interest in Common Elements</b>	<b>Percentage of Common Expenses Allocable to Owners</b>	<b>Votes on Association Matters</b>
101	First	R2	Unit B	1,109	1.10%	1.10%	1
102	First	R2	Unit B+	1,433	1.42%	1.42%	1
103	First	R2	Unit A	1,130	1.12%	1.12%	1
104	First	R2	Unit A+	1,450	1.44%	1.44%	1
105	First	R2	Unit A	1,130	1.12%	1.12%	1
106	First	R2	Unit A+	1,450	1.44%	1.44%	1
107	First	R1	Unit C	858	0.86%	0.86%	1
108	First	R1	Unit C+	1,193	1.18%	1.18%	1
109	First	R1	Unit C.1	1,031	1.03%	1.03%	1
110	First	R2	Unit A	1,143	1.13%	1.13%	1
111	First	R2	Unit A+	1,449	1.44%	1.44%	1
112	First	R2	Unit A	1,129	1.12%	1.12%	1
113	First	R2	Unit A+	1,450	1.44%	1.44%	1
114	First	R2	Unit A	1,130	1.12%	1.12%	1
115	First	R2	Unit B+	1,431	1.42%	1.42%	1
116	First	R2	Unit B	1,108	1.10%	1.10%	1
201	Second	R2	Unit B	1,109	1.10%	1.10%	1
202	Second	R2	Unit B+	1,433	1.42%	1.42%	1
203	Second	R2	Unit A	1,130	1.12%	1.12%	1
204	Second	R2	Unit A+	1,450	1.44%	1.44%	1
205	Second	R2	Unit A	1,130	1.12%	1.12%	1
206	Second	R2	Unit A+	1,450	1.44%	1.44%	1
207	Second	R2	Unit A	1,143	1.13%	1.13%	1
208	Second	R1	Unit C+	1,193	1.18%	1.18%	1
209	Second	R2	Unit A+	1,467	1.45%	1.45%	1
210	Second	R2	Unit A	1,143	1.13%	1.13%	1
211	Second	R2	Unit A+	1,449	1.44%	1.44%	1
212	Second	R2	Unit A	1,129	1.12%	1.12%	1
213	Second	R2	Unit A+	1,450	1.44%	1.44%	1
214	Second	R2	Unit A	1,130	1.12%	1.12%	1
215	Second	R2	Unit B+	1,431	1.42%	1.42%	1
216	Second	R2	Unit B	1,108	1.10%	1.10%	1

Unit Number	Building Level	Use Classification:	Residential Unit Type	Approximate Square Footage (rounded)	Percentage of Ownership Interest in Common Elements	Percentage of Common Expenses Allocable to Owners	Votes on Association Matters
		R1=Residential One-Bedroom R2=Residential Two-Bedroom					
301	Third	R2	Unit B	1,109	1.10%	1.10%	1
302	Third	R2	Unit B+	1,433	1.42%	1.42%	1
303	Third	R2	Unit A	1,130	1.12%	1.12%	1
304	Third	R2	Unit A+	1,450	1.44%	1.44%	1
305	Third	R2	Unit A	1,130	1.12%	1.12%	1
306	Third	R2	Unit A+	1,450	1.44%	1.44%	1
307	Third	R2	Unit A	1,143	1.13%	1.13%	1
308	Third	R1	Unit C+	1,193	1.18%	1.18%	1
309	Third	R2	Unit A+	1,467	1.45%	1.45%	1
310	Third	R2	Unit A	1,143	1.13%	1.13%	1
311	Third	R2	Unit A+	1,449	1.44%	1.44%	1
312	Third	R2	Unit A	1,129	1.12%	1.12%	1
313	Third	R2	Unit A+	1,450	1.44%	1.44%	1
314	Third	R2	Unit A	1,130	1.12%	1.12%	1
315	Third	R2	Unit B+	1,431	1.42%	1.42%	1
316	Third	R2	Unit B	1,108	1.10%	1.10%	1
401	Fourth	R2	Unit B	1,109	1.10%	1.10%	1
402	Fourth	R2	Unit B+	1,433	1.42%	1.42%	1
403	Fourth	R2	Unit A	1,130	1.12%	1.12%	1
404	Fourth	R2	Unit A+	1,450	1.44%	1.44%	1
405	Fourth	R2	Unit A	1,130	1.12%	1.12%	1
406	Fourth	R2	Unit A+	1,450	1.44%	1.44%	1
407	Fourth	R2	Unit A	1,143	1.13%	1.13%	1
408	Fourth	R1	Unit C+	1,193	1.18%	1.18%	1
409	Fourth	R2	Unit A+	1,467	1.45%	1.45%	1
410	Fourth	R2	Unit A	1,143	1.13%	1.13%	1
411	Fourth	R2	Unit A+	1,449	1.44%	1.44%	1
412	Fourth	R2	Unit A	1,129	1.12%	1.12%	1
413	Fourth	R2	Unit A+	1,450	1.44%	1.44%	1
414	Fourth	R2	Unit A	1,130	1.12%	1.12%	1
415	Fourth	R2	Unit B+	1,431	1.42%	1.42%	1
416	Fourth	R2	Unit B	1,108	1.10%	1.10%	1
501	Fifth	R2	Unit B	1,097	1.09%	1.09%	1
502	Fifth	R2	Unit B+	1,422	1.41%	1.41%	1
503	Fifth	R2	Unit A	1,119	1.11%	1.11%	1
504	Fifth	R2	Unit A+	1,439	1.43%	1.43%	1
505	Fifth	R2	Unit A	1,119	1.11%	1.11%	1
506	Fifth	R2	Unit A+	1,439	1.43%	1.43%	1
507	Fifth	R2	Unit A	1,132	1.12%	1.12%	1
508	Fifth	R1	Unit C+	1,182	1.17%	1.17%	1
509	Fifth	R2	Unit A+	1,457	1.44%	1.44%	1
510	Fifth	R2	Unit A	1,132	1.12%	1.12%	1
511	Fifth	R2	Unit A+	1,439	1.43%	1.43%	1
512	Fifth	R2	Unit A	1,119	1.11%	1.11%	1
513	Fifth	R2	Unit A+	1,439	1.43%	1.43%	1
514	Fifth	R2	Unit A	1,119	1.11%	1.11%	1
515	Fifth	R2	Unit B+	1,421	1.41%	1.41%	1
516	Fifth	R2	Unit B	1,097	1.09%	1.09%	1
<b>Totals</b>				<b>100,831</b>	<b>100.00%</b>	<b>100.00%</b>	<b>80</b>

# Exhibit “B”

## ARTICLES OF INCORPORATION OF

ONE UNIVERSITY PLACE ~~SOUTH~~NORTH CONDOMINIUM OWNERS ASSOCIATION, INC.

The undersigned, acting as incorporator of a corporation pursuant to the provisions of the Revised Iowa Nonprofit Corporation Act under Chapter 504 of the 2015 Code of Iowa, as amended, adopts the following Articles of Incorporation for such corporation:

### ARTICLE I Name and Principal Office

The corporation shall be known as **One University Place ~~South~~North Condominium Owners Association, Inc.**, and its principal office shall be located in Johnson County, Iowa.

### ARTICLE II Corporate Existence

The corporate existence of this corporation shall begin upon the date these articles are filed with the Secretary of State, and the period of its duration is perpetual.

### ARTICLE III Purposes and Powers

(A) The purpose and objective of the corporation is to provide an entity to conduct the business and affairs of, and to act as or for, the co-owners of that certain horizontal property regime (condominium) created and submitted pursuant to the provisions of Chapter 499B of the 2015 Code of Iowa, as amended, known as **One University Place ~~South~~North Condominium** and to be located on certain portions of real estate situated in University Heights, Johnson County, Iowa.

The corporation shall have all powers and purposes granted or implied to a council of co-owners under the provisions of Chapter 499B of the 2015 Code of Iowa, as amended, and as are granted or implied by the Declaration of Condominium establishing the One University Place ~~South~~North Condominium regime (“Declaration”), and all of such powers shall likewise constitute lawful purposes of this mutual benefit corporation.

(B) The purposes of the corporation are exclusively not for private profit or gain and no part of its activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation, and the corporation shall make no distribution of income to its members, directors or officers except as may be specifically permitted by Chapter 499B of the 2015 Code of Iowa, as amended, and the Declaration.

(C) The corporation shall, additionally, have unlimited power to engage in, and to do any lawful act concerning any or all lawful business for which a mutual benefit non-profit corporation may be

organized under the Revised Iowa Nonprofit Corporation Act, as amended (Chapter 504 of the Code of Iowa).

**ARTICLE IV**  
**Registered Office and Agent**

The address of the initial registered office of the corporation is P.O. Box 2150, 321 East Market Street, Iowa City, IA 52244, and the name of its initial registered agent at such address is Thomas H. Gelman.

**ARTICLE V**  
**Board of Directors**

The number of directors constituting the initial Board of Directors of the corporation is three (3), and the name and address of the persons who are to serve as the initial directors are:

<b>NAME</b>	<b>ADDRESS</b>
Jeffrey L. Maxwell	3011 Sierra Court SW Iowa City, Iowa 52240
Kevin Monson	3069 Rohret Road SW Iowa City, Iowa 52246
Justin C. Doyle	One University Place, Suite 400, 130 E 3rd St, Des Moines, Iowa 50309

The initial Board of Directors shall be subject to removal only by One University Place, LLC, or its designated successor, until the director's term expires as provided in the Declaration and By-laws, but directors other than the initial directors may be removed from office in such manner as may be provided by the By-laws.

**ARTICLE VI**  
**By-Laws**

The initial By-laws of the corporation shall be adopted by its initial Board of Directors, but the power to thereafter alter, amend, or repeal the same or adopt new By-laws is reserved to the members of the corporation.

**ARTICLE VII**  
**Members and Voting**

Persons or entities owning condominium units submitted to the regime shall be the members of the corporation, all of which and the rights and obligations thereof shall be governed by the provisions of the By-laws. The voting rights of the members shall be fixed, limited, enlarged, or denied to the extent specified in the Declaration and By-laws.

**ARTICLE VIII**

Distribution of Assets Upon Dissolution

In the event of dissolution, assets, if any remain, shall be distributed to the members in accordance to their proportionate share of ownership in the condominium regime, as determined by the Declaration and the By-laws.

ARTICLE IX  
Amendment

Any purported amendment to these Articles of Incorporation in conflict with or contrary to the provisions of the Declaration, including supplements and amendments thereto that submit lands and units to the regime, shall be void and of no force and effect.

ARTICLE X  
Incorporators

The names and addresses of the incorporators are as follows:

NAME	ADDRESS
Jeffrey L. Maxwell	3011 Sierra Court SW Iowa City, Iowa, 52240
Kevin Monson	3069 Rohret Road SW Iowa City, Iowa 52246

\_\_\_\_\_  
Jeffrey L. Maxwell, Incorporator

\_\_\_\_\_  
Kevin Monson, Incorporator

**State of Iowa, County of Johnson, ss:**

| This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, ~~2015-2016~~ by Jeffrey L. Maxwell.

(seal)

\_\_\_\_\_  
Notary Public in and for said State

**State of Iowa, County of Johnson, ss:**

| This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, ~~2015-2016~~ by Kevin Monson.

(seal)

\_\_\_\_\_  
Notary Public in and for said State

# Exhibit “C”

## BY-LAWS OF ONE UNIVERSITY PLACE ~~SOUTH~~NORTH CONDOMINIUM OWNERS ASSOCIATION, INC.

These are the By-laws of One University Place ~~South~~North Condominium Owners Association, Inc. (hereinafter referred to as “Association” or “Corporation”), a corporation organized pursuant to Chapter 504 of the 2015 Code of Iowa, as amended, for the purpose of administering One University Place ~~South~~North Condominium, a horizontal property regime (“condominium”, “~~regime~~Regime” or “condominium regime”) established pursuant to Chapter 499B of the 2015 Code of Iowa, as amended, in accordance with the *Declaration of Submission of Property to Horizontal Property Regime* therefor (“Declaration”), said ~~regime~~Regime located on the following land in the University Heights, Johnson County, Iowa:

**Auditor’s Parcel ~~2015087~~ 2015088 according to the Survey Plat thereof recoded in Book 60, Page 10, of the Plat Records of Johnson County, Iowa (the “~~real estate~~Real Estate”).**

(Excepting any portions thereof that may be dedicated to the City of University Heights for public street right-of-way purposes.)

### I. MEMBERS AND VOTING RIGHTS

1. The owners of all condominium units shall constitute the members of the Association (each a “member”), and membership shall automatically cease upon termination of all interests that constitute a person an owner. “Declarant” (defined below) shall be and have the rights of a member with respect to unsold units. Whenever only one spouse is a record titleholder, the other spouse shall be considered an owner for the purposes of membership, and shall be bound by the provisions of all “condominium documents” (as that term is defined in the Declaration) including those provisions relating to the Homestead exemption contained in Article VII of the Declaration.

2. An owner of record shall be recognized as a member without further action for so long as such owner holds an ownership interest. If ownership is acquired but not of record, or if acquired other than by way of conveyance or other formal instrument of transfer (such as by death, judicial act or dissolution), the person acquiring or succeeding to ownership shall present the Board of Directors of the Association evidence satisfactory to the Board of facts evidencing lawful ownership status prior to exercise of any rights of membership in the Association. (Failure to provide such evidence shall not, however, relieve an owner of such owner’s ownership obligations). A fiduciary or other official acting in a representative capacity shall exercise all membership rights and privileges of the owner so represented.

3. If more than one person is the owner of the same unit, all such owners shall be members and remain jointly and severally liable for all membership obligations. In such cases, or if more than one fiduciary or other official is acting in the premises, the votes entitled to be cast by the owners of that unit shall be cast by the person named for that purpose on a certificate signed by all such owners or fiduciaries or other officials and filed with the Secretary of the Association and such person shall be

deemed to hold an ownership interest to such unit for purposes of voting and determining the representation of such ownership interest at any meeting or for purposes otherwise provided herein. If such certificate is not executed and filed with the Secretary, such membership shall not be considered in considering a quorum or a vote or for any other purposes until this Bylaw is complied with.

4. The owner(s) of each unit shall be entitled to vote the number of votes assigned to such unit on all matters to be determined by the members of the Association either as owners generally ~~or as owners of units (such as commercial units or residential units)~~ or as contemplated by Chapter 499B of the 2014 Code of Iowa, as amended, in accordance with the Declaration, including any supplements or amendments thereto. Votes of a single unit may not be divided.

## II. MEMBERS' MEETINGS

1. The organizational meeting of the members of the Association to elect successors of the initial Board of Directors shall be held within 60 days after the date on which the Declarant has sold and given possession of at least 75% of all of the units within the ~~project~~Regime. Thereafter the annual and any special meetings shall be held at a time and at a place within Iowa City, Johnson County, Iowa, (or other location convenient to all directors) chosen by the Board of Directors and all such meetings, annual or special, shall be held at such particular time and place as is set forth in the notice thereof.

2. A special meeting shall be held whenever called by the President or, in the President's absence or disability, the Vice President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-fourth of the votes of the entire membership.

3. The Secretary or the Secretary's designee shall give written notice to each member of the annual meeting. The person or persons calling a special meeting pursuant to Paragraph 2 hereof shall be given like written notice of such special meeting. All notices shall set forth the time and place and purpose or purposes for which the meeting will be held. No action shall be taken at a special meeting that is not directly related to the purpose or purposes stated in the notice of such meeting.

4. Notice of members' meetings shall be given by mailing, or delivering such notice not less than ten (10), nor more than thirty (30) days prior to the date of the meeting. Notice may be given by email or other electronic means when reasonable evidence of receipt is provided. Notice shall be deemed to be given if mailed by First Class Mail to the member at the address of such member's unit within the ~~regime~~Regime, unless at the time of giving such notice such member has given written direction, delivered to the Secretary, specifying a different mailing address to be carried on the rolls of the Association. If more than one person is the owner of the same unit or if more than one fiduciary or one official is acting in the premises, notice to such person shall be deemed to have been given, when given in accordance with this Paragraph to the person named in the certificate filed with the Secretary in accordance with Paragraph 3 of Article I. Notice of any meeting may be waived in writing by the person entitled thereto, and will be deemed waived upon such persons presence and participation at the meeting for any purpose other than to object to the notice process.

5. A quorum at a members' meeting shall consist of the presence of members in person or by proxy, representing a majority of the votes of unit owners entitled to vote. The acts carried or approved by a majority of the votes represented at a meeting at which a quorum is present shall constitute

the acts of the membership unless a different rule is provided herein or by the Articles of Incorporation, the Declaration, or other agreement to which the Association is a party. The President, or, in the President's absence or disability, the Vice President, shall preside at each members' meeting; if neither the President nor the Vice President is able to preside, a chairperson shall be elected by the members present at such meeting.

6. At any membership meeting, a person holding a member's proxy to vote shall be permitted to participate in such meeting and shall be permitted to cast such member's votes on all questions properly coming before such meeting, provided such proxy must be in writing and signed by a member or other person entitled to cast votes, and shall set forth the unit(s) with respect to which such rights are pertinent, and the period during which the proxy is to be in force and effect. A decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal by or to the members.

7. At all member meetings, the order of business shall consist of the following:

- (a) Election of Chairman, if required.
- (b) Calling roll and certification of proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers, if applicable.
- (f) Election of Directors, if applicable.
- (g) Unfinished business.
- (h) New Business.
- (i) Adjournment.

### III. BOARD OF DIRECTORS

1. The affairs of the Association shall be managed by a Board of up to five (5) Directors, and possible six (6). The initial Board of Directors shall consist of three (3) to (five (5) persons as the Declarant may appoint pursuant to the Declaration who need not be members of the Association. The initial Board of Directors shall serve until the first annual members' meeting. From and after the first annual meeting of members, the Board of Directors shall be selected by the members of the Association, subject to the Declaration and these By-laws. As provided in the Declaration:

- (a) Prior the first annual meeting of the Association the initial directors, at least three (3) and up to five (5), shall be appointed by the Declarant (initially being those persons designated as such in the Association's Articles of Incorporation) and may be removed, reappointed and/or replaced by the Declarant until their successors shall be elected by the members, or appointed by the City, in the manner provided in the Declaration and these By-laws. The initial Directors or replacement initial Directors as selected by the Declarant or its successor shall serve until the date on which the Declarant has sold and given possession of at least 60% of the units within the condominium, and the replacement Directors have been elected from among members at the first annual meeting as prescribed in these By-laws. From and after the first annual meeting, the affairs of the Association shall be conducted by a board of five (5) Directors elected or appointed as provided in the Declaration and these By-laws; and until all units are sold by the Declarant, the Declarant may appoint one (1) director to sit as a member

of the Board of Directors in addition to the other five (5) elected or appointed directors. Such Director appointed by the Declarant shall have the same voting rights as the other elected or appointed Directors.

2. At the first annual members' meeting and at each annual meeting thereafter five (5) directors shall be elected and the term of office of each director shall extend until the next annual meeting of the members and thereafter until their successors are duly elected and qualified or until removal in the manner as elsewhere provided.

3. In the event the City of University Heights ("City") becomes the owner of a commercial unit in the One University Place South Condominium regime, condominium, and from and so long as the City is such an owner, then at the City's option in addition to being a voting member of the Association with all rights of membership afforded to a unit owner by the Declaration, one (1) representative of the City, as appointed from time to time by the City Council, shall be a voting member of the Association's Board of Directors adding one (1) initial director to those appointed by the Declarant for the period before the first annual meeting, or replacing one (1) of the five (5) elected directors from and after the first annual meeting, as the case may be.

4. Each elected director shall be elected by ballot (unless such requirement is waived by unanimous consent) and by a plurality of the votes cast at the annual meeting of the members of the Association. Each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled by election.

5. Except as provided in Paragraph 6 of this Article, Vacancies of elected Directors (as opposed to appointed Directors) may be filled until the date of the next annual meeting by a vote of a majority of the Directors remaining in office regardless of whether those remaining constitute a quorum.

6. The initial Directors and the additional Director appointed by the Declarant under paragraph 1(a) of this Article III shall be subject to removal only by the Declarant. After the election of Directors at the first annual meeting, any elected Director or City appointed Director may be removed by seventy-five percent (75%) of the votes of members of the Association at a special meeting called for that purpose. The vacancy on the Board of Directors so created shall be filled at the same meeting by the persons entitled to vote, or if the City appointed Director then by a City Council appointment as soon as is practicable.

7. The initial Directors as well as any other Director appointed by the Declarant or the City shall serve without compensation. Directors elected by the members shall receive such compensation and expenses as may be approved by a vote of the members at any annual or special meeting.

8. An organizational meeting of a newly elected Board of Directors, at which time officers will be elected among other business, shall be held within ten (10) days after their election at such place and time as shall be fixed by the Directors at the meeting at which they are elected. No further notice of the organizational meeting shall be necessary.

9. A majority of the Board may, by resolution, set the time and place for regular meetings of the Board and no notice thereof shall be required until such resolution is modified or rescinded. Special meetings of the Directors may be called by the President, Vice President, or any two Directors,

provided not less than two days' notice shall be given, personally or by mail, email or telephone, which notice shall state the time, place, and purpose of the meeting.

10. A quorum at a directors' meeting shall consist of two-thirds of the entire Board of Directors. The acts approved by a majority of those present at a meeting duly called at which a quorum is present shall constitute the acts of the entire Board of Directors.

11. The presiding officer at a directors' meeting shall be the President, or in his absence, the Vice President.

12. The Board of Directors, by resolution approved by all members thereof, may designate from among its members such committees as it deems advisable and by resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

#### IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation, and the documents establishing the condominium ~~regime~~Regime. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration, and, in addition to those elsewhere provided, shall include but not be limited to the following:

1. The determination and collection of assessments against members for all common expenses and other charges that may be assessed against members under applicable laws, the Declaration and other duly adopted condominium documents.

2. The use of the proceeds of assessments in the exercise of its powers and duties.

3. The maintenance, repair, replacement, and operation of the ~~regime~~Regime property, including all common areas, elements, and facilities, and units as applicable, and the making or providing for payment for all such work and approving or delegating to the officers authority to approve vouchers therefor.

4. The reconstruction, repair, restoration, or rebuilding of the ~~regime~~Regime property and of any units as applicable after casualty; and construction of new improvements or alterations as may be authorized in the Declaration.

5. To make and amend regulations respecting the use and occupancy of the property in the condominium ~~regime~~Regime and to permit or forbid an action or conduct within the discretion committed to them in the Declaration, By-laws, and Resolutions of the members.

6. The enforcement by legal means of the provisions of the Horizontal Property Act, the Articles of Incorporation, these By-laws, the Declaration, and the regulations for the use of the property in the ~~regime~~Regime; and to take legal action in the name of the Association and on behalf of its members.

7. To contract for management of the ~~regime~~Regime and to delegate to such manager any or all powers and duties of the Association except such as are specifically required by the Declaration, By-laws or Resolutions of the members to have approval of the Board of Directors and/or the membership of the Association.

8. To employ, designate, and discharge personnel and/or contractors to perform services required for proper operation of the ~~regime~~Regime.

9. To carry insurance on the property committed to the ~~regime~~Regime and insurance for the protection of unit owners and occupants, and members of the Association, in accordance with the Declaration.

10. To pay the cost of all power, water, sewer, and other utility or other services rendered to the ~~regime~~Regime and not billed directly to the owners of the individual units.

11. To conduct all votes or determinations of the members other than at a membership meeting.

12. To borrow money from any bank, lending institution, or agency for the use and benefit of the Association and to secure the loan or loans by pledge of the assets of the Association.

13. To do such other acts as are necessary and proper to effect the purpose of the ~~regime~~Regime as stated in the Declaration and these By-laws provided such acts are not otherwise prohibited.

#### V. OFFICERS

1. The officers of the Association shall be the President, who shall be a Director, a Vice President, who shall be a Director, and a Secretary and Treasurer, which offices shall be filled by one person, who need not be either a director or member. All such officers shall be elected annually by the Board of Directors and may be preemptorily removed and replaced by the vote of two-thirds of the Directors at any meeting. The initial officers and their successors, until the first annual meeting, shall be chosen by the initial Board of Directors and shall serve until the organizational meeting of the Board of Directors at which officers are elected. The Board of Directors may from time to time create and fill other offices and designate the powers and duties thereof. Each officer shall have the powers and duties usually vested in such office, and such authority as is committed to the office by the By-laws or by specific grant from the Board, but subject at all times to the provisions of the Declaration, By-laws and to the control of the Board of Directors.

2. The President shall be the chief executive officer of the Association. The President shall preside at all membership meetings and meetings of the Board of Directors and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the Association and the ~~regime~~Regime.

3. The Vice President shall preside over the membership meetings in the absence or disability of the President, and shall otherwise exercise the powers and duties of the President in the event of the absence or disability of the President, and shall generally assist the President and exercise such other powers and duties as are prescribed by the Directors.

4. The Secretary and Treasurer, which shall constitute one office, shall keep the minutes of all proceedings of membership meetings and Directors' meetings, shall have custody and control of the Minute Book of the Association, shall keep or be in charge and control of the records of the Association, and additionally as Treasurer shall have control of the funds and other property of the Association and shall keep (and/or supervise the keeping of) the financial books and records thereof.

5. The compensation of all officers and employees shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee, nor the contracting with a Director for management of the ~~regime~~Regime.

6. Any instrument affecting an interest in real property may be executed by the President or Vice President and one other officer upon authorization of the Directors or in such manner as the Directors may otherwise direct.

## VI. FISCAL MANAGEMENT

1. The Board of Directors shall adopt a budget for each fiscal year (which shall be the same as the Association's fiscal year for Income Tax purposes), which shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the following accounting categories according to good accounting practices:

- (a) Current expenses, which shall include all funds and expenditures to be made for the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.
- (b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
- (c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, destruction, depreciation, or obsolescence.

2. The Board of Directors shall assess against each unit and the owners thereof shall be liable for, a share of the items in the budget adopted pursuant to paragraph 1 above equal to such unit's percentage share of common expenses as set forth in the Declaration. Such shares shall be assessed annually in advance for the fiscal year for which the budget was prepared and notice of such assessments shall be mailed or delivered not less than fifteen (15) days prior to the first day of such fiscal year: provided, however, no delay in giving such notice shall relieve any owner of the obligation to pay a duly adopted assessment. Such assessment shall be due and payable from the respective unit owner or owners in twelve (12) equal installments, each installment being due and payable the first day of each calendar month, within such fiscal year. In the event notice of such assessment is not timely given, the amount of such assessment will not change, but the due date for each installment that would otherwise be due and payable, less than fifteen (15) days from the giving of such notice, shall be due and payable on the due date of the first installment that is due after fifteen (15) days from the date such notice was mailed or delivered. In the event the annual assessment proves to be insufficient, the budget and assessments

therefor, may be amended at any time by the Board of Directors. Such amended budget may be adopted at a special directors' meeting upon an affirmative vote of a majority of the directors. The additional amount so budgeted shall be assessed to each unit in the same manner as assessments for the annual budget and shall be prorated among the remaining installments due and payable in such year.

3. Assessments for common expenses for emergencies and extraordinary expenditures, that cannot be paid from the annual assessments for common expenses and maintenance funds, shall be made only after notice of the need thereof to the unit owners. After such notice and upon approval in writing by owners entitled to cast more than one-half of the votes in the Condominium, the assessments shall become effective, and shall be due in such manner as the Board of Directors may require after fifteen (15) days' notice thereof. In the event any expenditure for repair or replacement of any unit or common elements cannot be paid from annual assessments, but can be at least ninety percent (90%) paid from insurance proceeds therefor, such expenditures may be made upon approval of the Board of Directors without approval of the members and an amended budget and assessment may be made therefor if necessary.

4. ~~The Board of Directors may assess certain expenses pertaining to the common elements benefiting only residential owners to all residential owners and units provided the assessments are equal to the percentages of such residential units' shares of residential common expenses as set forth in the Declaration. Similarly, the Board of Directors may assess certain expenses pertaining to the common elements benefiting only commercial owners to all commercial owners and units provided the assessments are equal to the percentages of such commercial units' shares of commercial common expenses as set forth in the Declaration. Further, as provided in the Declaration, the~~ Board of Directors may reasonably assess on a percentage prorata basis certain expenses for limited common elements benefiting only some units among the units and owners so benefited.

5. If an owner shall be in default of a payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to such owner, and thereupon the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to such owner either personally or by registered or certified mail. Interest shall be computed and due on balances due under this paragraph but unpaid on such due date at the rate of 10% per annum from the date such balance becomes due and payable in accordance with the preceding sentence; such interest shall be in addition to any other payments for which said owner is liable.

6. The holder of a mortgage on any unit, upon its filing written request with the Association, shall be given written notice by the Association of the nonperformance of a mortgagor's obligations under these By-laws, the Declaration, or other condominium documents, which is not cured within thirty (30) days.

7. All sums assessed but unpaid, including, but not limited to, interest with respect to a unit or against a unit owner, shall constitute a lien on such unit prior to all other liens except:

- (a) Tax liens on the unit in favor of any assessing unit and special district, and
- (b) All sums unpaid on the first mortgage of record.

Said lien may be foreclosed by the Association in the manner and with the consequences provided in Section 499B.17 of the 2015 Code of Iowa, as amended, in which event the owner shall be required to pay a reasonable rental for the unit. The Association may sue for money judgment for unpaid assessments and interest or sums due without foreclosing or waiving any lien it holds.

8. If a mortgagee or purchaser of a unit obtains title as a result of foreclosure of a first mortgage, neither such mortgagee or purchaser nor their successors or assigns shall be liable for the assessments chargeable to such unit, due prior to the acquisition of title, and such unpaid assessments shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser, and their successors and assigns. The owner of a unit pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments against the grantor or prior owner, but without prejudice to the right of such grantee or devisee to recover from the grantor the amounts paid therefor. The grantee or other successor in interest of an individual subject to a levy of an assessment on account of default shall be liable for any such special assessment.

9. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from the accounts shall only be by checks signed by such persons as are authorized by the Directors.

10. An audit of the accounts of the Association may be made annually by a Certified Public Accountant as may be retained by the Board of Directors, and if such audit is made a copy of the report shall be furnished to each member not later than sixty (60) days after the close of the fiscal year for which the report is made, or fifteen (15) days after the completion of the audit report, whichever is later.

## VII. AMENDMENT

1. These By-laws may be amended, altered, or repealed, or new By-laws adopted by the members at a regular or special meeting of the members upon the affirmative vote of 75% of all votes entitled to be cast; provided, however, no amendment effecting a substantial change in these By-laws shall affect the rights of the holder of any mortgage recorded prior to recordation of such amendment who does not join in the execution thereof or otherwise approve said amendment in writing.

2. No amendment may be adopted at either a special or regular membership meeting not included in the notice thereof, except if notice of the proposed amendment has been given, an amendment relative to the same subject may be adopted by those present, in person or by proxy, and possessing the requisite percentage of membership and voting interests, provided further no vote by proxy may be counted unless the proxy expressly provides for such contingency. Notice referred to herein shall be given in the manner prescribed in Article II Section 3 of these By-laws and shall be given to the persons described in Article II Section 4 and the holder of any first mortgage of record that has notified the Association of its interests not less than thirty (30) days before the date such meeting will be held. More than one proposed amendment may be included in the notice of a meeting.

3. To the extent provided by Section 499B.14 of the 2015 Code of Iowa, as amended, no modification nor amendment to these By-laws shall be effective unless set forth in an amendment to the Declaration of Condominium, executed and recorded in the manner set forth in the Declaration, and an amendment to these By-laws shall constitute an amendment to the Declaration as provided for by law.

Upon such recording said amendment shall be effective against all persons having an interest in a unit or the ~~regime~~Regime regardless of whether said person had such interest at the time said amendment was adopted.

#### VIII. MISCELLANEOUS PROVISIONS

1. The invalidity of any portion or provision of these By-laws shall not affect the validity of the remaining provisions or portions hereof.

2. The Association shall not have and employ a corporate seal.

3. The Board of Directors may require fidelity bonds from all directors, officers, or agents handling or responsible for Association funds and the expense of such bonds shall be common expenses of the Association.

4. The Association shall promulgate such Rules and Regulations for the operation, use and enjoyment of the ~~regime~~Regime that are in the best interest of all owners within the ~~regime~~Regime and are not contrary to the Declaration. The initial Board of Directors may adopt initial Rules and Regulations that may from time to time be added to, amended, or modified by majority vote of the initial Board of Directors or a subsequent Board, or by a vote of members representing a 60% majority of the units' votes in the Association, which vote by the members shall supersede the Board of Directors if there is a conflict with the Rules and Regulations adopted by the Board. The Rules and Regulations, as amended, shall be binding upon all members and representatives of members, and to the extent applicable also binding upon tenants, guests and invitees. An amendment to the Rules and Regulations shall not constitute an amendment to the Declaration, and shall be valid and enforceable upon adoption without recording the same as an amendment to the Declaration. The Association shall keep among its records and periodically distribute to members, and make available to members upon request, the most current version of the duly adopted Rules and Regulations of the condominium ~~regime~~Regime.

5. The Association shall at all times maintain separate and accurate written records of each unit and owner and the address of each, which shall set forth the status of all assessments, accounts, and funds pertinent to that unit and owner. Any person not a unit owner may rely on a certificate made from such records by an officer or agent of the Association as to the status of all assessments and accounts for a unit in the ~~regime~~Regime.

6. Each member shall have the obligations as a member that are imposed on such member, as a unit owner, by the ~~regime~~Regime documents, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the ~~regime~~Regime property except as the same may attach only against such member's interest therein.

7. The Board of Directors may, in its discretion, issue written evidence of membership, but the same shall be evidence thereof only, and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as appurtenant to an assignment, hypothecation, or transfer of the unit.

8. Each owner or tenant of such owner's unit, as applicable, shall have a right to use and enjoy the common elements provided that such use shall be limited to the uses permitted by the Declaration, the Rules and Regulations, and other governing documents of the ~~regime~~Regime.

## IX. DEFINITIONS

Unless the context otherwise requires, the terms used herein shall have the meanings stated in the Horizontal Property Act, and as follows:

1. Person. The term “person” shall include an individual, a corporation, or other legal entity or its representative.

2. Owner. The term “owner” for purposes of these By-laws shall mean any person who owns or holds for such owner an interest in one or more units subject to the ~~regime~~Regime provided that the holder of a leasehold interest in a unit shall not be an owner and further provided that the holder of an equitable interest shall be an owner.

3. Unit. The term “unit” means each unit subjected to the ~~regime~~Regime of one or more rooms intended for use as ~~commercial space or a~~ residential dwelling, as more fully defined in the Declaration.

4. Common expenses. The term “common expenses” shall include:

- (a) Expenses of administration of the Association;
- (b) Expenses of operating the general common elements and the portions of limited common elements to be operated by the Association, in accordance with the Declaration;
- (b) Expenses of maintenance, repair, or replacement of general common elements and of the portions of limited common elements and units to be maintained, repaired, or replaced by the Association, in accordance with the Declaration;
- (c) Expenses of insurance for the Association and its directors, officers, and members; for the common elements; and for the units as may be provided for in the Declaration;
- (d) Expenses and obligations allocated to the Association or declared common expenses by the Declaration or these By-laws; and
- (c) Any valid charge against the ~~regime~~Regime as a whole.

5. Declarant. The term “Declarant” shall mean One University Place, LLC, an Iowa limited liability company, which has made and duly executed the Declaration, and any successor that One University Place, LLC may designate in writing to be the successor Declarant.

6. Singular, plural and gender. Whenever the context so permits or requires, the use of the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

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Jeffrey L. Maxwell, President  
One University Place ~~South~~North Condominium Owners Association,

|  
Inc.

Attest:

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Justin Doyle, Secretary/Treasurer

## **Exhibit D - Site Plan**

**[See Attached Site Plan]**

## **Exhibit E - Floorplans**

**[See Attached Floorplans]**

## **Exhibit F - Building Plans**

**[Building Plans will be filed as a Supplement and/or Amendment to the Declaration when the Building is Substantially Completed]**

## **Exhibit G - As Built Certificate**

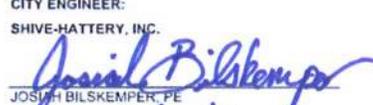
**[An *As Built Certificate* will be filed as a Supplement and/or Amendment to the Declaration when the Building is Substantially Completed]**

ITEM	ITEM NAME	QTY	UNIT	UNIT PRICE	EXTENSION	PREVIOUS QTY	CURRENT QTY	CURRENT AMOUNT	%	JTD QTY	JTD AMOUNT	JTD %
1	MOBILIZATION	1	LS	\$55,000.00	\$ 55,000.00		1.00	\$ 55,000.00	100%	1.00	\$ 55,000.00	100%
2	CONSTRUCTION STAKING	1	LS	\$8,500.00	\$ 8,500.00		1.00	\$ 8,500.00	100%	1.00	\$ 8,500.00	100%
3	TRAFFIC CONTROL	1	LS	\$7,150.00	\$ 7,150.00		0.75	\$ 5,362.50	75%	0.75	\$ 5,362.50	75%
4	EXCAVATION & SUBGRADE COMPACTION	1	LS	\$9,500.00	\$ 9,500.00		0.95	\$ 9,025.00	95%	0.95	\$ 9,025.00	95%
5	PAVEMENT REMOVAL 10 INCH PCC	707	SY	\$20.00	\$ 14,140.00		739.00	\$ 14,780.00	105%	739.00	\$ 14,780.00	105%
6	PAVEMENT REMOVAL 7 INCH PCC	586	SY	\$15.00	\$ 8,790.00		561.00	\$ 8,415.00	96%	561.00	\$ 8,415.00	96%
7	PAVEMENT REMOVAL, SIDEWALKS	471	SY	\$9.00	\$ 4,239.00		411.85	\$ 3,706.65	87%	411.85	\$ 3,706.65	87%
8	PAVEMENT REMOVAL, DRIVEWAYS	97	SY	\$15.00	\$ 1,455.00		97.00	\$ 1,455.00	100%	97.00	\$ 1,455.00	100%
9	GRIND EXISTING CURB	4	LF	\$75.00	\$ 300.00		0.00	\$ -	0%	0.00	\$ -	0%
10	REMOVE EXISTING RETAINING WALL	1	LS	\$1,500.00	\$ 1,500.00		1.00	\$ 1,500.00	100%	1.00	\$ 1,500.00	100%
11	REMOVE EXISTING HANDRAIL	1	LS	\$1,200.00	\$ 1,200.00		1.00	\$ 1,200.00	100%	1.00	\$ 1,200.00	100%
12	REMOVE EXISTING INTAKE	1	EA	\$400.00	\$ 400.00		1.00	\$ 400.00	100%	1.00	\$ 400.00	100%
13	REMOVE EXISTING PAVEMENT STRIPING	1	LS	\$3,000.00	\$ 3,000.00		0.00	\$ -	0%	0.00	\$ -	0%
14	REMOVE EXISTING TRAFFIC SIGNALS	1	LS	\$5,500.00	\$ 5,500.00		1.00	\$ 5,500.00	100%	1.00	\$ 5,500.00	100%
15	REMOVE AND REINSTALL EXISTING TRAFFIC SIGN	5	EA	\$100.00	\$ 500.00		0.00	\$ -	0%	0.00	\$ -	0%
16	REMOVE 12" DIA RCP STORM SEWER	28	LF	\$20.00	\$ 560.00		28.00	\$ 560.00	100%	28.00	\$ 560.00	100%
17	STORM SEWER, 12" DIA. RCP	38	LF	\$130.00	\$ 4,940.00		38.00	\$ 4,940.00	100%	38.00	\$ 4,940.00	100%
18	STORM INTAKE SW-509	2	EA	\$4,400.00	\$ 8,800.00		2.00	\$ 8,800.00	100%	2.00	\$ 8,800.00	100%
19	STORM INTAKE SW-507 TOP AND THROAT	1	EA	\$3,600.00	\$ 3,600.00		1.00	\$ 3,600.00	100%	1.00	\$ 3,600.00	100%
20	WATER MAIN 8" PVC DR-18	361	LF	\$95.00	\$ 34,295.00		361.00	\$ 34,295.00	100%	361.00	\$ 34,295.00	100%
21	WATER MAIN 8" CERTA-LOK PVC DR-18 DIRECTIONALLY DRILLED	212	LF	\$60.00	\$ 12,720.00		212.00	\$ 12,720.00	100%	212.00	\$ 12,720.00	100%
22	16" X 8" TAPPING SLEEVE AND VALVE	2	EA	\$7,500.00	\$ 15,000.00		2.00	\$ 15,000.00	100%	2.00	\$ 15,000.00	100%
23	8" GATE VALVE	1	EA	\$1,300.00	\$ 1,300.00		1.00	\$ 1,300.00	100%	1.00	\$ 1,300.00	100%
24	FIRE HYDRANT WITH AUXILIARY GATE VALVE	2	EA	\$4,000.00	\$ 8,000.00		2.00	\$ 8,000.00	100%	2.00	\$ 8,000.00	100%
25	ABANDON EXISTING 2 INCH WATER SERVICE	1	EA	\$1,800.00	\$ 1,800.00		1.00	\$ 1,800.00	100%	1.00	\$ 1,800.00	100%
26	SIDEWALK 6" PCC	396	SY	\$46.00	\$ 18,216.00		333.48	\$ 15,340.08	84%	333.48	\$ 15,340.08	84%
27	DRIVEWAY 6" PCC	10	SY	\$45.00	\$ 450.00		10.00	\$ 450.00	100%	10.00	\$ 450.00	100%
28	PAVEMENT 7" PCC	760	SY	\$36.50	\$ 27,740.00		741.86	\$ 27,077.89	98%	741.86	\$ 27,077.89	98%
29	PAVEMENT 10" PCC	1,160	SY	\$58.00	\$ 67,280.00		1,197.54	\$ 69,457.32	103%	1,197.54	\$ 69,457.32	103%
30	GRANULAR SUBBASE, IDOT GRADATION 12 OR 14, 6" THICK	2,269	SY	\$8.00	\$ 18,152.00		2,250.00	\$ 18,000.00	99%	2,250.00	\$ 18,000.00	99%
31	SUBDRAIN, LONGITUDINAL, 6"	1,107	LF	\$14.00	\$ 15,498.00		1,107.00	\$ 15,498.00	100%	1,107.00	\$ 15,498.00	100%
32	RETAINING WALL	1	LS	\$20,000.00	\$ 20,000.00		1.00	\$ 20,000.00	100%	1.00	\$ 20,000.00	100%
33	HANDRAIL	1	LS	\$15,000.00	\$ 15,000.00		1.00	\$ 15,000.00	100%	1.00	\$ 15,000.00	100%
34	PAVEMENT MARKINGS	1	LS	\$11,111.00	\$ 11,111.00		0.00	\$ -	0%	0.00	\$ -	0%
35	SOD	1,249	SY	\$4.68	\$ 5,845.32		416.00	\$ 1,946.88	33%	416.00	\$ 1,946.88	33%
36	RIVER ROCK	409	SF	\$2.00	\$ 818.00		409.00	\$ 818.00	100%	409.00	\$ 818.00	100%
37	FILTER SOCK	410	LF	\$2.00	\$ 820.00		410.00	\$ 820.00	100%	410.00	\$ 820.00	100%
38	CONSTRUCTION SAFETY FENCE	320	LF	\$7.00	\$ 2,240.00		320.00	\$ 2,240.00	100%	320.00	\$ 2,240.00	100%
39	HAPPY RETURNS DAYLILY	120	EA	\$12.00	\$ 1,440.00		0.00	\$ -	0%	0.00	\$ -	0%
40	TARA DROPSEED	42	EA	\$12.00	\$ 504.00		0.00	\$ -	0%	0.00	\$ -	0%
41	HARDWOOD MULCH	690	SF	\$2.00	\$ 1,380.00		0.00	\$ -	0%	0.00	\$ -	0%
42	TRAFFIC SIGNALIZATION	1	LS	\$164,059.00	\$ 164,059.00		0.95	\$ 155,856.05	95%	0.95	\$ 155,856.05	95%
43	SWPPP MANAGEMENT	1	LS	\$1,200.00	\$ 1,200.00		0.85	\$ 1,020.00	85%	0.85	\$ 1,020.00	85%
44	DETECTABLE WARNINGS FOR CURB RAMPS	112	SF	\$15.00	\$ 1,680.00		133.50	\$ 2,002.50	119%	133.50	\$ 2,002.50	119%
45	INSTALL TRAFFIC SIGN	2	EA	\$200.00	\$ 400.00		0.00	\$ -	0%	0.00	\$ -	0%
ALT.1	SUNSET STREET BIO-CELL	1	LS	\$ 17,021.00	\$ 17,021.00		1.00	\$ 17,021.00	100%	1.00	\$ 17,021.00	100%
CO-1	REMOVE BID ALTERNATE 1 (SUNSET STREET BIO-CELL)	1	LS	\$ (17,021.00)	\$ (17,021.00)		1.00	\$ (17,021.00)	100%	1.00	\$ (17,021.00)	100%
CO-1	REMOVE TRAFFIC SIGNAL OBSERVATION CAMERAS	1	LS	\$ (25,655.00)	\$ (25,655.00)		1.00	\$ (25,655.00)	100%	1.00	\$ (25,655.00)	100%
CO-1	ADD FIBER OPTIC AND CONDUIT FOR SIGNAL INTERCONNECTION	1	LS	\$ 1,873.94	\$ 1,873.94		1.00	\$ 1,873.94	100%	1.00	\$ 1,873.94	100%
CO-1	INSTALL RJ WATER MAIN PIPE PER CITY REQUIREMENT	1	LS	\$ 3,276.74	\$ 3,276.74		1.00	\$ 3,276.74	100%	1.00	\$ 3,276.74	100%
CO-1	ADD WATER MAIN FITTING	1	LS	\$ 550.06	\$ 550.06		1.00	\$ 550.06	100%	1.00	\$ 550.06	100%

ORIGINAL CONTRACT: \$ 603,043.32  
 TOTAL CHANGE ORDERS: \$ (36,975.26)  
 ORIGINAL CONTRACT COST AND CHANGE ORDERS: \$ 566,068.06

VALUE OF COMPLETED WORK:	\$ 531,431.61	88%	\$ 531,431.61	88%
LESS RETAINAGE (5%):	\$ 26,571.58		\$ 26,571.58	
NET AMOUNT DUE:	\$ 504,860.03		\$ 504,860.03	
LESS PREVIOUS PAYMENTS:	\$ -		\$ -	
<b>AMOUNT DUE THIS REQUEST:</b>			<b>\$ 504,860.03</b>	

SIGNATURES:

CONTRACTOR MAXWELL CONSTRUCTION, INC.  JEFF MAXWELL, PRESIDENT DATE: 9-12-16	CITY ENGINEER: SHIVE-HATTERY, INC.  JOSIAH BILSKEMPER, PE DATE: 9/12/16	OWNER: CITY OF UNIVERSITY HEIGHTS _____ MAYOR _____ DATE:
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**CHANGE ORDER**  
For Local Public Agency Projects

No.: 1

Non-Substantial:

N/A

Substantial:

Administering Office  
Concurrence Date

Accounting ID No. (5-digit number): N/A

Project Number: 116102-0

Kind of Work: Roadway Improvements

Local Public Agency: City of University Heights

Contractor: Maxwell Construction

Date Prepared: September 9, 2016

You are hereby authorized to make the following changes to the contract documents.

A - Description of change to be made:

1. REMOVE Bid Alternate #1 per Resolution No. 16-26 at May 10 council meeting.
2. REMOVE extra traffic camera equipment in supplier's original pricing per ITC-01.
3. ADD fiber optic cable and conduit from new traffic signal controller cabinet to existing City of Iowa City handhole at the Melrose and Sunset intersection.
4. INSTALL restrained joint water main pipe instead of slip joint water main pipe.
5. ADD one 45-degree bend water main fitting.

B - Reason for change:

1. Bid Alternate #1 removed per Resolution No. 16-26 at May 10 council meeting.
2. Identified extra traffic camera equipment priced from supplier that was not requested in the traffic signal design.
3. Fiber connection is needed to new signal controller to maintain interconnectivity between signal systems along Melrose corridor.
4. Recently updated City of Iowa City water main design standards require restrained joint water main pipe (ADD \$3,276.74).
5. Additional water main fitting required to account for underground conditions found during connection to existing City water main on Melrose Avenue.

C - Settlement for cost(s) of change as follows with items addressed in Sections F and/or G:

1. Price decrease matches amount of the Bid Alternate (DECREASE \$17,021.00).
2. Price decrease matches the material cost of the extra equipment quoted by the supplier (DECREASE \$25,655.00).
3. Agreed Lump Sum Price (ADD \$1,873.94).
4. Agreed Unit Price (ADD \$3,276.74).
5. Agreed Lump Sum Price (ADD \$550.06).

D - Justification for cost(s) (See I.M. 3.805, Attachment D, Chapter 2.36, for acceptable justification):

1. Cost Match
2. Cost Match
3. Unit Prices for each required work item within range of expected costs.
4. Unit Price consistent with type of work required
5. Unit Prices for each required work item within range of expected costs.

E - Contract time adjustment:  No Working Days added  Working Days added: \_\_\_\_\_  Unknown at this time

Justification for selection:

Additional work not impeding controlling items



## September '16 – City Attorney's Report

1. **OUP – GO Financing.** Funding from the City's General Obligation Bond held August 29, 2016, will occur at 10:00 a.m. September 13 by way of wire transfer to the City's account at MidWestOne Bank. The net amount of the deposit totals \$945,725.00, after application of the purchaser's 0.45% discount (\$4,275.00). Once received, the funds are available to the City to use for the purposes for which the bonds were issued – payment for OUP public improvements and acquisition of community space in OUP. A copy of Speer Financial, Inc.'s letter to the City in this regard is attached. In addition, the "Official Statement" related to the bond issuance is attached. The Council is not required to take further action at September's meeting with regard to this financing.
  
2. **OUP – Amending Development Agreements.**
  - **Introduction**
    - Certain documents related to the OUP development its financing, particularly the PUD Development Agreement and TIF Development Agreement, need to be updated for three reasons:
      - As discussed or mentioned several times since last fall, the OUP development land was divided into two parcels, and OUP has proceeded with two condominium regimes and two governing condominium owners' associations. Certain OUP documents did not specifically contemplate or speak to the OUP development proceeding in that fashion. As directed by the Council, I have worked with the OUP developer's lawyer, Tom Gelman, to ensure that the various restrictions, obligations, and duties of the OUP developers and/or the OUP property would be preserved and unaltered by the OUP development proceeding as two parcels with two condominium regimes and two owners' associations.
      - The payment for certain street and intersection improvements, as well as utility work, and the reimbursement for such payment has changed.
      - The agreement for acquisition by the City of certain community space in the OUP development and the price and payment for that acquisition has changed.
    - The Council will consider Resolution No. 16-50, authorizing the Mayor to sign and the Clerk to attest the Second Amendment to PUD Development Agreement and TIF Development Agreement concerning One University Place. (The documents were already amended once, related to utility work and reimbursement to the City of associated costs.)
    - I will address each of the above considerations (two not one condominium regimes, payment for public improvements, and community space acquisition) separately below.

- The following documents are attached to guide this discussion and analysis:
  - PUD Development Agreement dated as of June 9, 2015;
  - TIF Development Agreement dated as of August 11, 2015;
  - Declaration for the South Condominium Regime (as amended);
  - Declaration for the North Condominium Regime (in draft form);
  - Summary of Development Agreements and Compliance;
  - Resolution No. 16-50; and
  - Second Amendment to PUD and TIF Development Agreements.
  
- **Two Condominium Regimes, Not One.**
  - The PUD and TIF Development Agreements set forth many requirements, restrictions and obligations imposed upon the OUP developer and/or the OUP property itself. (A number of these items may be found in the PUD Development Agreement at Section 3(a – u).)
  - Many of these items (those found in Section 3 and others) are required to be expressed, described, and provided for in the “condominium declaration” for OUP – the legal document that takes the land being developed and turns it into condominiums (that may be separately sold, owned, and used) and provides for the governance of the OUP condominiums and property.
  - After the OUP land was divided into two parcels and the OUP development proceeded as two condominium regimes with two governing owner’s association, the task was to determine that the requirements, restrictions, and obligations imposed by the PUD and TIF Development Agreements remained in place and to ensure the City’s enforcement tools were not diluted.
  - The attached “Summary of Development Agreements and Compliance” guides you through the analysis in seven separate columns, as follows:
    - Specific requirements are identified and their sources cited to particular section in the PUD Development Agreement or TIF Development Agreement whence the requirements arise.
    - The requirements are called out as either applying to or not applying to each condominium regime – South and North.
    - The requirements are identified as having been impacted or not impacted by the OUP development proceeding as two condominium regimes instead of one.
    - Comments are provided in some instances.
    - The specific sections of the South Declaration where the requirements are set forth are identified.
    - The specific sections of the North Declaration where the requirements are set forth are identified.

- Note that the provisions of the declarations showing compliance with the requirements of the PUD and TIF Development Agreements are shown in **bold** in the declarations themselves.
- Note also that the north declaration is a marked-up (redline) that used the south declaration as a starting point and then tracked changes.
- In my opinion, the City is adequately protected, and the various requirements, duties, obligations, and commitments expressed in the PUD and TIF Development Agreement are sufficiently addressed in the two condominium declarations.
  - The City has adequate enforcement mechanisms for the requirements, duties, obligations, and commitments of the OUP developer and the OUP property based upon the provisions of the condominium declarations.
  - Of particular note, the City has the opportunity to delegate a member of the board of directors for both the south and north condominium association's governing board of directors.
  - The PUD and TIF Development Agreements expressly provide that no occupancy permit will issue for the OUP development until condominium declarations that include the various requirements, duties, obligations, and commitments expressed in the PUD and TIF Development Agreement have been recorded. (Section 3).
  - The PUD and TIF Development Agreements also provide that the condominium declarations may not be amended without approval of the City (by Council resolution) regarding the various requirements.
  - Finally, the City's obligations under the TIF Development Agreement are contingent upon the OUP developer complying fully with all provisions of the PUD and TIF Development Agreements.
- In summary, I recommend that the Council approve the OUP development proceeding on two parcels with two condominium regimes and two governing owners' associations by approving amendments to the PUD and TIF Development Agreements.
- **Payment for OUP Public Improvements.**
  - The City has agreed to pay for certain OUP Public Improvements (left-turn lane, intersection realignment, utility work) and to be reimbursed for these costs by the OUP condominium owners over the course of 10 years through a voluntary special assessment.
    - The City has issued General Obligation Bonds to pay for this work in the first instance.
    - The OUP developer has executed required documents to have the owners of OUP condominium units pay the principal and interest payments on the bonds by way of voluntary special assessments that will be payable to the City.

- (The community space the City will acquire in the OUP development is exempt from the special assessment.)
  - This entire payment and reimbursement process has already been approved and is in place through the General Obligation Bond sale and funding and the voluntary special assessment documents that have been preliminarily approved (and will be finalized upon project completion).
  - Amendments to the PUD and TIF Development Agreements simply conform to action already taken by the City and the OUP developer.
  - In my opinion, the Council should approve amendments to the PUD and TIF Development Agreements acknowledging that payment for the particular OUP Public Improvements will be accomplished by the City making payment in the first instance and the OUP condominium owners (except for the City) reimbursing those costs over the course of 10 years through a voluntary special assessment.
  
- **Community Space Acquisition and Cost.**
  - The City has agreed to purchase the community space for \$275,000.00 payable in cash at closing, with closing to occur as soon as the OUP developer has completed the required built-out/finish.
  - The City has arranged for financing of the purchase price through the General Obligation Bond sale and funding.
  - The bonds will be repaid by the City through property taxes, so all City property owners, including all OUP condominium unit owners (aside from the City, which is exempt), will participate in the bond repayment/community space cost.
  - Amendments to the PUD and TIF Development Agreements simply conform to action already taken by the City and the OUP developer.
  - In my opinion, the Council should approve amendments to the PUD and TIF Development Agreements acknowledging that the City and the OUP developer have agreed to the purchase and sale of the community space for \$275,000.00 payable in cash at closing.
  
- **Council Action.** The Council will consider Resolution No. 16-50 authorizing the Mayor to sign and the Clerk to attest the Second Amendment to PUD and TIF Development Agreements.
  - Both the Resolution and the amending document are attached.
  - The language of the amending document has not been approved by the OUP developer. If changes are requested, I will communicate with the Council. If agreement on specific language is not reached by the September meeting, this item may be deferred. From The City's standpoint, the only timing issue is or will become the OUP developer's interest in obtaining an occupancy permit.

3. **IDOT Annual City Street Financial Report.** The Council will consider Resolution No. 16-51 adopting the IDOT Annual City Street Financial Report. The report itself will be provided by Steve Kuhl. The Resolution is attached.
4. **Conflicts of Interest Ordinance.** The Council will have its first consideration of Ordinance No. 193, which concerns conflicts of interest. I believe Council Member Quezada circulated the Ordinance previously.
5. **1009 Melrose Avenue – Zoning Ordinance Compliance.** As reported previously, the Board of Adjustment in June rejected a variance request submitted by the owner of 1009 Melrose Avenue to permit paving to remain on an area of the lot greater than that allowed by the Zoning Ordinance. Since then, the property owner has submitted certain information to the City Building Official seeking to have the paving recognized as a pre-existing nonconforming (grandfathered) use. The review of that material and gathering of other information continues. I reported such to the Board of Adjustment at its recent meeting and was asked to provide a similar report to the Council.

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KEVIN McCANNA <i>Chairman</i>	DANIEL FORBES <i>President</i>	DAVID PHILLIPS <i>Executive VP</i>	RAPHALIATA McKENZIE <i>Senior VP</i>	MAGGIE BURGER <i>Senior VP</i>	ANTHONY MICELI <i>Senior VP</i>	LARRY BURGER <i>Vice President</i>	BARBARA CHEVALIER <i>Vice President</i>	MARK JERETINA <i>Vice President</i>
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September 8, 2016

The Honorable Weldon E. Heitman, Mayor  
Chris Anderson, City Clerk  
CITY OF UNIVERSITY HEIGHTS  
1004 Melrose Avenue  
University Heights, IA 52246

RE: City of University Heights, Johnson County, Iowa  
\$950,000 General Obligation Corporate Purpose Bonds, Series 2016

Dear Mayor Heitman and Ms. Anderson:

Arrangements have been completed for the closing of the above referenced Bonds issued to the purchaser, **Bankers' Bank, Madison, Wisconsin** on **Tuesday, September 13, 2016**, at 10:00 a.m., via telephone.

The amount due on September 13, 2016 is as follows:

Principal .....	\$950,000.00
Less: Discount.....	<u>(4,275.00)</u>
<b>Total Due .....</b>	<b>\$945,725.00</b>

Payment of the Bond proceeds will be made in full to the City in immediately available funds, which can be invested the morning of the closing.

Wire instructions for this payment are as follows:

**Bank:.....MidwestOne Bank, Coralville, Iowa**  
**Routing Number:.....073901233**  
**For Credit To:.....City of University Heights**  
**Account Number: .....3003493**  
**Bank Contact: .....Scott Jamison**  
**Telephone: .....319-356-5957**

The Honorable Weldon E. Heitman, Mayor  
Chris Anderson, City Clerk  
September 8, 2016  
Page 2

A member of our firm will monitor the closing to assist in any manner needed. John Danos, Esq., Bond Counsel of Dorsey & Whitney LLP, Des Moines, Iowa, will deliver his opinion upon receipt of all required legal documentation and confirmation of payment by the purchaser for the Bonds. A copy of the Final Debt Service Schedule is attached for your reference.

If you have any questions regarding the details of the closing, please contact Maggie Burger or myself at 319-291-2077.

Sincerely,

SPEER FINANCIAL, INC.



Charlotte Nielsen  
Financial Analyst

Enclosure

Copy by Email:

Kyle Kabara, Bankers' Bank  
Steven Schnering, Bankers' Bank  
John Danos, Esq., Dorsey & Whitney LLP  
Diana Van Vleet, Bankers Trust Company  
Lori Kimura, City of University Heights  
Steve Ballard, Esq., City Attorney

**City of University Heights, Johnson County, Iowa**

\$950,000 General Obligation Corporate Purpose Bonds, Series 2016

\*\*\* FINAL \*\*\*

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/13/2016	-	-	-	-	-
06/01/2017	-	-	10,370.17	10,370.17	10,370.17
12/01/2017	-	-	7,235.00	7,235.00	-
06/01/2018	30,000.00	1.100%	7,235.00	37,235.00	44,470.00
12/01/2018	-	-	7,070.00	7,070.00	-
06/01/2019	60,000.00	1.100%	7,070.00	67,070.00	74,140.00
12/01/2019	-	-	6,740.00	6,740.00	-
06/01/2020	70,000.00	1.100%	6,740.00	76,740.00	83,480.00
12/01/2020	-	-	6,355.00	6,355.00	-
06/01/2021	90,000.00	1.200%	6,355.00	96,355.00	102,710.00
12/01/2021	-	-	5,815.00	5,815.00	-
06/01/2022	95,000.00	1.300%	5,815.00	100,815.00	106,630.00
12/01/2022	-	-	5,197.50	5,197.50	-
06/01/2023	100,000.00	1.400%	5,197.50	105,197.50	110,395.00
12/01/2023	-	-	4,497.50	4,497.50	-
06/01/2024	100,000.00	1.500%	4,497.50	104,497.50	108,995.00
12/01/2024	-	-	3,747.50	3,747.50	-
06/01/2025	110,000.00	1.650%	3,747.50	113,747.50	117,495.00
12/01/2025	-	-	2,840.00	2,840.00	-
06/01/2026	110,000.00	1.800%	2,840.00	112,840.00	115,680.00
12/01/2026	-	-	1,850.00	1,850.00	-
06/01/2027	110,000.00	2.000%	1,850.00	111,850.00	113,700.00
12/01/2027	-	-	750.00	750.00	-
06/01/2028	75,000.00	2.000%	750.00	75,750.00	76,500.00
<b>Total</b>	<b>\$950,000.00</b>	<b>-</b>	<b>\$114,565.17</b>	<b>\$1,064,565.17</b>	<b>-</b>

**Yield Statistics**

Bond Year Dollars	\$6,970.83
Average Life	7.338 Years
Average Coupon	1.6434932%
Net Interest Cost (NIC)	1.7048201%
True Interest Cost (TIC)	1.7031416%
Bond Yield for Arbitrage Purposes	1.6373112%
All Inclusive Cost (AIC)	1.9465748%

**IRS Form 8038**

Net Interest Cost	1.6434932%
Weighted Average Maturity	7.338 Years

**FINAL OFFICIAL STATEMENT DATED AUGUST 29, 2016**

In the opinion of Dorsey & Whitney LLP, Bond Counsel, according to present laws, rulings and decisions and assuming compliance with certain covenants, the interest on the Bonds will be excluded from gross income for federal income tax purposes. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes). The City will designate the Bonds as "qualified tax exempt obligations." See "TAX EXEMPTION AND RELATED CONSIDERATIONS" herein.

**\$950,000**

**CITY OF UNIVERSITY HEIGHTS**

**Johnson County, Iowa**

**General Obligation Corporate Purpose Bonds, Series 2016**

**Dated Date of Delivery                      Book-Entry                      Bank Qualified                      Due June 1, as Detailed Herein**

The \$950,000 General Obligation Corporate Purpose Bonds, Series 2016 (the "Bonds") are being issued by the City of University Heights, Johnson County, Iowa (the "City"). Interest is payable semiannually on June 1 and December 1 of each year, commencing June 1, 2017. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on June 1 in the following years and amounts.

**AMOUNTS, MATURITIES, INTEREST RATES, YIELDS AND CUSIP NUMBERS**

\$160,000 .....	1.100%	Term Bonds due June 1, 2020	Yield.....	1.100%	91428T AC3			
Principal	Due	Interest	Yield	Principal	Due	Interest	Yield	CUSIP
<u>Amount</u>	<u>June 1</u>	<u>Rate</u>	<u>Number(1)</u>	<u>Amount</u>	<u>June 1</u>	<u>Rate</u>	<u>Number(1)</u>	<u>Number(1)</u>
\$ 90,000 .....	2021	1.200%	91428T AD1	\$100,000 .....	2024	1.500%	1.500%	91428T AG4
95,000 .....	2022	1.300%	91428T AE9	110,000 .....	2025	1.650%	1.650%	91428T AH2
100,000 .....	2023	1.400%	91428T AF6	110,000 .....	2026	1.800%	1.800%	91428T AJ8
\$185,000 .....	2.000%	Term Bonds due June 1, 2028	Yield.....	2.000%	91428T AL3			

For further details see "MANDATORY REDEMPTION" herein.

**OPTIONAL REDEMPTION**

Bonds due June 1, 2020 - 2023, inclusive, are non-callable. Bonds due June 1, 2024 - 2028, inclusive, are callable in whole or in part on any date on or after June 1, 2023, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

**PURPOSE, LEGALITY AND SECURITY**

Bond proceeds will be used to pay the cost of: (i) constructing street improvements; (ii) constructing, furnishing and equipping a community center/city hall; and (iii) issuing the Bonds. See the "THE PROJECT" herein.

In the opinion of Bond Counsel, Dorsey & Whitney LLP, Des Moines, Iowa, the Bonds will constitute valid and legally binding general obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion. The City will furnish the written approving opinion of Bond Counsel, Dorsey & Whitney LLP, Des Moines, Iowa, evidencing legality of the Bonds and that the interest thereon is exempt from federal income taxes as and to the extent discussed under the heading "TAX EXEMPTION AND RELATED CONSIDERATIONS" herein.

The City intends to designate the Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986.

The Bonds are offered when, as and if issued and received by the Underwriter, subject to the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel, and certain other conditions. It is expected that the Bonds will be made available for delivery on or about September 13, 2016.



(1) CUSIP numbers appearing in this Final Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw Hill Financial Inc. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Final Official Statement.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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APPENDIX A: THE CITY’S FINANCIAL REPORT FILED WITH THE STATE OF IOWA FOR THE CITY’S  
 FISCAL YEAR ENDED JUNE 30, 2015

APPENDIX B: DESCRIBING BOOK-ENTRY ONLY ISSUANCE

APPENDIX C: DRAFT FORM OF LEGAL OPINION

## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Final Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

<b>Issuer:</b>	City of University Heights, Johnson County, Iowa.
<b>Issue:</b>	\$950,000 General Obligation Corporate Purpose Bonds, Series 2016.
<b>Dated Date:</b>	Date of Delivery (expected to be on or about September 13, 2016).
<b>Interest Due:</b>	Each June 1 and December 1, commencing June 1, 2017.
<b>Principal Due:</b>	June 1, commencing June 1, 2020 through 2026 and 2028, as detailed on the front page of this Final Official Statement.
<b>Optional Redemption:</b>	Bonds maturing on or after June 1, 2024, are callable at the option of the City on any date on or after June 1, 2023, at a price of par plus accrued interest. See <b>“OPTIONAL REDEMPTION”</b> herein.
<b>Mandatory Redemption:</b>	The Bonds are subject to mandatory redemption. See <b>“MANDATORY REDEMPTION”</b> herein.
<b>Authorization:</b>	The Bonds are being issued pursuant to authority established in Code of Iowa, Chapter 384, and all laws amendatory thereof and supplementary thereto, and in conformity with a resolution of the City Council duly passed and approved.
<b>Security:</b>	The Bonds are valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors’ rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.
<b>No Credit Rating:</b>	The City does not intend to apply for a credit rating on the Bonds.
<b>Purpose:</b>	Bond proceeds will be used to pay the cost of: (i) constructing street improvements; (ii) constructing, furnishing and equipping a community center/city hall; and (iii) issuing the Bonds. See the <b>“THE PROJECT”</b> herein.
<b>Tax Exemption:</b>	Dorsey & Whitney LLP, Des Moines, Iowa, will provide an opinion as to the tax exemption of the Bonds as discussed under <b>“TAX EXEMPTION AND RELATED CONSIDERATIONS”</b> in this Final Official Statement.
<b>Bank Qualification:</b>	The City intends to designate the Bonds as “qualified tax-exempt obligations.”
<b>Registrar/Paying Agent:</b>	Bankers Trust Company, Des Moines, Iowa.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Bonds. See <b>APPENDIX B</b> herein.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about September 13, 2016.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Municipal Advisor:</b>	Speer Financial, Inc., Waterloo, Iowa and Chicago, Illinois.

## **CITY OF UNIVERSITY HEIGHTS**

### **Johnson County, Iowa**

Weldon E. Heitman  
*Mayor*

### **Council Members**

Mike Haverkamp		Jim Lane
Dotti Maher	Silvia Quezada	Jerry Zimmermann

---

### **Officials**

Lori Kimura  
*City Treasurer*

Chris Anderson  
*City Clerk*

Steve Ballard, Esq.  
*City Attorney*

## **THE CITY**

The City of University Heights, Iowa (the “City”) is located in Johnson County (the “County”) and is surrounded by the City of Iowa City, Iowa, located near the campus of the University of Iowa. The 2010 Census population was 1,051.

### **City Organization and Services**

The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The Mayor and Council are elected for two year terms. Policy is established by the Mayor and the City Council. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development and general government services.

The City employs approximately 8 full-time and part-time employees. The City contracts with the City of Iowa City for fire protection.

### **Education**

Public education to the City is provided by the Iowa City Community School District, with certified enrollment of 13,328 for Fiscal Year 2016-17. There are approximately 2,346 full and part time employees of the district. The district owns and operates several pre-school sites, twenty elementary schools, three middle schools, two senior high schools, and one alternative school for ninth through twelfth graders. Four year college programs and vocational training are available throughout the area including University of Iowa and Kirkwood Community College.

## Transportation

The City is located 112 miles east of Des Moines, Iowa, approximately 225 miles west of Chicago, Illinois. Iowa City lies at the intersection of Highways 80 and 380. The Cedar Rapids Airport, located 20 miles from downtown Iowa City is served by a number of national and regional air carriers. Rail service is provided by the mainline of the Iowa Interstate Railway in Iowa City.

## SOCIOECONOMIC INFORMATION

The following demographic information is for the City. Additional comparisons are made with Johnson County (the “County”) and the State of Iowa (the “State”).

### Population

The following table reflects population trends for the City, the County and the State of Iowa.

#### Population Comparison(1)

<u>Year</u>	<u>City Population</u>	<u>Percent Change</u>	<u>The County</u>	<u>Percent Change</u>	<u>The State</u>	<u>Percent Change</u>
1970 .....	1,265	N/A	72,127	N/A	2,825,368	N/A
1980 .....	1,069	(15.49%)	81,717	13.30%	2,913,808	3.13%
1990 .....	1,042	(2.53%)	96,119	17.62%	2,776,785	(4.70%)
2000 .....	987	(5.28%)	111,006	15.49%	2,926,324	5.39%
2010 .....	1,051	6.48%	130,882	17.91%	3,046,355	4.10%

Note: (1) Source: U.S. Bureau of the Census.

### Employment

The following is a list of certain major employers located within 30 miles of the City

#### Major Area Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment(2)</u>
University of Iowa .....	Education .....	18,650
University of Iowa Hospitals .....	Healthcare .....	8,705
Iowa City Community School District .....	Education .....	2,345
Veteran's Affairs Medical Center .....	Health Services .....	1,560
Mercy Hospital .....	Health Services .....	1,560
Hy-Vee(2) .....	Grocery .....	1,100
Pearson Educational Measurement .....	Education Testing Services .....	1,140
ACT, Inc. ....	Education Programs .....	1,090
City of Iowa City .....	Government .....	975
Systems Unlimited .....	Assisted Living .....	890
Rockwell Collins International .....	Printed Circuit Board Manufacturer .....	800
International Automotive Components .....	Auto Interior Components .....	750
Procter & Gamble .....	Health and Beauty Products .....	650
Oral-B Laboratories .....	Toothbrush Manufacturing .....	500
Johnson County Administration .....	Government .....	435
Centro, Inc. ....	Plastic Rotational Molding Manufacturer .....	380
Alpha of Iowa .....	Plastic Bottle Manufacturer .....	360
R. R. Donnelley & Sons, Inc. ....	Business Form Printing .....	350
United Natural Foods .....	Organic Food Distribution .....	340
Loparex, LLC .....	Plastic Coating Manufacturer .....	210
Hawkeye Foodservice Distribution, Inc. ....	Wholesale Food Products Distribution .....	200
Eldon C. Stutsman, Inc. ....	Fertilizer, Feed and Agricultural Chemical Manufacturer .....	180
J.M. Swank Co. ....	Wholesaler of Food Ingredients .....	150

Notes: (1) Source: Areas Chamber of Commerce, selected telephone surveys, and the 2016 Manufacturers' News Inc.

(2) Includes part-time employees as well as seasonal employees.

The following tables show employment by industry and by occupation for the City, the County and the State as reported by the 2010 - 2014 American Community Survey 5-Year Estimates from the U.S. Bureau of the Census.

**Employment By Industry(I)**

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	3	0.4%	1,041	1.4%	62,344	4.0%
Construction.....	10	1.4%	2,785	3.6%	95,899	6.1%
Manufacturing.....	11	1.5%	6,055	7.9%	233,193	14.9%
Wholesale trade.....	7	1.0%	1,486	1.9%	45,376	2.9%
Retail trade.....	33	4.6%	6,946	9.1%	182,416	11.7%
Transportation and warehousing, and utilities.....	8	1.1%	2,560	3.3%	71,807	4.6%
Information.....	12	1.7%	1,365	1.8%	28,625	1.8%
Finance and insurance, and real estate and rental and leasing.....	17	2.4%	4,304	5.6%	118,166	7.6%
Professional, scientific, and management, and administrative and waste management services.....	45	6.3%	6,240	8.2%	110,830	7.1%
Educational services, and health care and social assistance.....	452	63.0%	30,805	40.3%	379,192	24.3%
Arts, entertainment, and recreation, and accommodation and food services.....	60	8.4%	8,382	11.0%	116,274	7.4%
Other services, except public administration.....	56	7.8%	2,782	3.6%	67,550	4.3%
Public administration.....	4	0.6%	1,713	2.2%	50,820	3.3%
Total.....	718	100.0%	76,464	100.0%	1,562,492	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2010 - 2014.

**Employment By Occupation(I)**

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Management, business, science and arts occupations.....	474	66.0%	34,945	45.7%	536,702	34.3%
Service occupations.....	123	17.1%	13,676	17.9%	258,198	16.5%
Sales and office occupations.....	62	8.6%	16,332	21.4%	369,512	23.6%
Natural resources, construction, and maintenance occupations.....	44	6.1%	3,962	5.2%	147,530	9.4%
Production, transportation, and material moving occupations.....	15	2.1%	7,549	9.9%	250,550	16.0%
Total.....	718	100.0%	76,464	100.0%	1,562,492	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2010 - 2014.

The following shows the annual average unemployment rates for the County, the State and the United States.

**Annual Average Unemployment Rates(I)**

Calendar Year	The County	The State	United States
2012.....	3.7%	5.1%	8.1%
2013.....	3.4%	4.7%	7.4%
2014.....	3.0%	4.2%	6.2%
2015.....	2.6%	3.7%	5.3%
2016(2).....	3.2%	3.6%	4.9%

Notes: (1) Source: Iowa Workforce Development and U.S. Bureau of Labor Statistics.  
 (2) As of June 2016.

## Building Permits

### City Building Permits(1)(2)

Calendar Year	Number of Permits
2012.....	18
2013.....	27
2014.....	21
2015.....	19
2016(3) .....	5

Note: (1) Source: the City.  
 (2) Included new construction and remodeling permits.  
 (3) through June 30, 2016.

## Housing

According to the 2010 - 2014 American Community Survey 5-Year Estimates from the U.S. Bureau of the Census, the median value of the City's owner-occupied homes was \$252,900. This compares to \$191,900 for the County and \$126,300 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2010 - 2014 American Community Survey.

### Specified Owner-Occupied Units(1)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000 .....	0	0.0%	3,198	9.8%	102,799	11.6%
\$ 50,000 to \$ 99,999.....	22	6.9%	1,928	5.9%	221,298	25.0%
\$100,000 to \$149,999.....	14	4.4%	5,135	15.7%	205,311	23.2%
\$150,000 to \$199,999.....	31	9.7%	7,215	22.1%	149,310	16.9%
\$200,000 to \$299,999.....	174	54.7%	8,471	25.9%	131,066	14.8%
\$300,000 to \$499,999.....	65	20.4%	5,273	16.1%	56,523	6.4%
\$500,000 to \$999,999.....	11	3.5%	1,111	3.4%	14,404	1.6%
\$1,000,000 or more .....	1	0.3%	381	1.2%	4,273	0.5%
Total .....	318	100.0%	32,712	100.0%	884,984	100.0%

Mortgage Status	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing units with a mortgage.....	185	58.2%	23,035	70.4%	546,451	61.7%
Housing units without a mortgage.....	133	41.8%	9,677	29.6%	338,533	38.3%
Total .....	318	100.0%	32,712	100.0%	884,984	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2010 - 2014.

## Income

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of \$97,604. This compares to \$82,351 for the County and \$66,829 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2010-2014 American Community Survey.

### Family Income(1)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Less than \$10,000 .....	9	3.4%	998	3.4%	27,085	3.4%
\$ 10,000 to \$ 14,999 .....	12	4.6%	554	1.9%	18,696	2.3%
\$ 15,000 to \$ 24,999 .....	17	6.5%	1,414	4.7%	52,443	6.6%
\$ 25,000 to \$ 34,999 .....	12	4.6%	1,862	6.3%	67,654	8.5%
\$ 35,000 to \$ 49,999 .....	6	2.3%	3,229	10.8%	108,497	13.6%
\$ 50,000 to \$ 74,999 .....	36	13.8%	5,023	16.9%	178,835	22.4%
\$ 75,000 to \$ 99,999 .....	50	19.2%	5,432	18.2%	136,631	17.1%
\$100,000 to \$149,999 .....	42	16.1%	6,025	20.2%	133,785	16.8%
\$150,000 to \$199,999 .....	31	11.9%	2,621	8.8%	40,514	5.1%
\$200,000 or more .....	46	17.6%	2,611	8.8%	32,891	4.1%
Total .....	261	100.0%	29,769	100.0%	797,031	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2010 - 2014.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of \$52,500. This compares to \$54,985 for the County and \$52,716 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2010-2014 American Community Survey.

### Household Income(1)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Less than \$10,000 .....	81	15.2%	5,177	9.4%	75,677	6.1%
\$ 10,000 to \$ 14,999 .....	16	3.0%	2,659	4.8%	63,143	5.1%
\$ 15,000 to \$ 24,999 .....	44	8.2%	5,459	10.0%	132,072	10.7%
\$ 25,000 to \$ 34,999 .....	79	14.8%	5,129	9.4%	133,137	10.8%
\$ 35,000 to \$ 49,999 .....	40	7.5%	6,846	12.5%	179,656	14.6%
\$ 50,000 to \$ 74,999 .....	71	13.3%	8,618	15.7%	246,838	20.0%
\$ 75,000 to \$ 99,999 .....	62	11.6%	7,657	14.0%	167,120	13.6%
\$100,000 to \$149,999 .....	59	11.0%	7,413	13.5%	152,618	12.4%
\$150,000 to \$199,999 .....	32	6.0%	2,854	5.2%	44,860	3.6%
\$200,000 or more .....	50	9.4%	3,038	5.5%	37,107	3.0%
Total .....	534	100.0%	54,850	100.0%	1,232,228	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2010 - 2014.

### Agriculture

Shown below is information on the agricultural value of the County and the statewide averages:

#### Average Value Per Acre(1)

	2011	2012	2013	2014	2015
Average Value Per Acre:					
Johnson County.....	\$7,540	\$8,774	\$9,763	\$9,758	\$9,114
State of Iowa .....	6,708	8,296	8,716	7,943	7,633

Note: (1) Source: Cooperative Extension Service - Iowa State University.

### Retail Sales

The Department of Revenue of the State of Iowa provides retail sales figures based on sales tax reports for years ending June 30. The Department of Revenue figures provide recent data to confirm trends in retail sales activity in the County (City data is not available). The following amounts exclude Local Option Tax.

**Retail Taxable Sales(1)**

Fiscal Year Ending June 30	Taxable Sales	Annual Percent Change + (-)
2007(2).....	\$1,621,152,715	n/a
2008(2).....	1,692,334,795	4.39%
2009.....	1,725,364,609	1.95%
2010.....	1,538,475,640	(10.83%)
2011.....	1,587,451,852	3.18%
2012.....	1,659,266,775	4.52%
2013.....	1,690,889,383	1.91%
2014.....	1,710,398,839	1.15%
2015.....	1,785,444,961	4.39%

Notes: (1) Source: the Iowa Department of Revenue.  
 (2) Fiscal years 2007 - 2008 amounts reflect a year ending March 31st.

**THE PROJECT**

Bond proceeds will be used to pay the cost of: (i) constructing street improvements; (ii) constructing, furnishing and equipping a community center/city hall; and (iii) issuing the Bonds.

**DEBT INFORMATION**

After issuance of the Bonds, the City will have outstanding \$950,000 principal amount of general obligation debt. The City does not anticipate issuing any additional debt in fiscal year 2017.

The City has a general obligation legal debt limit equal to 5% of Actual Valuation. For the January 1, 2015 Actual Valuation of \$123,535,293 (including tax increment valuation and excluding military exemption valuation) applied to fiscal year 2016/17, the total limit is \$6,176,765. Including the Bonds, the estimated principal amount of bonded and non-bonded debt applicable to this limit is \$950,000, resulting in a legal debt margin of \$5,226,765.

**Summary of Outstanding General Obligation Bonded Debt(1)**  
 (Principal Only)

The Bonds.....	\$950,000
Total.....	\$950,000

Note: (1) Source: the City.

**General Obligation Debt(1)**  
 (Principal Only)

Year Ending June 30	The Bonds 2016	Total General Obligation Debt	Cumulative Retirement	
			Amount	Percent
2017 .....	\$ 0	\$ 0	\$ 0	0.00%
2018 .....	30,000	30,000	30,000	3.16%
2019 .....	60,000	60,000	90,000	9.474%
2020 .....	70,000	70,000	160,000	16.84%
2021 .....	90,000	90,000	250,000	26.32%
2022 .....	95,000	95,000	345,000	36.32%
2023 .....	100,000	100,000	445,000	46.84%
2024 .....	100,000	100,000	545,000	57.37%
2025 .....	110,000	110,000	655,000	68.95%
2026 .....	110,000	110,000	765,000	80.53%
2027 .....	110,000	110,000	875,000	92.11%
2028 .....	75,000	75,000	950,000	100.00%
Total .....	\$950,000	\$950,000		

Note: (1) Source: the City.

### Statement of Indebtedness(1)(2)

City Actual Value January 1, 2015.....	\$123,535,293
City Taxable Value January 1, 2015 .....	\$ 70,226,225

	<u>Total</u>	<u>Applicable</u>		<u>Ratio to City Actual</u>	<u>Ratio to City Taxable</u>	<u>Per Capita (2010 Pop. 1,051)</u>
		<u>Percent</u>	<u>Amount</u>			
Direct Debt .....	\$ 950,000	100.00%	\$ 950,000	0.77%	1.35%	\$ 903.90
Total Direct Debt.....	\$ 950,000	100.00%	\$ 950,000	0.77%	1.35%	\$ 903.90
Overlapping Debt:						
Iowa City Community School District .....	\$14,150,000	1.17%	\$ 165,555	0.13%	0.24%	\$ 157.52
Kirkwood Community College District(3).....	94,574,427	0.29%	274,266	0.22%	0.39%	260.96
Johnson County.....	12,830,000	0.87%	111,621	0.09%	0.16%	106.20
Total Overlapping Debt(3).....	\$ 551,442		\$ 551,442	0.44%	0.79%	\$ 524.68
Total Direct and Overlapping Debt(3).....			\$1,531,442	1.21%	2.14%	\$1,428.58

City Actual Value 2015 Per Capita.....	\$117,540.72
City Taxable Value 2015 Per Capita .....	\$ 66,818.48

- Notes: (1) Source: the City, Audited Financial Statements and EMMA for the County, Iowa City CSD and Kirkwood Community College District.  
 (2) As of date of issuance of the Bonds for Direct Debt and August 4, 2016 for overlapping debt.  
 (3) Excludes \$37,880,000 Industrial New Jobs Training Certificates which are retired by proceeds from anticipated job credits from withholding taxes.

### PROPERTY TAX INFORMATION

#### Property Tax Assessment

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Taxable Valuation. Such rollback percentages may be changed in future years. Certain historical rollback percentages for residential, multi-residential, agricultural and commercial valuations are as follows:

#### Percentages for Taxable Valuation After Rollbacks(1)

<u>Fiscal Year</u>	<u>Residential</u>	<u>Multi- Residential(2)</u>	<u>Ag Land &amp; Buildings</u>	<u>Commercial</u>
2007/08.....	45.5596%	N/A	100.0000%	100.0000%
2008/09.....	44.0803%	N/A	90.1023%	99.7312%
2009/10.....	45.5893%	N/A	93.8568%	100.0000%
2010/11.....	46.9094%	N/A	66.2715%	100.0000%
2011/12.....	48.5299%	N/A	69.0152%	100.0000%
2012/13.....	50.7518%	N/A	57.5411%	100.0000%
2013/14.....	52.8166%	N/A	59.9334%	100.0000%
2014/15.....	54.4002%	N/A	43.3997%	95.0000%
2015/16.....	55.7335%	N/A	44.7021%	90.0000%
2016/17.....	55.6259%	86.2500%	46.1068%	90.0000%

- Notes: (1) Source: the Iowa Department of Revenue.  
 (2) New category beginning with fiscal year 2017.

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following tax year. For example, the assessments finalized on January 1, 2015, are used to calculate tax liability for the tax year starting July 1, 2016 through June 30, 2017.

## Property Tax Collection

Each county is required by State law to collect all tax levies within its jurisdiction and remit, before the fifteenth of each month, the amount collected through the last day of the preceding month to underlying units of government, including the City. Property tax payments are made at the office of each county treasurer in full or one-half by September 30 and March 31, pursuant to the Code of Iowa, Sections 445.36 and 445.37. Where the first half of any property tax has not been paid by October 1, such installment becomes delinquent. If the second installment is not paid, it becomes delinquent on April 1. Delinquent taxes and special assessments are subject to a penalty at the rate of one and one-half percent per month, to a maximum of eighteen percent per annum.

If taxes are not paid when due, the property may be offered at the regular tax sale on the third Wednesday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property, and funds so received are applied to the payment of taxes. A property owner may redeem from the regular tax sale, but failing redemption within two years, the tax sale purchaser is entitled to a deed which in general conveys the title free and clear of all liens except future installments of taxes.

### Actual (100%) Valuations for the City(1)

Property Class	Fiscal Year:	2012/13	2013/14	2014/15	2015/16	2016/17
	Levy Year:	2011	2012	2013	2014	2015
Residential .....		\$103,173,260	\$103,279,050	\$105,809,200	\$105,891,200	\$118,112,200
Agricultural .....		0	0	0	0	0
Commercial .....		3,190,380	3,190,350	3,934,473	3,926,100	3,766,925
Industrial .....		0	0	0	0	0
Multi-residential(2) .....		0	0	0	0	262,375
Railroads .....		0	0	0	0	0
Utilities without Gas and Electric(3) .....		282,164	273,643	244,115	223,872	215,187
Gas and Electric Utility(3) .....		1,166,449	1,208,886	1,013,464	1,174,078	1,245,278
Less: Military Exemption .....		(75,932)	(75,932)	(70,376)	(72,228)	(66,672)
Total .....		\$107,736,321	\$107,875,997	\$110,930,876	\$111,143,022	\$123,535,293
Percent Change +/- .....		2.13%(4)	0.13%	2.83%	0.19%	11.15%

- Notes: (1) Source: Iowa Department of Management.  
 (2) New Class as of January 1, 2015, previously reported as Commercial Property.  
 (3) See "PROPERTY TAX INFORMATION - Utility Property Tax Replacement" herein.  
 (4) Based on 2010 Actual Valuation of \$105,484,925.

For the January 1, 2015 levy year, the City's Taxable Valuation was comprised of approximately 93% residential, 5% commercial, 1% utilities and less than 1% multi-residential and military exemption.

### Taxable ("Rollback") Valuations for the City(1)

Property Class	Fiscal Year:	2012/13	2013/14	2014/15	2015/16	2016/17
	Levy Year:	2011	2012	2013	2014	2015
Residential .....		\$52,362,241	\$54,548,491	\$57,560,449	\$59,016,911	\$65,701,013
Agricultural .....		0	0	0	0	0
Commercial .....		3,190,380	3,190,350	3,737,749	3,533,490	3,390,233
Industrial .....		0	0	0	0	0
Multi-residential(2) .....		0	0	0	0	226,299
Railroads .....		0	0	0	0	0
Utilities without Gas and Electric(3) .....		282,164	273,643	244,115	223,872	215,187
Gas and Electric Utility(3) .....		788,996	785,414	786,850	788,928	760,165
Less: Military Exemption .....		(75,932)	(75,932)	(70,376)	(72,228)	(66,672)
Total .....		\$56,547,849	\$58,721,966	\$62,258,787	\$63,490,973	\$70,226,225
Percent Change +/- .....		6.38%(4)	3.84%	6.02%	1.98%	10.61%

- Notes: (1) Source: Iowa Department of Management.  
 (2) New Class as of January 1, 2015, previously reported as Commercial Property.  
 (3) See "PROPERTY TAX INFORMATION - Utility Property Tax Replacement" herein.  
 (4) Based on 2010 Taxable Valuation of \$53,151,923.

The following shows the trend in the City's tax extensions and collections.

**Tax Extensions and Collections(1)**

Levy Year	Fiscal Year	Amount Levied	Amount Collected(2)	Percent Collected
2011	2012-13	\$610,485	\$611,574	100.17%
2012	2013-14	631,551	628,824	99.78%
2013	2014-15	668,903	665,360	99.85%
2014	2015-16	692,991	705,139	101.75%
2015	2016-17	770,260	--In Collection--	

- Notes: (1) Source: the State of Iowa Department of Management and the City. Does not include levies and collections for the City's tax increment finance district or utility replacement.  
 (2) Includes delinquent taxes.

**Principal Taxpayers(1)**

<u>Taxpayer Name</u>	<u>Business/Service</u>	<u>Levy Year 2015 Taxable Valuation(2)</u>
University of Iowa Facilities Corporation	Commercial Property	\$ 2,779,200
Paul Moore Trust	Rental Property	802,041
Mid American Energy	Utility	759,950
Goodman Investments LLC	Rental Property	675,745
Individual	Rental Property	605,156
K2 Rentals LLC	Rental Property	526,944
Individual	Real Property	497,241
McWalshLund LLC	Rental Property	463,921
Individual	Real Property	401,397
Individual	Real Property	398,616
Total		\$7,910,211
Ten Largest Taxpayers as Percent of City's 2015 Taxable Valuation (\$70,226,225)		11.26%

- Notes: (1) Source: the County.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

**Levy Limits**

Normal municipal operations and maintenance costs are generally funded through the corporate property tax levy. Iowa State Code does not allow the municipal general fund to be taxed above \$8.10 per thousand dollars of taxable value in any one year. In addition to the General Fund, there are several other tax funds that the City can create and use for specific purposes.

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The property tax rates for the City from levy year 2011 through levy year 2015 are shown below:

**Property Tax Rates: Levy Years 2011 - 2015(1)(2)**  
 (Per \$1,000 Actual Valuation)

Fiscal Year:	2012/13	2013/14	2014/15	2015/16	2016/17
Levy Year:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>City:</b>					
General Fund .....	\$ 8.10000	\$ 8.10000	\$ 8.10000	\$ 8.10000	\$ 8.10000
Emergency Levy .....	0.00000	0.00000	0.00000	0.00000	0.00000
Debt Service Fund .....	0.57951	0.55659	0.52304	0.50717	0.44170
Employee Benefits .....	1.03969	1.00795	1.06000	1.30506	1.40303
Capital Improvement .....	0.00000	0.00000	0.00000	0.00000	0.00000
Other .....	<u>1.22945</u>	<u>1.23619</u>	<u>1.19839</u>	<u>1.13987</u>	<u>1.14355</u>
Total City .....	\$10.94865	\$10.90073	\$10.88143	\$11.05210	\$11.08828
<b>Others:</b>					
Johnson County .....	\$ 6.74909	\$ 6.73712	\$ 6.74168	\$ 6.90337	\$ 6.77140
Iowa City CSD .....	14.07327	13.68792	13.69999	13.86773	13.98935
Kirkwood Community College .....	1.06473	1.06473	1.05754	1.06125	1.08048
Other .....	<u>0.43281</u>	<u>0.34962</u>	<u>0.39393</u>	<u>0.43947</u>	<u>0.37488</u>
Total Rate Paid .....	\$33.26855	\$32.74012	\$32.77457	\$33.32392	\$33.30439

- Notes: (1) Source: Iowa Department of Management.  
 (2) Does not include tax rate for agriculture.

**Utility Property Tax Replacement**

Property owned by entities involved primarily in the production, delivery, service and sale of electricity and natural gas (“Utilities”) pay a replacement tax based upon the delivery of energy by Utilities in lieu of property taxes. All replacement taxes are allocated among local taxing bodies by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Utility properties paying the replacement tax are exempt from the levy of property tax by political subdivisions. In addition to the replacement tax, Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

By statute, the replacement tax collected by the State and allocated among local taxing bodies (including the City) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. It is possible that the general obligation debt capacity of the City could be adjudicated to be proportionately reduced in future years if Utility property were determined to be other than “taxable property” for purposes of computing the City’s debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the City can issue or (ii) adversely affect the City’s ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Less than 1% of the City’s tax base currently is Utility property.

Notwithstanding the foregoing, Iowa Code section 76.2 provides when an Iowa political subdivision issues General Obligation Corporate Purpose Bonds, “the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditor(s) to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full.”

## **Tax Increment Financing**

The Code of Iowa currently authorizes the use of two types of tax increment financing by local taxing districts in the State of Iowa. The first type allows local governments to establish TIF districts to be established for the purposes of financing designated urban renewal projects which contribute to the urban redevelopment and economic development of the immediate area. Currently, there is no valuation for this type of TIF district in the City.

The second type of tax increment financing was authorized by state legislative action in the mid-1980's. The area community colleges can establish TIF districts by contract with specific local businesses and industries to provide jobs training programming for new employees of existing expanding businesses or employees of new businesses. The revenues from these job training TIF districts then retires the debt incurred from the issuance of jobs training certificates which finance the cost of jobs training programming over a maximum of ten years. Upon payment of all jobs training certificates, the district dissolves and the incremental value from the new or expanded business reverts to the general tax base. Currently, there is no valuation for this type of TIF district in the City.

## **FINANCIAL INFORMATION**

### **Investment Policy**

Each investment made by the City must be authorized by applicable law and the City's Investment Policy. Only the City Treasurer, as limited by a special City resolution, and others authorized by resolution of the City may invest City funds. The City Treasurer when investing or depositing public funds is required to exercise care, skill, prudence, and diligence.

### **Financial Reports**

The City is not required to undergo an annual audit and accordingly its last audit was for the fiscal year ended June 30, 2011. The City is required to file an Annual Financial Report with the Office of Auditor of State of Iowa. The City's financial statements are completed on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. See **APPENDIX A** for more detail.

### **No Consent or Updated Information Requested of the Auditor**

The tables contained in this "**FINANCIAL INFORMATION**" section (the "Excerpted Financial Information") are from the audited and unaudited financial statements of the City, including the audited financial statements for the fiscal year ended June 1, 2011 (the "2011 Audit"). The 2011 Audit was prepared by Kronlage & Olson, P.C., Certified Public Accountants, Charles City, Iowa, (the "Auditor"), and received by the City Council. A copy of the 2011 Audit is available upon request from the City. The City has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2011 Audit; nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information or the 2011 Audit in this Final Official Statement. Other than as expressly set forth in this Final Official Statement, the financial information contained in the Excerpted Financial Information and 2011 Audit has not been updated since the date of the 2011 Audit. The inclusion of the Excerpted Financial Information in this Final Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2011 Audit. Questions or inquiries relating to financial information of the City since the date of the 2011 Audit should be directed to the City.

**Summary Financial Information**

The following tables are summaries and do not purport to be the complete audit and unaudited financial statements, copies of which are available upon request. See **APPENDIX A** for the City’s Annual Financial Report filed with the State for fiscal year ended June 30, 2015. The City’s expects its General Fund balance for the fiscal year ending June 30, 2016 to remain approximately the same as the fiscal year June 30, 2015. The City has approved a budget for fiscal year 2017 with a slight increase to the General Fund balance.

**Statement of Activities and Net Position – Cash Basis(1)  
 Governmental Activities**

	Audited Fiscal Year <u>Ended June 30</u> <u>2011</u>
<b>PROGRAMS/FUNCTIONS</b>	
Primary Government:	
Governmental Activities:	
Public Safety .....	\$(277,697)
Public Works .....	(129,546)
Culture and Recreation .....	(34,371)
Community and Economic Development .....	(3,591)
General Government .....	(129,183)
Debt Service .....	(185,844)
Capital Projects .....	<u>(48,368)</u>
Total Governmental Activities .....	<u>\$(808,600)</u>
<b>GENERAL REVENUES:</b>	
Property Tax .....	\$ 548,908
Other Taxes .....	131,328
Franchise Taxes .....	9,017
Unrestricted Investment Income .....	2,574
Proceeds from Sale of Capital Assets .....	620
Proceeds from Loan .....	150,000
Miscellaneous .....	<u>2,212</u>
Total General Revenues .....	\$844,659
Change in Cash Basis Net Position .....	\$ 36,059
Cash Basis Net Position - Beginning of Year .....	<u>258,516</u>
Cash Balance Net Position - End of Year .....	<u>\$294,575</u>
<b>CASH BASIS NET POSITION:</b>	
Restricted for:	
Expendable:	
Employee Benefits .....	\$ 3,814
Streets .....	92,892
Debt Service .....	16,607
Other Purposes .....	2,289
Assigned for Street Projects .....	140,000
Unrestricted .....	<u>38,973</u>
Total Cash Basis Net Position .....	<u>\$294,575</u>

Note: (1) Source: Audited financial statements of the City for the fiscal year ended June 30, 2011.

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**Statement of Cash Receipts, Disbursements and Changes in Cash Balances(1)  
 General Fund**

	Audited Fiscal Year Ended June 30	Un-Audited Fiscal Year Year Ended June 30			
	2011	2012	2013	2014	2015
<b>REVENUES:</b>					
Property Taxes .....	\$474,402	\$ 483,578	\$521,135	\$538,571	\$ 568,565
Other City Taxes .....	130,200	131,901	129,648	38,761	9,478
Licenses and Permits .....	21,150	21,200	22,181	26,300	24,386
Use of Money and Property .....	2,071	2,310	4,273	4,295	4,103
Intergovernmental .....	59,749	20,227	23,998	6,939	15,890
Charges for Service.....	747	461	364	615	608
Fines and Forfeitures.....	77,178	0	0	0	0
Miscellaneous.....	11,230	183,284	105,372	134,015	179,153
Total Revenues .....	<u>\$776,727</u>	<u>\$ 842,961</u>	<u>\$806,971</u>	<u>\$749,496</u>	<u>\$ 802,183</u>
<b>DISBURSEMENTS:</b>					
Public Safety .....	\$331,960	\$ 356,196	\$413,202	\$353,028	\$ 509,939
Public Works .....	122,644	74,993	135,241	133,185	111,643
Health and Social Services.....	0	0	0	0	0
Culture and Recreation.....	34,371	34,303	38,328	41,050	38,023
Community and Economic Development .....	3,591	1,350	4,221	2,813	12,558
General Government.....	140,060	176,761	127,666	136,652	231,123
Debt Service.....	3,365	0	0	0	0
Total Disbursements.....	<u>\$635,991</u>	<u>\$ 643,603</u>	<u>\$718,658</u>	<u>\$666,728</u>	<u>\$ 903,286</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements .....	\$140,736	\$ 199,358	\$ 88,313	\$ 82,768	\$(101,103)
Other Financing Sources (Uses):					
Operating Transfers (Net).....	<u>\$ (5,844)</u>	<u>\$ (94,927)</u>	<u>\$ (13,892)</u>	<u>\$ (95,002)</u>	<u>\$ (5,535)</u>
Total Other Financing Sources (Uses).....	<u>\$ (5,844)</u>	<u>\$ (94,927)</u>	<u>\$ (13,892)</u>	<u>\$ (95,002)</u>	<u>\$ (5,535)</u>
Change in Cash Balances .....	\$134,892	\$ 104,431	\$ 74,421	\$(12,234)	\$(106,638)
Cash Balances Beginning of Year .....	<u>\$168,892</u>	<u>\$ 302,898(2)</u>	<u>\$407,329</u>	<u>\$481,750</u>	<u>\$ 469,516</u>
Cash Balances Ending of Year.....	<u>\$303,470</u>	<u>\$ 407,329</u>	<u>\$481,750</u>	<u>\$469,516</u>	<u>\$ 362,878</u>

Notes: (1) Source: The City's audited financial statement for fiscal year ending June 30, 2011. The City's un-audited financial statements for fiscal years ending June 30, 2012, 2013, 2014 and 2015.  
 (2) Restated.

**EMPLOYEE RETIREMENT AND OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS**

**Pensions**

The City contributes to the Iowa Public Employees' Retirement System ("IPERS"), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. Employees who retire at age 65 (or anytime after age 58 with 30 or more years of service) are entitled to full monthly benefits. IPERS offers five options for distribution of retirement benefits. Prior to July 1, 2012, benefits become fully vested after completing four years of service or after attaining age 55 and after July 1, 2012 benefits become fully vested after completing seven years of service or after attaining age 65.

IPERS plan members are required to contribute a percentage of their annual salary, in addition to the City being required to make annual contributions to IPERS. Contribution amounts are set by State statute. The City's share is payable from the applicable funds of the City. All contributions are on a current basis.

The following table sets forth the contributions made by the City and employees to IPERS for the period indicated. The City has always made their full statutorily required contributions to IPERS. The City cannot predict the levels of funding that will be required in the future.

Fiscal Year	% of Payroll Paid by the City	% of Payroll Paid by Employee
2013 .....	8.67%	5.78%
2014 .....	8.93%	5.95%
2015 .....	8.93%	5.95%
2016 .....	8.93%	5.95%
2017 .....	8.93%	5.95%

The IPERS fund is administered by the IPERS Board with administration costs paid from income derived from invested funds. IPERS has an unfunded actuarial liability and unrecognized actuarial loss. The following table sets forth certain information about the funding status of IPERS that has been extracted from the Actuarial Valuation Report of IPERS for fiscal years noted below (the “IPERS Reports”). A complete copy of the Reports can be obtained by visiting IPERS website at: <http://ww.ipers.org/> or by writing to IPERS at P.O. Box 9117, Des Moines, Iowa 50306-9117.

Fiscal Year Ending June 30	Actuarial Value of Assets [a]	Actuarial Accrued Liability [b]	Unfunded Actuarial Accrued Liability (Actuarial Value) [b]-[a]	Funded Ratio (Actuarial Value) [a]/[b]	Covered Payroll [c]	UAAL as a Percentage of Covered Payroll (Actuarial Value) {[b-a]/[c]}
2011	\$22,575,309,199	\$28,257,080,114	\$5,681,770,915	79.89%	\$6,574,872,719	86.42%
2012	23,530,094,461	29,446,197,486	5,916,103,025	79.91%	6,786,158,720	87.18%
2013	24,711,096,187	30,498,342,320	5,787,246,133	81.02%	6,880,131,134	84.12%
2014	26,460,428,085	32,004,456,088	5,544,028,003	82.68%	7,099,277,280	78.09%
2015	27,915,379,103	33,370,318,731	5,454,939,628	83.65%	7,326,348,141	74.46%

Source: IPERS Reports.

According to IPERS, the market value investment return on program assets is as follows:

Fiscal Year Ended June 30	Investment Return %
2011	19.91%
2012	3.73%
2013	10.12%
2014	15.88%
2015	3.96%

Source: IPERS Reports

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS website, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the IPERS website.

### Other Post-Employment Benefits (OPEB)

In June 2004, the Governmental Accounting Standards Board (“GASB”) issued GASB 45, which address how state and local governments are required to account for and report their costs and obligations related to other post-employment benefits (“OPEB”), defined to include post-retirement healthcare benefits. GASB 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension establishes financial reporting standards designed to measure, recognize and display OPEB costs. OPEB costs would become measurable on an accrual basis of accounting, and contribution rates (actuarially determined) would be prescribed for funding such costs. The provisions of GASB 45 do not require governments to fund their OPEBs. The City may establish its OPEB liability at zero as of the beginning of the initial year of implementation; however the unfunded actuarial liability is required to be amortized over future periods.

## **REGISTRATION, TRANSFER AND EXCHANGE**

See also **APPENDIX B, BOOK-ENTRY SYSTEM** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The City shall cause books (the “Bond Register”) for the registration and for the transfer of the Bonds to be kept at the principal corporate trust office of the Registrar in Des Moines, Iowa. The City will authorize to be prepared, and the Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by the registered owner or such owner’s attorney duly authorized in writing, the City shall execute and the Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Registrar shall not be required to transfer or exchange any Bond following the close of business on the 15th day of the month next preceding any interest payment date on such Bond, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner’s legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

## **TAX EXEMPTION AND RELATED CONSIDERATIONS**

### **Tax Exemption**

The opinion of Bond Counsel will state that under present laws and rulings, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986 (the “Code”); provided, however that such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes).

The opinions set forth in the preceding sentence will be subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

There may be certain other federal tax consequences to the ownership of the Bonds by certain taxpayers, including without limitation, corporations subject to the branch profit tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will express no opinion with respect to other federal tax consequences to owners of the Bonds. Prospective purchasers of the Bonds should consult with their tax advisors as to such matters.

### **Proposed Changes in Federal and State Tax Law**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

### **Bank Qualification**

In the resolution authorizing the issuance of the Bonds, the City will designate the Bonds as “qualified tax exempt obligations” within the meaning of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to tax-exempt obligations.

### **Related Tax Matters**

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

## Opinion

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See **APPENDIX C** for a draft form of legal opinion for the Bonds.

## SECONDARY MARKET DISCLOSURE

The aggregate principal amount of the Bonds is less than \$1,000,000. The information undertaking provisions of SEC Rule 15c2-12(b)(5) are therefore not applicable to this issue. Upon request, the City will provide annual financial statements including the comprehensive annual financial report if one is prepared.

## OPTIONAL REDEMPTION

Bonds due June 1, 2020 - 2023, inclusive, are non-callable. Bonds due June 1, 2024 - 2028, inclusive, are callable in whole or in part on any date on or after June 1, 2023, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot.

The Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, not less than thirty (30) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Registrar. Failure to give such notice by mail to any registered owner of the Bonds (or portion thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of other Bonds (or portions thereof). All Bonds (or portions thereof) so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on

## MANDATORY REDEMPTION

The Bonds coming due on June 1, 2020 and June 1, 2028 are term bonds (the "Term Bonds") and are subject to mandatory redemption prior to maturity on June 1 of the years and in the amounts as follows:

\$160,000; 1.100% Term Bonds Due June 1, 2020; Yield 1.100%:

Redemption	
<u>Year</u>	<u>Amount</u>
2018 .....	\$30,000
2019 .....	60,000
2020 .....	70,000 (stated maturity)

\$185,000; 2.000% Term Bonds Due June 1, 2028; Yield 2.000%:

Redemption	
<u>Year</u>	<u>Amount</u>
2027 .....	\$110,000
2028 .....	75,000 (stated maturity)

The City covenants that it will redeem Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds. Proper provision for mandatory redemption having been made, the City covenants that the Term Bonds so selected for redemption shall be payable as at maturity.

## LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and with regard to the tax-exempt status of the interest thereon (see “**TAX EXEMPTION AND RELATED CONSIDERATIONS**” herein) are subject to the approving legal opinion of Dorsey & Whitney LLP, Des Moines, Iowa, Bond Counsel, a form of which is attached hereto as **APPENDIX C**. Signed copies of the opinion, dated and premised on law in effect as of the date of original delivery of the Bonds, will be delivered to the Underwriter at the time of such original delivery. The Bonds are offered subject to prior sale and to the approval of legality of the Bonds by Bond Counsel.

The legal opinion to be delivered will express the professional judgment of Bond Counsel and by rendering a legal opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment or of the transaction or the future performance of the parties to the transaction.

Bond Counsel has not been engaged, nor has it undertaken, to prepare or to independently verify the accuracy of the Final Official Statement, including but not limited to financial or statistical information of the City and risks associated with the purchase of the Bonds, except Bond Counsel has reviewed the information and statements contained in the Final Official Statement under, “**TAX EXEMPTION AND RELATED CONSIDERATIONS**”, insofar as such statements contained under such captions purport to summarize certain provisions of the Internal Revenue Code of 1986, the Bonds and any opinions rendered by Bond Counsel. Bond Counsel has prepared the documents contained in **APPENDIX C**.

## FINAL OFFICIAL STATEMENT AUTHORIZATION

This Final Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

## INVESTMENT RATING

The City does not intend to apply for a credit or investment rating on the Bonds.

## UNDERWRITING

The Bonds were offered for sale by the City at a public, competitive sale on Monday, August 29, 2016. The best bid submitted at the sale was submitted by Bankers’ Bank, Madison, Wisconsin (the “Underwriter”). The City awarded the contract for sale of the Bonds to the Underwriter at a price of \$945,725.00 (reflecting the par amount of \$950,000 and less an Underwriter’s discount of \$4,275.00). The Underwriter has represented to the City that the Bonds have been subsequently re-offered to the public initially at the yields or prices set on the cover page to this Final Official Statement.

### **MUNICIPAL ADVISOR**

The City has engaged Speer Financial, Inc. as Municipal Advisor (the “Municipal Advisor”) in connection with the issuance and sale of the Bonds. The Municipal Advisor will not participate in the underwriting of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Board (the “MSRB”). The financial information included in the Final Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Final Official Statement, nor is the Municipal Advisor obligated by the City’s continuing disclosure undertaking.

### **CERTIFICATION**

We have examined this Final Official Statement dated August 29, 2016, for the \$950,000 General Obligation Corporate Purpose Bonds, Series 2016, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **CHRIS ANDERSON**  
*City Clerk*  
CITY OF UNIVERSITY HEIGHTS  
Johnson County, Iowa

/s/ **WELDON E. HEITMAN**  
*Mayor*  
CITY OF UNIVERSITY HEIGHTS  
Johnson County, Iowa

**APPENDIX A**

**CITY OF UNIVERSITY HEIGHTS  
JOHNSON COUNTY, IOWA**

**ANNUAL FINANCIAL REPORT OF THE CITY  
FILED WITH THE STATE OF IOWA  
FOR THE CITY'S FISCAL YEAR ENDED  
JUNE 30, 2015**

**STATE OF IOWA**  
**2015**  
**FINANCIAL REPORT**  
**FISCAL YEAR ENDED**  
**JUNE 30, 2015**  
UNIVERSITY HEIGHTS  
**CITY OF UNIVERSITY HEIGHTS, IOWA**  
**DUE: December 1, 2015**

**16205201000000**  
**City Clerk**  
**1004 Melrose Avenue**  
**Iowa City, IA 52246**

*(Please correct any error in name, address, and ZIP Code)*

**WHEN COMPLETED, PLEASE RETURN TO** **Mary Mosiman, CPA**  
**Auditor of State**  
**State Capitol Building**  
**Des Moines, IA 50319-0004**

NOTE - The information supplied in this report will be shared by the Iowa State Auditor's Office, the U.S. Census Bureau, various public interest groups, and State and federal agencies.

**ALL FUNDS**

Item description	Governmental (a)	Proprietary (b)	Total actual (c)	Budget (d)
<b>Revenues and Other Financing Sources</b>				
Taxes levied on property	665,360		665,360	668,903
Less: Uncollected property taxes-levy year	0		0	0
<b>Net current property taxes</b>	<b>665,360</b>		<b>665,360</b>	<b>668,903</b>
Delinquent property taxes	0		0	0
TIF revenues	0		0	0
Other city taxes	11,091	0	11,091	8,561
Licenses and permits	24,386	0	24,386	26,715
Use of money and property	4,454	0	4,454	5,000
Intergovernmental	127,236	0	127,236	126,835
Charges for fees and service	608	0	608	1,000
Special assessments	0	0	0	0
Miscellaneous	179,153	0	179,153	180,647
Other financing sources	5,535	0	5,535	0
<b>Total revenues and other sources</b>	<b>1,017,823</b>	<b>0</b>	<b>1,017,823</b>	<b>1,017,661</b>
<b>Expenditures and Other Financing Uses</b>				
Public safety	579,023	0	579,023	567,203
Public works	206,179	0	206,179	209,268
Health and social services	0	0	0	0
Culture and recreation	38,023	0	38,023	40,881
Community and economic development	12,558	0	12,558	12,000
General government	234,014	0	234,014	210,051
Debt service	32,589	0	32,589	32,564
Capital projects	0	0	0	0
<b>Total governmental activities expenditures</b>	<b>1,102,386</b>	<b>0</b>	<b>1,102,386</b>	<b>1,071,967</b>
Business type activities	0	0	0	0
<b>Total ALL expenditures</b>	<b>1,102,386</b>	<b>0</b>	<b>1,102,386</b>	<b>1,071,967</b>
Other financing uses, including transfers out	5,535	0	5,535	0
<b>Total ALL expenditures/And other financing uses</b>	<b>1,107,921</b>	<b>0</b>	<b>1,107,921</b>	<b>1,071,967</b>
<b>Excess revenues and other sources over (Under) Expenditures/And other financing uses</b>	<b>-90,098</b>	<b>0</b>	<b>-90,098</b>	<b>-54,306</b>
Beginning fund balance July 1, 2014	579,298	0	579,298	579,298
Ending fund balance June 30, 2015	489,200	0	489,200	524,992

**Note** - These balances do not include \$ 0 held in non-budgeted internal service funds; \$ 0 held in Pension Trust Funds; \$ 0 held in Private Purpose Trust funds and \$ 0 held in agency funds which were not budgeted and are not available for city operations.

Indebtedness at June 30, 2015	Amount - Omit cents	Indebtedness at June 30, 2015	Amount - Omit cents
General obligation debt	\$ 60,000	Other long-term debt	\$ 0
Revenue debt	\$ 0	Short-term debt	\$ 0
TIF Revenue debt	\$ 0		
		General obligation debt limit	\$ 5,546,544

**CERTIFICATION**

THE FOREGOING REPORT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Signature of city clerk		Date Published/Posted	Mark (x) one	
		11/20/2015	<input checked="" type="checkbox"/> Date Published <input type="checkbox"/> Date Posted	
Printed name of city clerk	Telephone	Area Code	Number	Extension
Christine Anderson	→	319	337-6900	
Signature of Mayor or other City official (Name and Title)			Date signed	
			11/20/2015	

**PLEASE PUBLISH THIS PAGE ONLY**

REVENUE AND OTHER FINANCING SOURCES FOR YEAR ENDED JUNE 30, 2015										CITY OF UNIVERSITY HEIGHTS		<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS <small>Indicate by entering an X in the appropriate box on this sheet ONLY</small>	
Part I	Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (a) through (f) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of cols. (g) and (h)) (i)	Line No.
	1	<b>Section A - TAXES</b>											1
	2	Taxes levied on property	568,565	64,808		31,987	0	0	665,360			665,360	2
	3	Less: Uncollected property taxes - Levy year	0	0		0	0	0	0			0	3
	4	Net current property taxes	568,565	64,808		31,987	0	0	665,360		T01	665,360	4
	5	Delinquent property taxes	0	0		0	0	0	0		T01	0	5
	6	<b>Total property tax</b>	568,565	64,808		31,987	0	0	665,360		T01	665,360	6
	7	<b>TIF revenues</b>							0			0	7
	8	<b>Other city taxes</b>											8
	8	Utility tax replacement excise taxes	9,478	1,080	0	533	0	0	11,091		T15	11,091	8
	9	Utility franchise tax (Chapter 364.2, Code of Iowa)							0		T15	0	9
	10	Parimutuel wager tax							0		C30	0	10
	11	Gaming wager tax							0		C30	0	11
	12	Mobile home tax							0		T19	0	12
	13	Hotel/motel tax							0		T19	0	13
	14	Other local option taxes							0		T09	0	14
	15	<b>TOTAL OTHER CITY TAXES</b>	9,478	1,080	0	533	0	0	11,091		0	11,091	15
	16	<b>Section B - LICENSES AND PERMITS</b>	24,386	0	0	0	0	0	24,386		T29	24,386	16
	17	<b>Section C - USE OF MONEY AND PROPERTY</b>											17
	18	Interest	4,103	351	0	0	0	0	4,454		U20	4,454	18
	19	Rents and royalties							0		U40	0	19
	20	Other miscellaneous use of money and property							0		U20	0	20
	21								0			0	21
	22	<b>TOTAL USE OF MONEY AND PROPERTY</b>	4,103	351	0	0	0	0	4,454		0	4,454	22
	23												23
	24	<b>Section D - INTERGOVERNMENTAL</b>											24
	25												25
	26	<b>Federal grants and reimbursements</b>											26
	27	Federal grants	14,061	0	0	0	0	0	14,061		B89	14,061	27
	28	Community development block grants							0		B50	0	28
	29	Housing and urban development							0		B50	0	29
	30	Public assistance grants							0		B79	0	30
	31	Payment in lieu of taxes							0		B30	0	31
	32								0			0	32
	33	<b>Total Federal grants and reimbursements</b>	14,061	0	0	0	0	0	14,061		0	14,061	33
	34												34
	35												35
	36												36
	37												37
	38												38
	39												39
	40												40

Continued on next page

REVENUE AND OTHER FINANCING SOURCES FOR YEAR ENDED JUNE 30, 2015 -- Continued											<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS		
CITY OF UNIVERSITY HEIGHTS													
Part I	Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (a) through (f) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of cols. (g) and (h)) (i)	Line No.
	41	<b>Section D - INTERGOVERNMENTAL - Continued</b>											41
	42												42
	43	<b>State shared revenues</b>											43
	44	Road use taxes		109,286					109,286		C46	109,286	44
	45												45
	46												46
	47												47
	48	<b>Other state grants and reimbursements</b>											48
	49	State grants							0		C89	0	49
	50	Iowa Department of Transportation							0		C89	0	50
	51	Iowa Department of Natural Resources							0		C89	0	51
	52	Iowa Economic Development Authority							0		C89	0	52
	53	CEBA grants							0		C89	0	53
	54	Commercial & Industrial Replacement Claim	1,829	208	0	103	0	0	2,140		C89	2,140	54
	55								0			0	55
	56								0			0	56
	57								0			0	57
	58								0			0	58
	59								0			0	59
	60	<b>Total state</b>	1,829	109,494	0	103	0	0	111,426			111,426	60
	61												61
	62	<b>Local grants and reimbursements</b>											62
	63	County contributions							0			0	63
	64	Library service							0		D89	0	64
	65	Township contributions							0		D89	0	65
	66	Fire/EMT service							0		D89	0	66
	67	Police Forfeitures	0	1,749	0	0	0	0	1,749		D89	1,749	67
	68								0			0	68
	69								0			0	69
	70	<b>Total local grants and reimbursements</b>	0	1,749	0	0	0	0	1,749			1,749	70
	71	<b>TOTAL INTERGOVERNMENTAL (Sum of lines 33, 60, and 70)</b>	15,890	111,243	0	103	0	0	127,236			127,236	71
	72	<b>Section E - CHARGES FOR FEES AND SERVICE</b>											72
	73	Water							0		A91	0	73
	74	Sewer							0		A80	0	74
	75	Electric							0		A92	0	75
	76	Gas							0		A93	0	76
	77	Parking							0		A60	0	77
	78	Airport							0		A01	0	78
	79	Landfill/garbage							0		A81	0	79
	80	Hospital							0		A36	0	80

REVENUE AND OTHER FINANCING SOURCES FOR YEAR ENDED JUNE 30, 2015 -- Continued										CITY OF UNIVERSITY HEIGHTS				<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (a) through (f) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of cols. (g) and (h)) (i)	Line No.			
81	<b>Section E - CHARGES FOR FEES AND SERVICE - Continued</b>											81			
82	Transit							0		A94	0	82			
83	Cable TV							0		T15	0	83			
84	Internet							0		A03	0	84			
85	Telephone							0		A03	0	85			
86	Housing authority							0		A50	0	86			
87	Storm water							0		A80	0	87			
88	Other:											88			
89	Nursing home							0		A89	0	89			
90	Police service fees	128	0	0	0	0	0	128	0	A89	128	90			
91	Prisoner care							0		A89	0	91			
92	Fire service charges							0		A89	0	92			
93	Ambulance charges							0		A89	0	93			
94	Sidewalk street repair charges							0		A44	0	94			
95	Housing and urban renewal charges	480	0	0	0	0	0	480	0	A50	480	95			
96	River port and terminal fees							0		A87	0	96			
97	Public scales							0		A89	0	97			
98	Cemetery charges							0		A03	0	98			
99	Library charges							0		A89	0	99			
100	Park, recreation, and cultural charges							0		A61	0	100			
101	Animal control charges							0		A89	0	101			
102	Other charges - Specify							0			0	102			
103								0			0	103			
104	<b>TOTAL CHARGES FOR SERVICE</b>	608	0	0	0	0	0	608	0		608	104			
105												105			
106	<b>Section F - SPECIAL ASSESSMENTS</b>							0		U01	0	106			
107	<b>Section G - MISCELLANEOUS</b>											107			
108	Contributions	2,750	0	0	0	0	0	2,750	0	U99	2,750	108			
109	Deposits and sales/fuel tax refunds							0		U99	0	109			
110	Sale of property and merchandise							0		U11	0	110			
111	Fines	118,632	0	0	0	0	0	118,632	0	U30	118,632	111			
112	Internal service charges							0		NR	0	112			
113	Other miscellaneous - Specify							0			0	113			
114	Cable TV franchise	28,198	0	0	0	0	0	28,198	0		28,198	114			
115	Legal fees reimbursement	28,114	0	0	0	0	0	28,114	0		28,114	115			
116	Miscellaneous receipts	1,459	0	0	0	0	0	1,459	0		1,459	116			
117								0			0	117			
118								0			0	118			
119								0			0	119			
120	<b>TOTAL MISCELLANEOUS</b>	179,153	0	0	0	0	0	179,153	0		179,153	120			

CITY OF UNIVERSITY HEIGHTS											<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
REVENUE AND OTHER FINANCING SOURCES FOR YEAR ENDED JUNE 30, 2015 -- Continued												
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (a) through (f) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of cols. (g) and (h)) (i)	Line No.
121	<b>TOTAL ALL REVENUES (Sum of lines 6, 7, 15,16,22 71, 104, 106, and 120)</b>	802,183	177,482	0	32,623	0	0	1,012,288	0		1,012,288	121
122												122
123	<b>Section H - OTHER FINANCING SOURCES</b>											123
124	Proceeds of capital asset sales							0		NR	0	124
125	Proceeds of long-term debt. (Excluding TIF internal borrowing)							0		NR	0	125
126	Proceeds of anticipatory warrants or other short-term debt							0		A89	0	126
127	Regular transfers in and interfund loans	0	5,535		0	0	0	5,535	0		5,535	127
128	Internal TIF loans and transfers in							0			0	128
129								0			0	129
130								0			0	130
131	<b>TOTAL OTHER FINANCING SOURCES</b>	0	5,535	0	0	0	0	5,535	0		5,535	131
132	<b>TOTAL REVENUES except for beginning balances (Sum of lines 121 and 131)</b>	802,183	183,017	0	32,623	0	0	1,017,823	0		1,017,823	132
133												133
134	<b>Beginning fund balance July 1, 2014</b>	469,516	93,211	0	16,571	0	0	579,298	0		579,298	134
135												135
136	<b>TOTAL REVENUES AND OTHER FINANCING SOURCES (Sum of lines 132 and 134)</b>	1,271,699	276,228	0	49,194	0	0	1,597,121	0		1,597,121	136
137												137
138												138
139												139
140												140
141												141
142												142
143												143
144												144
145												145
146												146
147												147
148												148
149												149
150												150
151												151
152												152
153												153
154												154
155												155
156												156
157												157
158												158
159												159

EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015											CITY OF UNIVERSITY HEIGHTS			<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (g)) (i)	Line No.			
1	<b>Section A — PUBLIC SAFETY</b>											1			
2	Police department/Crime prevention — Current operation	401,462	68,383	0	0	0	0	469,845		E62	469,845	2			
3	Purchase of land and equipment	53,168	0	0	0	0	0	53,168		G62	53,168	3			
4	Construction							0		F62	0	4			
5	Jail — Current operation							0		E04	0	5			
6	Purchase of land and equipment							0		G04	0	6			
7	Construction							0		F04	0	7			
8	Emergency management — Current operation	526	0	0	0	0	0	526		E89	526	8			
9	Purchase of land and equipment							0		G89	0	9			
10	Flood control — Current operation							0		E59	0	10			
11	Purchase of land and equipment							0		G59	0	11			
12	Construction							0		F59	0	12			
13	Fire department — Current operation	33,774	0	0	0	0	0	33,774		E24	33,774	13			
14	Purchase of land and equipment							0		G24	0	14			
15	Construction							0		F24	0	15			
16	Ambulance — Current operation							0		E32	0	16			
17	Purchase of land and equipment							0		G32	0	17			
18	Building inspections — Current operation	15,410	0	0	0	0	0	15,410		E66	15,410	18			
19	Purchase of land and equipment							0		G66	0	19			
20	Construction							0		F66	0	20			
21	Miscellaneous protective services — Current operation							0		E66	0	21			
22	Purchase of land and equipment							0		G66	0	22			
23	Construction							0		F66	0	23			
24	Animal control — Current operation	1,149	0	0	0	0	0	1,149		E32	1,149	24			
25	Purchase of land and equipment							0		G32	0	25			
26	Construction							0		F32	0	26			
27	Other public safety — Current operation	4,450	701	0	0	0	0	5,151		E89	5,151	27			
28	Purchase of land and equipment							0		G89	0	28			
29								0			0	29			
30								0			0	30			
31								0			0	31			
32								0			0	32			
33								0			0	33			
34								0			0	34			
35								0			0	35			
36								0			0	36			
37								0			0	37			
38								0			0	38			
39								0			0	39			
40	<b>TOTAL PUBLIC SAFETY</b>	509,939	69,084	0	0	0	0	579,023			579,023	40			

Part II		CITY OF UNIVERSITY HEIGHTS										<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued		CITY OF UNIVERSITY HEIGHTS											
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (g)) (i)	Line No.	
<b>Section B — PUBLIC WORKS</b>													
41	Roads, bridges, sidewalks — Current operation	0	18,283	0	0	0	0	18,283		E44	18,283	41	
42	Purchase of land and equipment									G44	0	42	
43	Construction									F44	0	43	
44	Parking meter and off-street — Current operation									E60	0	44	
45	Purchase of land and equipment									G60	0	45	
46	Construction									F60	0	46	
47	Street lighting — Current operation	0	8,205	0	0	0	0	8,205		E44	8,205	47	
48	Traffic control safety — Current operation	1,250	6,938	0	0	0	0	8,188		E44	8,188	48	
49	Purchase of land and equipment									G44	0	49	
50	Construction									F44	0	50	
51	Snow removal — Current operation	0	32,499	0	0	0	0	32,499		E44	32,499	51	
52	Purchase of land and equipment									G44	0	52	
53	Highway engineering — Current operation	30,086	24,326	0	0	0	0	54,412		E44	54,412	53	
54	Purchase of land and equipment									G44	0	54	
55	Construction									F44	0	55	
56	Street cleaning — Current operation	0	4,285	0	0	0	0	4,285		E81	4,285	56	
57	Purchase of land and equipment									G81	0	57	
58	Airport (if not an enterprise) — Current operation									E01	0	58	
59	Purchase of land and equipment									G01	0	59	
60	Construction									F01	0	60	
61	Garbage (if not an enterprise) — Current operation	22,841	0	0	0	0	0	22,841		E81	22,841	61	
62	Purchase of land and equipment									G81	0	62	
63	Construction									F81	0	63	
64	Other public works — Current operation	57,466	0	0	0	0	0	57,466		E89	57,466	64	
65	Purchase of land and equipment									G89	0	65	
66	Construction									F89	0	66	
67											0	67	
68											0	68	
69											0	69	
70											0	70	
71											0	71	
72											0	72	
73											0	73	
74											0	74	
75											0	75	
76											0	76	
77											0	77	
78											0	78	
79											0	79	
80	<b>TOTAL PUBLIC WORKS</b>	111,643	94,536	0	0	0	0	206,179			206,179	80	

EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued										CITY OF UNIVERSITY HEIGHTS			<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS		
Part II	Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (g)) (i)	Line No.		
	81	<b>Section C — HEALTH AND SOCIAL SERVICES</b>											81		
	82	Welfare assistance — Current operation											82		
	83	Purchase of land and equipment											83		
	84	City hospital — Current operation											84		
	85	Purchase of land and equipment											85		
	86	Construction											86		
	87	Payments to private hospitals — Current operation											87		
	88	Health regulation and inspections — Current operation											88		
	89	Purchase of land and equipment											89		
	90	Construction											90		
	91	Water, air, and mosquito control — Current operation											91		
	92	Purchase of land and equipment											92		
	93	Construction											93		
	94	Community mental health — Current operation											94		
	95	Purchase of land and equipment											95		
	96	Construction											96		
	97	Other health and social services — Current operation											97		
	98	Purchase of land and equipment											98		
	99	Construction											99		
	100												100		
	101												101		
	102												102		
	103	<b>TOTAL HEALTH AND SOCIAL SERVICES</b>	0	0	0	0	0	0	0	0	0	0	103		
	104												104		
	105												105		
	106												106		
	107												107		
	108												108		
	109												109		
	110												110		
	111												111		
	112												112		
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	116												116		
	117												117		
	118												118		
	119												119		
	120												120		

EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued										CITY OF UNIVERSITY HEIGHTS			<input type="checkbox"/> GAAP			<input checked="" type="checkbox"/> NON-GAAP = CASH BASIS		
Part II																		
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (a) through (f) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (g)) (i)	Line No.						
121	<b>Section D — CULTURE AND RECREATION</b>											121						
122	Library services — Current operation	37,166	0	0	0	0	0	37,166		E52	37,166	122						
123	Purchase of land and equipment							0		G52	0	123						
124	Construction							0		F52	0	124						
125	Museum, band, theater — Current operation							0		E61	0	125						
126	Purchase of land and equipment							0		G61	0	126						
127	Parks — Current operation	507	0	0	0	0	0	507		E61	507	127						
128	Purchase of land and equipment							0		G61	0	128						
129	Construction							0		F61	0	129						
130	Recreation — Current operation							0		E61	0	130						
131	Purchase of land and equipment							0		G61	0	131						
132	Construction							0		F61	0	132						
133	Cemetery — Current operation							0		E03	0	133						
134	Purchase of land and equipment							0		G03	0	134						
135	Community center, zoo, marina, and auditorium							0		E61	0	135						
136	Other culture and recreation	350	0	0	0	0	0	350		E61	350	136						
137	Purchase of land and equipment							0		G61	0	137						
138	Construction							0		F61	0	138						
139	<b>TOTAL CULTURE AND RECREATION</b>	38,023	0	0	0	0	0	38,023			38,023	139						
140	<b>Section E — COMMUNITY AND ECONOMIC DEVELOPMENT</b>											140						
141	Community beautification — Current operation	12,558	0	0	0	0	0	12,558		E89	12,558	141						
142	Purchase of land and equipment							0		G89	0	142						
143	Economic development — Current operation							0		E89	0	143						
144	Purchase of land and equipment							0		G89	0	144						
145	Housing and urban renewal — Current operation							0		E50	0	145						
146	Purchase of land and equipment							0		G50	0	146						
147	Construction							0		F50	0	147						
148	Planning and zoning — Current operation							0		E29	0	148						
149	Purchase of land and equipment							0		G29	0	149						
150	Other community and economic development — Current operation							0		E89	0	150						
151	Purchase of land and equipment							0		G89	0	151						
152	Construction							0		F89	0	152						
153	TIF Rebates							0		E89	0	153						
154	<b>TOTAL COMMUNITY AND ECONOMIC DEVELOPMENT</b>	12,558	0	0	0	0	0	12,558			12,558	154						
155												155						
156												156						
157												157						
158												158						

TIF Rebates are expended out of the TIF Special Revenue Fund within the Community and Economic Development program's activity "Other"

Part II	EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued										CITY OF UNIVERSITY HEIGHTS		<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
	Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (g)) (i)	Line No.	
159	<b>Section F — GENERAL GOVERNMENT</b>													
160	Mayor, council and city manager — Current operation	5,967	605	0	0	0	0	6,572			6,572	159		
161	Purchase of land and equipment							0			0	160		
162	Clerk, Treasurer, financial administration — Current operation	30,451	2,286	0	0	0	0	32,737			32,737	161		
163	Purchase of land and equipment							0			0	162		
164	Elections — Current operation							0			0	163		
165	Purchase of land and equipment							0			0	164		
166	Legal services and city attorney — Current operation	171,582	0	0	0	0	0	171,582			171,582	165		
167	Purchase of land and equipment							0			0	166		
168	City hall and general buildings — Current operation	23,123	0	0	0	0	0	23,123			23,123	167		
169	Purchase of land and equipment							0			0	168		
170	Construction							0			0	169		
171	Tort liability — Current operation							0			0	170		
172	Other general government — Current operation							0			0	171		
173	Purchase of land and equipment							0			0	172		
174								0			0	173		
175								0			0	174		
176	<b>TOTAL GENERAL GOVERNMENT</b>	231,123	2,891	0	0	0	0	234,014			234,014	175		
177	<b>Section G — DEBT SERVICE</b>													
178		0	0	0	32,589	0	0	32,589			32,589	176		
179								0			0	177		
180								0			0	178		
181								0			0	179		
182	<b>TOTAL DEBT SERVICE</b>	0	0	0	32,589	0	0	32,589			32,589	180		
183	<b>Section H — REGULAR CAPITAL PROJECTS — Specify</b>													
184								0			0	181		
185								0			0	182		
186								0			0	183		
187	<b>Subtotal Regular Capital Projects</b>	0	0	0	0	0	0	0			0	184		
188	<b>— TIF CAPITAL PROJECTS — Specify</b>													
189								0			0	185		
190								0			0	186		
191								0			0	187		
192	<b>Subtotal TIF Capital Projects</b>	0	0	0	0	0	0	0			0	188		
193	<b>TOTAL CAPITAL PROJECTS</b>	0	0	0	0	0	0	0			0	189		
194	<b>TOTAL GOVERNMENTAL ACTIVITIES EXPENDITURES</b>	903,286	166,511	0	32,589	0	0	1,102,386			1,102,386	190		
195	<b>(Sum of lines 40, 80, 103, 139, 154, 176, 182, 193)</b>											191		
196												192		

Part II	EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued					CITY OF UNIVERSITY HEIGHTS					<input type="checkbox"/> GAAP <input checked="" type="checkbox"/> NON-GAAP = CASH BASIS		
	Line No.	Item description	General (a)	Special revenue (b)	TIF Special revenue (c)	Debt service (d)	Capital projects (e)	Permanent Fund (f)	Total current governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of col. (h)) (i)	Line No.
197		<b>Section I — BUSINESS TYPE ACTIVITIES</b>											197
198		Water — Current operation										E91	0 198
199		Purchase of land and equipment										G91	0 199
200		Construction										F91	0 200
201		Sewer and sewage disposal — Current operation										E80	0 201
202		Purchase of land and equipment										G80	0 202
203		Construction										F80	0 203
204		Electric — Current operation										E92	0 204
205		Purchase of land and equipment										G92	0 205
206		Construction										F92	0 206
207		Gas Utility — Current operation										E93	0 207
208		Purchase of land and equipment										G93	0 208
209		Construction										F93	0 209
210		Parking — Current operation										E60	0 210
211		Purchase of land and equipment										G60	0 211
212		Construction										F60	0 212
213		Airport — Current operation										E01	0 213
214		Purchase of land and equipment										G01	0 214
215		Construction										F01	0 215
216		Landfill/Garbage — Current operation										E81	0 216
217		Purchase of land and equipment										G81	0 217
218		Construction										F81	0 218
219		Hospital — Current operation										E36	0 219
220		Purchase of land and equipment										G36	0 220
221		Construction										F36	0 221
222		Transit — Current operation										E94	0 222
223		Purchase of land and equipment										G94	0 223
224		Construction										F94	0 224
225		Cable TV, telephone, internet — Current operation										E03	0 225
226		Purchase of land and equipment										G03	0 226
227		Housing authority — Current operation										E50	0 227
228		Purchase of land and equipment										G50	0 228
229		Construction										F50	0 229
230		Storm water — Current operation										E80	0 230
231		Purchase of land and equipment										G80	0 231
232		Construction										F80	0 232
233													233
234													234
235													235
236													236

Part II		EXPENDITURES AND OTHER FINANCING USES FOR FISCAL YEAR ENDED JUNE 30, 2015 -- Continued							CITY OF UNIVERSITY HEIGHTS		<input type="checkbox"/> GAAP		<input checked="" type="checkbox"/> NON-GAAP = CASH BASIS	
Line No.	Item description	General (a)	Special revenue (b)	TIF special revenue (c)	Debt service (d)	Capital projects (e)	Permanent (f)	Total governmental (Sum of cols. (a) through (f)) (g)	Proprietary (h)	Code	GRAND TOTAL (Sum of cols. (g) and (h)) (i)	Line No.		
237	<b>Section I — BUSINESS TYPE ACTIVITIES — Cont.</b>											237		
238	Other business type — Current operation									E89	0	238		
239	Purchase of land and equipment									G89	0	239		
240	Construction									F89	0	240		
241												241		
242	Enterprise Debt Service										0	242		
243	Enterprise Capital Projects										0	243		
244	Enterprise TIF Capital Projects										0	244		
245	Internal service funds — Specify											245		
246											0	246		
247											0	247		
248											0	248		
249											0	249		
250											0	250		
251	<b>TOTAL BUSINESS TYPE ACTIVITIES</b>								0		0	251		
252												252		
253	<b>TOTAL EXPENDITURES (Sum of lines 194 and 251)</b>	903,286	166,511	0	32,589	0	0	1,102,386	0		1,102,386	253		
254	<b>Section J — OTHER FINANCING USES INCLUDING TRANSFERS OUT</b>									NE		254		
255	Regular transfers out	5,535	0		0	0	0	5,535	0		5,535	255		
256	Internal TIF loans/repayments and transfers out										0	256		
257											0	257		
258	<b>TOTAL OTHER FINANCING USES</b>	5,535	0	0	0	0	0	5,535	0		5,535	258		
259	<b>TOTAL EXPENDITURES AND OTHER FINANCING USES (Sum of lines 253 and 258)</b>	908,821	166,511	0	32,589	0	0	1,107,921	0		1,107,921	259		
260												260		
261	<b>Ending fund balance June 30, 2015:</b>											261		
262	<b>Governmental:</b>											262		
263	Nonspendable	0	0	0	0	0	0	0	0		0	263		
264	Restricted	0	109,717	0	16,605	0	0	126,322	0		126,322	264		
265	Committed	330,044	0	0	0	0	0	330,044	0		330,044	265		
266	Assigned	0	0	0	0	0	0	0	0		0	266		
267	Unassigned	32,834	0	0	0	0	0	32,834	0		32,834	267		
268	<b>Total Governmental</b>	362,878	109,717	0	16,605	0	0	489,200	0		489,200	268		
269	<b>Proprietary</b>								0		0	269		
270	<b>Total ending fund balance June 30, 2015</b>	362,878	109,717	0	16,605	0	0	489,200	0		489,200	270		
271	<b>TOTAL REQUIREMENTS (Sum of lines 259 and 270)</b>	1,271,699	276,228	0	49,194	0	0	1,597,121	0		1,597,121	271		
272												272		

**Part III INTERGOVERNMENTAL EXPENDITURES**

**CITY OF UNIVERSITY HEIGHTS**

Please report below expenditures made to the State or to other local governments on a reimbursement or cost sharing basis. Include these expenditures in part II. *Enter amount, omit cents.*

Purpose	Amount paid to other local governments
Correction.....	M05 \$ 0
Health.....	M32 0
Highways.....	M44 0
Transit subsidies.....	M94 43,966
Libraries.....	M52 37,166
Police protection.....	M62 10,258
Sewerage.....	M80 0
Sanitation.....	M81 0
All other.....	M89 \$ 34,923

Purpose	Amount paid to State
Highways.....	L44 \$ 0
All other.....	L89 \$ 0

**Part IV SALARIES AND WAGES**

Report here the total salaries and wages paid to all employees of your government before deductions of social security, retirement, etc. Include also salaries and wages paid to employees of any utility owned and operated by your government, as well as salaries and wages of municipal employees charged to construction projects.

Total salaries and wages paid.....	Amount - Omit cents	
	Z00 \$	
		316,798

**Part V DEBT OUTSTANDING, ISSUED, AND RETIRED**

A. Long-term debt Purpose	Debt outstanding JULY 1, 2014 (a)	Debt during the fiscal year		Debt Outstanding JUNE 30, 2015				Interest paid this year (h)
		Issued (b)	Retired (c)	General obligation (d)	TIF revenue (e)	Revenue (f)	Other (g)	
1. Water utility	19U \$	29U \$	39U \$	49U \$	49U \$	49U \$	49U \$	191 \$
2. Sewer utility	19U	29U	39U	49U	49U	49U	49U	189
3. Electric utility	19U	29U	39U	49U	49U	49U		192
4. Gas utility	19U	29U	39U	49U	49U	49U		193
5. Transit-bus	19U	29U	39U	49U	49U	49U		194
6. Industrial Revenue	19T	24T	34T		44T	44T		189
7. Mortgage revenue	19T	24T	34T		44T	44T		189
8. TIF revenue	19U	29U	39U	49U	49U	49U	49U	189
9. Streets Other-Specify	19U 89,000	29U 0	39U 29,000	49U 60,000	49U 0	49U 0	49U 0	189 3,589
10.	19U	29U	39U	49U	49U	49U	49U	189
11.	19U	29U	39U	49U	49U	49U	49U	189
12.	19U	29U	39U	49U	49U	49U	49U	189
13.	19U	29U	39U	49U	49U	49U	49U	189
14.	19U	29U	39U	49U	49U	49U	49U	189
<b>Total long-term debt</b>	<b>89,000</b>	<b>0</b>	<b>29,000</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,589</b>

B. Short-term debt	Amount - Omit cents	
Outstanding as of JULY 1, 2014	61V \$	0
Outstanding as of JUNE 30, 2015	64V \$	0

**Part VI DEBT LIMITATION FOR GENERAL OBLIGATION BONDS**

Click to visit DOM Valuation Data WEBSITE. City 100% All Property By Class 13 14-15  
Actual valuation -- January 1, 2013

Amount - Omit cents		
\$	<b>110,930,876</b>	<b>x .05 = \$</b>
		<b>5,546,544</b>

**Part VII CASH AND INVESTMENT ASSETS AS OF JUNE 30, 2015**

Type of asset	Amount - Omit cents				
	Bond and interest funds (a)	Bond construction funds (b)	Pension/retirement funds (c)	all other funds (d)	Total (e)
<b>Cash and investments</b> - Include cash on hand, CD's, time, checking and savings deposits, Federal securities, Federal agency securities, State and local government securities, and all other securities. Exclude <i>value of real property.</i>	W01	W31		W61	
	\$ 0	\$ 0	0	489,200	489,200

REMARKS V98

## APPENDIX B

### DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

## APPENDIX C

### DRAFT FORM OF LEGAL OPINION

We hereby certify that we have examined certified copies of the proceedings (the “Proceedings”) of the City Council of the City of University Heights (the “Issuer”), in Johnson County, Iowa, passed preliminary to the issue by the Issuer of its General Obligation Corporate Purpose Bonds, Series 2016 (the “Bonds”) in the amount of \$950,000, dated September 13, 2016, in evidence of the Issuer’s obligation under a certain loan agreement (the “Loan Agreement”), dated as of September 13, 2016. The Bonds mature on June 1 in each of the respective years and in the principal amounts and bear interest payable semiannually, commencing June 1, 2017, at the respective rates as follows:

Date	Principal	Interest Rate	Date	Principal	Interest Rate
2018	\$ 30,000	_____%	2024	\$100,000	_____%
2019	\$ 60,000	_____%	2025	\$110,000	_____%
2020	\$ 70,000	_____%	2026	\$110,000	_____%
2021	\$ 90,000	_____%	2027	\$110,000	_____%
2022	\$ 95,000	_____%	2028	\$ 75,000	_____%
2023	\$100,000	_____%			

Principal of the Bonds maturing in the years 2024 through 2028, inclusive, is subject to optional redemption prior to maturity on June 1, 2023, or on any date thereafter on terms of par plus accrued interest.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The Proceedings show lawful authority for such issue under the laws of the State of Iowa.
2. The Bonds and the Loan Agreement are valid and binding general obligations of the Issuer.
3. All taxable property within the corporate boundaries of the Issuer is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount.
4. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986 (the “Code”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.
5. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the Bonds be, or continue to be, qualified tax-exempt obligations. The Issuer has covenanted to comply with each such requirement.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

DORSEY & WHITNEY LLP

**\*This form of bond counsel opinion is subject to change pending the results of the sale of the Bonds contemplated herein.**

**City Clerk Report  
September 2016**

- **One new building permit received since the last meeting:**
  - 10 Koser Avenue – Installation of solar panels**
- **169 rental permits received for FY17 fiscal year (152 last month):**
  - 75 for Grandview Court (68 last month)**
  - 94 for rest of University Heights (84 last month)**
- **Submitted yearly debt report to the state.**

**Report from Stan Laverman:**

**No report.**

**Treasurer's Report****August 2016**

Our total revenue for the month of August was \$29,893.83 comprised of the following amounts:

Parking fines	\$ 520.00
Traffic Fines from Clerk of Court	\$ 4,334.72
Interest on bank accounts/CD's	\$ 69.77
Road Use Funds	\$14,373.15
Rental permits	\$ 5,700.00
Late fees for rental permits	\$ 50.00
Building permits	\$ 864.27
Electrical permit	\$ 245.00
Plumbing permit	\$ 85.00
Parking permits	\$ 622.00
Police reports	\$ 90.00
Mediacom Franchise fees	\$ 2,889.92
Board of Adjustment application	\$ 50.00

Balances in the bank accounts as of 8/31/16:

MidwestOne Checking Account	\$199,633.13
CD (1001) at UICCU (due 3/22/17)	\$ 78,558.09
CD (1007) at UICCU (due 9/20/17)	\$ 26,559.40
CD (1011) at UICCU (due 5/19/17)	\$ 74,472.41
CD (1009) at UICCU (due 11/2/18)	\$ 26,655.51
CD (1003) at UICCU (due 8/28/17)	\$ 34,136.39
Hills Bank Time Acct	\$ 23,081.42
Hills Bank Forfeiture Fund	\$ 4,192.49
Hills Bank Money Market	\$ 1,045.59

We did not get any property taxes deposited by the county in the month of August.

I dropped off a copy of Quick Books to Steve Kuhl so he can work on the annual Streets Financial Report that needs to be filed by the end of the month.

City of University Heights		Cash Receipts and Disbursements by Fund		July 1, 2016 to August 31, 2016							
	CAPITAL PROJECTS	GENERAL FUND	DEBT SERVICE	POLICE FORFEITURE	ROAD USE TAX	EMPLOYEE BENEFITS	TOTAL				
Receipts											
Local Option Sales Tax							\$ -				
Property Tax		\$ 750.58	\$ 41.20			\$ 106.01	\$ 897.79				
Other City Taxes							\$ -				
Licenses and Permits		\$ 26,095.39					\$ 26,095.39				
Use of Money and Property		\$ 94.70		\$ 1.42		\$ 47.75	\$ 143.87				
Intergovernmental					\$ 24,154.38		\$ 24,154.38				
Charges for Services		\$ 220.00					\$ 220.00				
Special Assessments		\$ 292.00					\$ 292.00				
Miscellaneous		\$ 13,808.21					\$ 13,808.21				
Other Financing Sources							\$ -				
<b>Total Receipts</b>	\$ -	\$ 41,260.88	\$ 41.20	\$ 1.42	\$ 24,154.38	\$ 153.76	\$ 65,611.64				
Disbursements											
Payroll Expenses											
Public Safety		\$ 61,791.27				\$ 15,383.75	\$ 77,175.02				
Public Works		\$ 23,435.56			\$ 10,862.32		\$ 34,297.88				
Culture & Recreation		\$ 7,818.99					\$ 7,818.99				
Community & Economic Dev.		\$ 4,650.00					\$ 4,650.00				
General Government		\$ 23,828.14				\$ 292.70	\$ 24,120.84				
Principal/Interest			\$ 30,174.46				\$ 30,174.46				
Uncategorized/Miscellaneous							\$ 0				
<b>Total Disbursements</b>	\$ -	\$ 121,523.96	\$ 30,174.46	\$ -	\$ 10,862.32	\$ 15,676.45	\$ 178,237.19				
<b>Net Cash Increase (Decrease)</b>	\$ -	\$ (80,263.08)	\$ (30,133.26)	\$ 1.42	\$ 13,292.06	\$ (15,522.69)	\$ (112,625.55)				
<b>Balance, beginning of year</b>	\$ (189,563.90)	\$ 534,384.52	\$ (219.69)	\$ (1,042.74)			\$ 388,063.31				
<b>Balance, end of period</b>	\$ (189,563.90)	\$ 454,121.44	\$ (30,352.95)	\$ (1,041.32)	\$ 113,170.05	\$ (70,895.56)	\$ 275,437.76				

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
 July through August 2016

	Jul - Aug 16	Budget	% of Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>CHARGES FOR SERVICES</b>			
Police Reports	140.00	1,000.00	14.0%
Structural Compliance Inspect.	80.00		
<b>Total CHARGES FOR SERVICES</b>	<b>220.00</b>	<b>1,000.00</b>	<b>22.0%</b>
<b>GENERAL PROPERTY TAXES</b>			
Benefits Levies	106.01	99,059.00	0.1%
Commercial Prop Tax Rplmnt adj	0.00	-4,177.00	0.0%
Debt Service Levy	41.20	31,185.00	0.1%
Insurance Levy	13.59	19,500.00	0.1%
Library Services Levy	21.93	18,961.00	0.1%
Regular Property Tax	657.99	568,832.00	0.1%
Transit Levy	57.07	45,328.00	0.1%
<b>Total GENERAL PROPERTY TAXES</b>	<b>897.79</b>	<b>778,688.00</b>	<b>0.1%</b>
<b>INTERGOVERNMENTAL/SHARED REVENUE</b>			
Other State Grants/Reimburse.			
Seatbelt Incent/Traffic Safety	0.00	0.00	0.0%
<b>Total Other State Grants/Reimburse.</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
State Shared Revenues			
Commercial Property Tax Rplcmnt	0.00	4,177.00	0.0%
Road Use/Street Construction	24,154.38	127,171.00	19.0%
<b>Total State Shared Revenues</b>	<b>24,154.38</b>	<b>131,348.00</b>	<b>18.4%</b>
<b>Total INTERGOVERNMENTAL/SHARED REVEN...</b>	<b>24,154.38</b>	<b>131,348.00</b>	<b>18.4%</b>
<b>LICENSES &amp; PERMITS</b>			
Beer/Wine/Liquor/Cig Permits	0.00	390.00	0.0%
Building/Equipment Permits	1,563.39	12,500.00	12.5%
Misc. Licenses/Permits			
Parking Permits	782.00	1,000.00	78.2%
Rental Permits	23,750.00	20,000.00	118.8%
<b>Total Misc. Licenses/Permits</b>	<b>24,532.00</b>	<b>21,000.00</b>	<b>116.8%</b>
<b>Total LICENSES &amp; PERMITS</b>	<b>26,095.39</b>	<b>33,890.00</b>	<b>77.0%</b>
<b>MISCELLANEOUS REVENUES</b>			
Cable TV Franchise	2,889.92	15,000.00	19.3%
Contributions	0.00	250.00	0.0%
Fines			
Parking Fines	700.00	5,000.00	14.0%
Traffic Fines-Clk of Ct	10,058.29	95,000.00	10.6%
<b>Total Fines</b>	<b>10,758.29</b>	<b>100,000.00</b>	<b>10.8%</b>
Misc. Income			
Other	160.00	1,000.00	16.0%
<b>Total Misc. Income</b>	<b>160.00</b>	<b>1,000.00</b>	<b>16.0%</b>
Olive Ct Developer Contribution	0.00	92,000.00	0.0%
Refunds and Reimbursements	0.00	1,000.00	0.0%
<b>Total MISCELLANEOUS REVENUES</b>	<b>13,808.21</b>	<b>209,250.00</b>	<b>6.6%</b>
<b>OTHER CITY TAXES</b>			
Utility Excise Tax	0.00	0.00	0.0%
<b>Total OTHER CITY TAXES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>SPECIAL ASSESSMENTS</b>			
Special Assessments	292.00		
<b>Total SPECIAL ASSESSMENTS</b>	<b>292.00</b>		
<b>USE OF MONEY &amp; PROPERTY</b>			
Interest on Cash Investments	143.87	4,500.00	3.2%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
**July through August 2016**

	Jul - Aug 16	Budget	% of Budget
<b>Total USE OF MONEY &amp; PROPERTY</b>	143.87	4,500.00	3.2%
<b>Total Income</b>	65,611.64	1,158,676.00	5.7%
<b>Gross Profit</b>	65,611.64	1,158,676.00	5.7%
<b>Expense</b>			
<b>CAPITAL PROJECTS</b>			
ADA Transition Plan	0.00	18,500.00	0.0%
George St asphalt overlay	0.00	121,000.00	0.0%
Koser/George drainage	0.00	15,500.00	0.0%
Melrose West drainage	0.00	64,000.00	0.0%
Olive Court Reconstruction	0.00	317,500.00	0.0%
<b>Total CAPITAL PROJECTS</b>	0.00	536,500.00	0.0%
<b>COMMUNITY &amp; ECONOMIC DEV.</b>			
Tree Trimming/Lawn Care	4,650.00	5,000.00	93.0%
<b>Total COMMUNITY &amp; ECONOMIC DEV.</b>	4,650.00	5,000.00	93.0%
<b>CULTURE &amp; RECREATION</b>			
<b>Community Center</b>			
Equipment	0.00	20,000.00	0.0%
Occupancy and Operations	0.00	41,000.00	0.0%
<b>Total Community Center</b>	0.00	61,000.00	0.0%
<b>Community Support Projects</b>			
Library	7,729.29	47,533.00	16.3%
<b>Parks</b>			
Park Expenses	89.70	800.00	11.2%
Park Update Contribution	0.00	0.00	0.0%
<b>Total Parks</b>	89.70	800.00	11.2%
<b>Total CULTURE &amp; RECREATION</b>	7,818.99	109,833.00	7.1%
<b>DEBT SERVICE</b>			
Interest	174.46	1,185.00	14.7%
Principal	30,000.00	30,000.00	100.0%
<b>Total DEBT SERVICE</b>	30,174.46	31,185.00	96.8%
<b>GENERAL GOVERNMENT</b>			
<b>City Hall &amp; General Buildings</b>			
<b>Commodities</b>			
Supplies	10.00	200.00	5.0%
<b>Total Commodities</b>	10.00	200.00	5.0%
<b>Contractual</b>			
Rents & Leases	2,748.46	5,497.00	50.0%
<b>Total Contractual</b>	2,748.46	5,497.00	50.0%
<b>Employee Benefits &amp; Costs</b>			
FICA	0.00	31.00	0.0%
IPERS	0.00	45.00	0.0%
Medicare	0.00	7.00	0.0%
<b>Total Employee Benefits &amp; Costs</b>	0.00	83.00	0.0%
<b>Repair/Maint/Utilities</b>			
Maintenance	0.00	1,000.00	0.0%
Telecommunications	10.00	2,100.00	0.5%
Utilities	271.15	1,600.00	16.9%
<b>Total Repair/Maint/Utilities</b>	281.15	4,700.00	6.0%
<b>Salaries-Regular Part Time</b>			
Facilities Assistant	96.00	500.00	19.2%
<b>Total Salaries-Regular Part Time</b>	96.00	500.00	19.2%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
 July through August 2016

	Jul - Aug 16	Budget	% of Budget
<b>Total City Hall &amp; General Buildings</b>	3,135.61	10,980.00	28.6%
<b>Clerk/Treasurer &amp; Finance Admin</b>			
<b>Commodities</b>			
Hardware/Software	0.00	250.00	0.0%
Licensing Fees	0.00	750.00	0.0%
Minor Equipment/Supplies/Techno	0.00	700.00	0.0%
Office Supplies and Postage	252.76	1,000.00	25.3%
Taping meetings	500.00	3,000.00	16.7%
<b>Total Commodities</b>	752.76	5,700.00	13.2%
<b>Contractual Services</b>			
Accounting Fees	0.00	4,500.00	0.0%
Bank/CCard Fees	0.00	50.00	0.0%
Legal Publications	68.39	3,500.00	2.0%
Meeting Set Up Fees	0.00	500.00	0.0%
Printing/Copying	605.75	500.00	121.2%
Technology Services	24.95	750.00	3.3%
<b>Total Contractual Services</b>	699.09	9,800.00	7.1%
<b>Employee Benefits &amp; Costs</b>			
FICA	105.02	713.00	14.7%
IPERS	151.28	1,027.00	14.7%
Medicare	24.55	167.00	14.7%
Unemployment Compensation	11.85	140.00	8.5%
<b>Total Employee Benefits &amp; Costs</b>	292.70	2,047.00	14.3%
<b>Salaries-Regular Part Time</b>			
Clerk, Treasuer, Historian	1,598.02	11,500.00	13.9%
<b>Total Salaries-Regular Part Time</b>	1,598.02	11,500.00	13.9%
<b>Staff Development</b>			
<b>Dues &amp; Memberships</b>			
Dues and Memberships	0.00	500.00	0.0%
IA League of Cities	770.00	750.00	102.7%
JCOG Assessment	0.00	1,626.00	0.0%
<b>Total Dues &amp; Memberships</b>	770.00	2,876.00	26.8%
<b>Total Staff Development</b>	770.00	2,876.00	26.8%
<b>Total Clerk/Treasurer &amp; Finance Admin</b>	4,112.57	31,923.00	12.9%
<b>Election Expenses</b>	0.00	0.00	0.0%
<b>Legal Services</b>			
General government	11,432.66	40,000.00	28.6%
Traffic fines	3,940.00	20,000.00	19.7%
Legal Services - Other	0.00	0.00	0.0%
<b>Total Legal Services</b>	15,372.66	60,000.00	25.6%
<b>Mayor/Council Operations</b>			
<b>Employee Benefits &amp; Costs</b>			
FICA	0.00	370.00	0.0%
IPERS-Council	0.00	89.00	0.0%
Medicare	0.00	87.00	0.0%
Unemployment Compensation	0.00	80.00	0.0%
<b>Total Employee Benefits &amp; Costs</b>	0.00	626.00	0.0%
<b>Salaries-Regular Part Time</b>			
Council	0.00	4,000.00	0.0%
Mayor	0.00	1,967.00	0.0%
<b>Total Salaries-Regular Part Time</b>	0.00	5,967.00	0.0%
<b>Total Mayor/Council Operations</b>	0.00	6,593.00	0.0%
<b>TIF Analysis</b>	0.00	0.00	0.0%
<b>Tort Liability Insurance</b>	1,500.00	9,500.00	15.8%

**City of University Heights, Iowa  
 Profit & Loss Budget vs. Actual  
 July through August 2016**

	Jul - Aug 16	Budget	% of Budget
<b>Total GENERAL GOVERNMENT</b>	24,120.84	118,996.00	20.3%
<b>PUBLIC SAFETY</b>			
<b>Building Inspections</b>			
Building / Rental Inspection	3,965.00	15,200.00	26.1%
OUP Inspector	2,700.00		
<b>Total Building Inspections</b>	6,665.00	15,200.00	43.8%
<b>Crossing Guard</b>			
<b>Employee Benefits &amp; Costs</b>			
FICA	0.00	279.00	0.0%
IPERS	0.00	402.00	0.0%
Medicare	0.00	65.00	0.0%
Unemployment Compensation	0.00	60.00	0.0%
<b>Total Employee Benefits &amp; Costs</b>	0.00	806.00	0.0%
<b>Salaries</b>			
Crossing Guard	0.00	4,500.00	0.0%
<b>Total Salaries</b>	0.00	4,500.00	0.0%
<b>Supplies</b>	0.00	200.00	0.0%
<b>Total Crossing Guard</b>	0.00	5,506.00	0.0%
<b>Fire</b>			
<b>Contracts w/Other Agencies</b>			
City of IC Fire Department	0.00	33,000.00	0.0%
Coralville Fire Dep't	0.00	0.00	0.0%
Hydrant Flush-City of Iowa City	0.00	3,520.00	0.0%
<b>Total Contracts w/Other Agencies</b>	0.00	36,520.00	0.0%
<b>Total Fire</b>	0.00	36,520.00	0.0%
<b>Hazmat-Johnson County</b>	525.50	526.00	99.9%
<b>Police</b>			
<b>Commodities</b>			
<b>Major Equipment</b>			
Car Equipment	0.00	5,000.00	0.0%
<b>Total Major Equipment</b>	0.00	5,000.00	0.0%
<b>Minor Equipment</b>			
Operating Police Equipment	1,415.30	4,500.00	31.5%
Regular Officer Uniform	0.00	3,500.00	0.0%
<b>Total Minor Equipment</b>	1,415.30	8,000.00	17.7%
<b>Supplies</b>			
Ammunition	0.00	3,500.00	0.0%
Business Meetings/Meals	0.00	300.00	0.0%
Office Supplies	19.38	3,000.00	0.6%
Operating Supplies	791.79	3,000.00	26.4%
Other Supplies	133.87	2,000.00	6.7%
Postage/Shipping	64.94	600.00	10.8%
Professional Memberships	125.00	891.00	14.0%
Programs	0.00	3,100.00	0.0%
<b>Total Supplies</b>	1,134.98	16,391.00	6.9%
<b>Total Commodities</b>	2,550.28	29,391.00	8.7%
<b>Contractual Services</b>			
Garage Rental	600.00	2,400.00	25.0%
<b>Payments to Other Agencies</b>			
County Jail/Service/Filing Fees	0.00	300.00	0.0%
Evidence testing	0.00	150.00	0.0%
Technology Services	83.40	750.00	11.1%
<b>Total Payments to Other Agencies</b>	83.40	1,200.00	7.0%
Police Insurance-Car/Liability	0.00	10,000.00	0.0%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
 July through August 2016

	Jul - Aug 16	Budget	% of Budget
Printing/Copying	359.97	1,000.00	36.0%
Prof Serv-Psych Testing-Physica	10.00	1,000.00	1.0%
Special Events Staff	0.00	500.00	0.0%
<b>Total Contractual Services</b>	<b>1,053.37</b>	<b>16,100.00</b>	<b>6.5%</b>
<b>Police Benefits &amp; Costs</b>			
Police FICA	2,965.23	16,481.00	18.0%
Police Health Insurance	5,204.10	32,005.00	16.3%
Police IPERS	4,639.65	26,157.00	17.7%
Police Medicare	693.47	3,854.00	18.0%
Police SUTA	167.30	2,000.00	8.4%
Police Workers Compensation	1,714.00	15,000.00	11.4%
<b>Total Police Benefits &amp; Costs</b>	<b>15,383.75</b>	<b>95,497.00</b>	<b>16.1%</b>
<b>Police Gross Wages</b>			
Holiday & Other Pay	3,330.46	28,000.00	11.9%
Miscellaneous Payroll Item	0.00	0.00	0.0%
Police Gross Wages	44,495.53	237,803.00	18.7%
Salaries-Reserves	0.00	24.00	0.0%
<b>Total Police Gross Wages</b>	<b>47,825.99</b>	<b>265,827.00</b>	<b>18.0%</b>
<b>Repair/Maint/Utilities</b>			
Telecommunications Expense			
IT Support	0.00	1,250.00	0.0%
Other Cell Phones	168.00	948.00	17.7%
Verizon/Pager Fees/Mediacom	574.48	3,636.00	15.8%
<b>Total Telecommunications Expense</b>	<b>742.48</b>	<b>5,834.00</b>	<b>12.7%</b>
<b>Vehicle Operations</b>			
Fuel	1,029.02	14,000.00	7.4%
Other	0.00	500.00	0.0%
Washes	66.00	700.00	9.4%
<b>Total Vehicle Operations</b>	<b>1,095.02</b>	<b>15,200.00</b>	<b>7.2%</b>
<b>Vehicle Repair</b>			
Bicycle Maint/Repair	0.00	200.00	0.0%
Car Maint/Repair	201.43	10,000.00	2.0%
<b>Total Vehicle Repair</b>	<b>201.43</b>	<b>10,200.00</b>	<b>2.0%</b>
<b>Total Repair/Maint/Utilities</b>	<b>2,038.93</b>	<b>31,234.00</b>	<b>6.5%</b>
<b>Staff Development</b>			
Meetings & Conferences	922.20	2,500.00	36.9%
Regular Officer Training			
Academy Training	0.00	7,500.00	0.0%
Officer Training	0.00	0.00	0.0%
Skills Training/Testing	210.00	6,500.00	3.2%
Training Supplies	0.00	2,000.00	0.0%
<b>Total Regular Officer Training</b>	<b>210.00</b>	<b>16,000.00</b>	<b>1.3%</b>
<b>Total Staff Development</b>	<b>1,132.20</b>	<b>18,500.00</b>	<b>6.1%</b>
<b>Total Police</b>	<b>69,984.52</b>	<b>456,549.00</b>	<b>15.3%</b>
<b>Total PUBLIC SAFETY</b>	<b>77,175.02</b>	<b>514,301.00</b>	<b>15.0%</b>
<b>PUBLIC WORKS</b>			
Other Public Works			
Contracts-Other Agencies			
IC Animal Center	129.58	777.00	16.7%
IC Bus Service	6,147.32	36,884.00	16.7%
SEATS Service	1,407.32	8,444.00	16.7%
<b>Total Contracts-Other Agencies</b>	<b>7,684.22</b>	<b>46,105.00</b>	<b>16.7%</b>
<b>Total Other Public Works</b>	<b>7,684.22</b>	<b>46,105.00</b>	<b>16.7%</b>

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
 July through August 2016

	Jul - Aug 16	Budget	% of Budget
<b>Roads, Bridges, &amp; Sidewalks</b>			
<b>Contractual Services</b>			
Engineering Fees	12,274.34	50,000.00	24.5%
<b>Repairs/Improvements</b>			
Arterial panel replacements	0.00	50,000.00	0.0%
Asphale patch projects	0.00	4,000.00	0.0%
Local panel replacements	0.00	17,000.00	0.0%
OUP street repairs	0.00	16,280.00	0.0%
Sidewalk Repairs	4,937.63	3,500.00	141.1%
Street Repairs	0.00	0.00	0.0%
Traffic sign assessment/mgmt	0.00	4,500.00	0.0%
<b>Total Repairs/Improvements</b>	4,937.63	95,280.00	5.2%
Striping/Curb Renumbering	0.00	6,000.00	0.0%
Visioning Project	0.00	2,000.00	0.0%
<b>Total Contractual Services</b>	17,211.97	153,280.00	11.2%
Snow Removal-Contractual	0.00	40,000.00	0.0%
Storm water permit	0.00	3,000.00	0.0%
Street Lighting Electricity	1,098.53	8,500.00	12.9%
Street Sweeping-Contractual	3,855.63	4,500.00	85.7%
<b>Traffic Controls and Safety</b>			
Street Signs-Commodities	814.40	0.00	100.0%
Traffic Light Electricity	156.13	1,000.00	15.6%
<b>Total Traffic Controls and Safety</b>	970.53	1,000.00	97.1%
<b>Total Roads, Bridges, &amp; Sidewalks</b>	23,136.66	210,280.00	11.0%
<b>Sanitation</b>			
<b>Contractual</b>			
Grandview Recycling	0.00	0.00	0.0%
Leaf Vacuuming	0.00	15,000.00	0.0%
Trash/Recycling	3,477.00	30,000.00	11.6%
<b>Total Contractual</b>	3,477.00	45,000.00	7.7%
<b>Total Sanitation</b>	3,477.00	45,000.00	7.7%
<b>Total PUBLIC WORKS</b>	34,297.88	301,385.00	11.4%
<b>Total Expense</b>	178,237.19	1,617,200.00	11.0%
<b>Net Ordinary Income</b>	-112,625.55	-458,524.00	24.6%
<b>Other Income/Expense</b>			
<b>Other Income</b>			
<b>OTHER FINANCING SOURCES</b>			
Bond Proceeds	0.00	444,500.00	0.0%
<b>Total OTHER FINANCING SOURCES</b>	0.00	444,500.00	0.0%
<b>Total Other Income</b>	0.00	444,500.00	0.0%
<b>Net Other Income</b>	0.00	444,500.00	0.0%
<b>Net Income</b>	<b>-112,625.55</b>	<b>-14,024.00</b>	<b>803.1%</b>

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Ordinary Income/Expense								
Income								
CHARGES FOR SERVICES	0.00		0.00		220.00	22.0%	0.00	
GENERAL PROPERTY TAXES	0.00		0.00		750.58	0.1%	41.20	0.1%
INTERGOVERNMENTAL/SHARED REVEN...	0.00	0.0%	0.00		0.00	0.0%	0.00	
LICENSES & PERMITS	0.00		0.00		26,085.39	77.0%	0.00	
MISCELLANEOUS REVENUES	0.00		0.00	0.0%	13,808.21	11.8%	0.00	0.0%
OTHER CITY TAXES	0.00		0.00		0.00	0.0%	0.00	
SPECIAL ASSESSMENTS	0.00		0.00		292.00	0.0%	0.00	
USE OF MONEY & PROPERTY	0.00		0.00		94.70	2.1%	0.00	
<b>Total Income</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>41,260.88</b>	<b>5.1%</b>	<b>41.20</b>	<b>0.1%</b>
Gross Profit	0.00	0.0%	0.00	0.0%	41,260.88	5.1%	41.20	0.1%
Expense								
CAPITAL PROJECTS	0.00		0.00	0.0%	0.00		0.00	
COMMUNITY & ECONOMIC DEV.	0.00		0.00		4,650.00	93.0%	0.00	
CULTURE & RECREATION	0.00		0.00		7,818.99	7.1%	0.00	
DEBT SERVICE	0.00		0.00		0.00		30,174.46	96.6%
GENERAL GOVERNMENT	0.00		0.00		23,828.14	20.5%	0.00	
PUBLIC SAFETY	0.00		0.00		61,791.27	14.8%	0.00	
PUBLIC WORKS	0.00	0.0%	0.00		23,435.56	16.3%	0.00	
<b>Total Expense</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>121,523.96</b>	<b>15.3%</b>	<b>30,174.46</b>	<b>96.8%</b>
Net Ordinary Income	0.00	0.0%	0.00	0.0%	-80,263.08	-499.0%	-30,133.26	100.0%
Other Income/Expense								
Other Income	0.00		0.00	0.0%	0.00		0.00	
OTHER FINANCING SOURCES	0.00		0.00	0.0%	0.00		0.00	
<b>Total Other Income</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>
Net Other Income	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%
<b>Net Income</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>-80,263.08</b>	<b>-499.0%</b>	<b>-30,133.26</b>	<b>100.0%</b>

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Ordinary Income/Expense								
Income								
CHARGES FOR SERVICES	0.00		0.00		0.00		220.00	22.0%
GENERAL PROPERTY TAXES	0.00		0.00		106.01	0.1%	897.79	0.1%
INTERGOVERNMENTAL/SHARED REVEN...	0.00		24,154.38	19.0%	0.00		24,154.38	18.4%
LICENSES & PERMITS	0.00		0.00		0.00		26,085.39	77.0%
MISCELLANEOUS REVENUES	0.00		0.00		0.00		13,808.21	6.6%
OTHER CITY TAXES	0.00		0.00		0.00		292.00	0.0%
SPECIAL ASSESSMENTS	0.00	100.0%	0.00		0.00	100.0%	0.00	100.0%
USE OF MONEY & PROPERTY	1.42		0.00		47.75		143.87	3.2%
<b>Total Income</b>	<b>1.42</b>	<b>100.0%</b>	<b>24,154.38</b>	<b>19.0%</b>	<b>153.76</b>	<b>0.2%</b>	<b>65,611.64</b>	<b>5.7%</b>
<b>Gross Profit</b>	<b>1.42</b>	<b>100.0%</b>	<b>24,154.38</b>	<b>19.0%</b>	<b>153.76</b>	<b>0.2%</b>	<b>65,611.64</b>	<b>5.7%</b>
Expense								
CAPITAL PROJECTS	0.00		0.00		0.00		0.00	0.0%
COMMUNITY & ECONOMIC DEV.	0.00		0.00		0.00		4,650.00	93.0%
CULTURE & RECREATION	0.00		0.00		0.00		7,818.99	7.1%
DEBT SERVICE	0.00		0.00		0.00		30,174.46	96.8%
GENERAL GOVERNMENT	0.00		0.00		292.70	10.6%	24,120.84	20.3%
PUBLIC SAFETY	0.00		0.00		15,383.75	16.0%	77,175.02	15.0%
PUBLIC WORKS	0.00		10,862.32	6.9%	0.00		34,297.88	11.4%
<b>Total Expense</b>	<b>0.00</b>		<b>10,862.32</b>	<b>6.9%</b>	<b>15,676.45</b>	<b>15.8%</b>	<b>178,237.19</b>	<b>11.0%</b>
<b>Net Ordinary Income</b>	<b>1.42</b>	<b>100.0%</b>	<b>13,292.06</b>	<b>-44.1%</b>	<b>-15,522.69</b>	<b>100.0%</b>	<b>-112,625.55</b>	<b>24.6%</b>
Other Income/Expense								
OTHER FINANCING SOURCES	0.00		0.00		0.00		0.00	0.0%
<b>Total Other Income</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>	<b>0.0%</b>
<b>Net Other Income</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>1.42</b>	<b>100.0%</b>	<b>13,292.06</b>	<b>-44.1%</b>	<b>-15,522.69</b>	<b>100.0%</b>	<b>-112,625.55</b>	<b>803.1%</b>

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Ordinary Income/Expense								
Income								
CHARGES FOR SERVICES								
Police Reports	0.00		0.00		140.00	14.0%	0.00	
Structural Compliance Inspect.	0.00		0.00		80.00		0.00	
Total CHARGES FOR SERVICES	0.00		0.00		220.00	22.0%	0.00	
GENERAL PROPERTY TAXES								
Benefits Levies	0.00		0.00		0.00		0.00	
Commercial Prop Tax Rplmnt adj	0.00		0.00		0.00		0.00	
Debt Service Levy	0.00		0.00		41.20	0.0%	0.00	0.1%
Insurance Levy	0.00		0.00		13.59	0.1%	0.00	
Library Services Levy	0.00		0.00		18,961.00	0.1%	0.00	
Regular Property Tax	0.00		0.00		657.99	0.1%	0.00	
Transit Levy	0.00		0.00		57.07	0.1%	0.00	
Total GENERAL PROPERTY TAXES	0.00		0.00		750.58	0.1%	41.20	0.1%
INTERGOVERNMENTAL/SHARED REVENUE								
Other State Grants/Reimburse.	0.00		0.00		0.00	0.0%	0.00	
Seatbelt Incent/Traffic Safety	0.00		0.00		0.00	0.0%	0.00	
Total Other State Grants/Reimburse.	0.00		0.00		0.00	0.0%	0.00	
State Shared Revenues								
Commercial Property Tax Rplcmnt	0.00	0.0%	0.00		0.00	0.0%	0.00	
Road Use/Street Construction	0.00	0.0%	0.00		0.00	0.0%	0.00	
Total State Shared Revenues	0.00	0.0%	0.00		0.00	0.0%	0.00	
Total INTERGOVERNMENTAL/SHARED REVE...	0.00	0.0%	0.00		0.00	0.0%	0.00	
LICENSES & PERMITS								
Beer/Wine/Liquor/Cig Permits	0.00		0.00		0.00	0.0%	0.00	
Building/Equipment Permits	0.00		0.00		1,563.39	12.5%	0.00	
Misc. Licenses/Permits	0.00		0.00		782.00	78.2%	0.00	
Parking Permits	0.00		0.00		23,750.00	118.8%	0.00	
Rental Permits	0.00		0.00		24,532.00	116.8%	0.00	
Total Misc. Licenses/Permits	0.00		0.00		26,095.39	77.0%	0.00	
Total LICENSES & PERMITS	0.00		0.00		26,095.39	77.0%	0.00	
MISCELLANEOUS REVENUES								
Cable TV Franchise	0.00		0.00		2,889.92	19.3%	0.00	
Contributions	0.00		0.00		0.00	0.0%	0.00	
Fines								
Parking Fines	0.00		0.00		700.00	14.0%	0.00	
Traffic Fines-Clk of Ct	0.00		0.00		10,058.29	10.6%	0.00	
Total Fines	0.00		0.00		10,758.29	10.8%	0.00	
Misc. Income								
Other	0.00		0.00		160.00	16.0%	0.00	
Total Misc. Income	0.00		0.00		160.00	16.0%	0.00	
Olive Ct Developer Contribution	0.00	0.0%	0.00		0.00	0.0%	0.00	
Refunds and Reimbursements	0.00		0.00		92,000.00	0.0%	0.00	
Total MISCELLANEOUS REVENUES	0.00	0.0%	0.00		13,808.21	11.8%	0.00	
OTHER CITY TAXES								
Utility Excise Tax	0.00		0.00		0.00	0.0%	0.00	0.0%
Total OTHER CITY TAXES	0.00		0.00		0.00	0.0%	0.00	0.0%
SPECIAL ASSESSMENTS								
Special Assessments	0.00		0.00		292.00		0.00	

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Total SPECIAL ASSESSMENTS	0.00	0.00	0.00	0.00	292.00	0.00	0.00	0.00
USE OF MONEY & PROPERTY								
Interest on Cash Investments	0.00	0.00	0.00	0.00	94.70	4,500.00	0.00	2.1%
Total USE OF MONEY & PROPERTY	0.00	0.00	0.00	0.00	94.70	4,500.00	0.00	2.1%
Total Income	0.00	0.00	0.00	0.00	41,260.88	809,261.00	41.20	5.1%
Gross Profit	0.00	0.00	0.00	0.00	41,260.88	809,261.00	41.20	5.1%
Expense								
CAPITAL PROJECTS								
ADA Transition Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
George St asphalt overlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Koser/George drainage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Melrose West drainage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Olive Court Reconstruction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total CAPITAL PROJECTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMMUNITY & ECONOMIC DEV.								
Tree Trimming/Lawn Care	0.00	0.00	0.00	0.00	4,650.00	5,000.00	0.00	93.0%
Total COMMUNITY & ECONOMIC DEV.	0.00	0.00	0.00	0.00	4,650.00	5,000.00	0.00	93.0%
CULTURE & RECREATION								
Community Center	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00	0.00	20,000.00	0.00	0.0%
Occupancy and Operations	0.00	0.00	0.00	0.00	0.00	41,000.00	0.00	0.0%
Total Community Center	0.00	0.00	0.00	0.00	0.00	61,000.00	0.00	0.0%
Community Support Projects	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.0%
Library	0.00	0.00	0.00	0.00	7,729.29	47,533.00	0.00	16.3%
Parks	0.00	0.00	0.00	0.00	89.70	800.00	0.00	11.2%
Park Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Park Update Contribution	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Total Parks	0.00	0.00	0.00	0.00	89.70	800.00	0.00	11.2%
Total CULTURE & RECREATION	0.00	0.00	0.00	0.00	7,818.99	109,833.00	0.00	7.1%
DEBT SERVICE								
Interest	0.00	0.00	0.00	0.00	0.00	0.00	174.46	14.7%
Principal	0.00	0.00	0.00	0.00	0.00	0.00	30,000.00	100.0%
Total DEBT SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	30,174.46	96.8%
GENERAL GOVERNMENT								
City Hall & General Buildings								
Commodities	0.00	0.00	0.00	0.00	10.00	200.00	0.00	5.0%
Supplies	0.00	0.00	0.00	0.00	10.00	200.00	0.00	5.0%
Total Commodities	0.00	0.00	0.00	0.00	20.00	400.00	0.00	5.0%
Contractual	0.00	0.00	0.00	0.00	2,748.46	5,497.00	0.00	50.0%
Rents & Leases	0.00	0.00	0.00	0.00	2,748.46	5,497.00	0.00	50.0%
Total Contractual	0.00	0.00	0.00	0.00	5,496.92	10,994.00	0.00	50.0%
Employee Benefits & Costs								
FICA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
IPERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Medicare	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Total Employee Benefits & Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0%
Repair/Maint/Utilities								
Maintenance	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.0%

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Telecommunications	0.00		0.00		2,100.00	0.5%	0.00	
Utilities	0.00		0.00		1,600.00	16.9%	0.00	
Total Repair/Maint/Utilities	0.00		0.00		4,700.00	6.0%	0.00	
Salaries-Regular Part Time	0.00		0.00		500.00	19.2%	0.00	
Facilities Assistant	0.00		0.00		500.00	19.2%	0.00	
Total Salaries-Regular Part Time	0.00		0.00		10,897.00	28.8%	0.00	
Total City Hall & General Buildings	0.00		0.00					
Clerk/Treasurer & Finance Admin	0.00		0.00		250.00	0.0%	0.00	
Commodities	0.00		0.00		750.00	0.0%	0.00	
Hardware/Software	0.00		0.00		700.00	0.0%	0.00	
Licensing Fees	0.00		0.00		1,000.00	25.3%	0.00	
Minor Equipment/Supplies/Techno	0.00		0.00		3,000.00	16.7%	0.00	
Office Supplies and Postage	0.00		0.00		5,700.00	13.2%	0.00	
Taping meetings	0.00		0.00					
Total Commodities	0.00		0.00					
Contractual Services	0.00		0.00		4,500.00	0.0%	0.00	
Accounting Fees	0.00		0.00		50.00	0.0%	0.00	
Bank/CCard Fees	0.00		0.00		3,500.00	2.0%	0.00	
Legal Publications	0.00		0.00		500.00	0.0%	0.00	
Meeting Set Up Fees	0.00		0.00		500.00	121.2%	0.00	
Printing/Copying	0.00		0.00		750.00	3.3%	0.00	
Technology Services	0.00		0.00		9,800.00	7.4%	0.00	
Total Contractual Services	0.00		0.00					
Employee Benefits & Costs	0.00		0.00		0.00	0.0%	0.00	
FICA	0.00		0.00		0.00	0.0%	0.00	
IPERS	0.00		0.00		0.00	0.0%	0.00	
Medicare	0.00		0.00		0.00	0.0%	0.00	
Unemployment Compensation	0.00		0.00		0.00	0.0%	0.00	
Total Employee Benefits & Costs	0.00		0.00		0.00	0.0%	0.00	
Salaries-Regular Part Time	0.00		0.00		11,500.00	13.9%	0.00	
Clerk, Treasurer, Historian	0.00		0.00		11,500.00	13.9%	0.00	
Total Salaries-Regular Part Time	0.00		0.00					
Staff Development	0.00		0.00		500.00	0.0%	0.00	
Dues & Memberships	0.00		0.00		750.00	102.7%	0.00	
Dues and Memberships	0.00		0.00		1,625.00	0.0%	0.00	
IA League of Cities	0.00		0.00					
JCOG Assessment	0.00		0.00		2,876.00	26.8%	0.00	
Total Dues & Memberships	0.00		0.00					
Total Staff Development	0.00		0.00		2,876.00	26.8%	0.00	
Total Clerk/Treasurer & Finance Admin	0.00		0.00		29,876.00	12.8%	0.00	
Election Expenses	0.00		0.00		0.00	0.0%	0.00	
Legal Services	0.00		0.00		40,000.00	28.6%	0.00	
General government	0.00		0.00		20,000.00	19.7%	0.00	
Traffic fines	0.00		0.00		0.00	0.0%	0.00	
Legal Services - Other	0.00		0.00		60,000.00	25.6%	0.00	
Total Legal Services	0.00		0.00					
Mayor/Council Operations	0.00		0.00		0.00	0.0%	0.00	
Employee Benefits & Costs	0.00		0.00		0.00	0.0%	0.00	
FICA	0.00		0.00					
IPERS-Council	0.00		0.00					

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Medicare	0.00		0.00		0.00		0.00	
Unemployment Compensation	0.00		0.00		0.00		0.00	
Total Employee Benefits & Costs	0.00		0.00		0.00		0.00	
Salaries-Regular Part Time	0.00		0.00		0.00		0.00	
Council	0.00		0.00		0.00		0.00	
Mayor	0.00		0.00		1,967.00	0.0%	0.00	
Total Salaries-Regular Part Time	0.00		0.00		5,967.00	0.0%	0.00	
Total Mayor/Council Operations	0.00		0.00		5,967.00	0.0%	0.00	
TIF Analysis	0.00		0.00		0.00		0.00	
Tort Liability Insurance	0.00		0.00		1,500.00	0.0%	0.00	
Total GENERAL GOVERNMENT	0.00		0.00		23,828.14	20.5%	0.00	
PUBLIC SAFETY								
Building Inspections	0.00		0.00		3,965.00	26.1%	0.00	
Building / Rental Inspection	0.00		0.00		2,700.00		0.00	
OUP Inspector	0.00		0.00		6,665.00	43.8%	0.00	
Total Building Inspections	0.00		0.00		15,200.00		0.00	
Crossing Guard	0.00		0.00		15,200.00		0.00	
Employee Benefits & Costs	0.00		0.00		0.00		0.00	
FICA	0.00		0.00		0.00		0.00	
IPERS	0.00		0.00		0.00		0.00	
Medicare	0.00		0.00		0.00		0.00	
Unemployment Compensation	0.00		0.00		0.00		0.00	
Total Employee Benefits & Costs	0.00		0.00		0.00		0.00	
Salaries	0.00		0.00		4,500.00	0.0%	0.00	
Crossing Guard	0.00		0.00		4,500.00		0.00	
Total Salaries	0.00		0.00		4,500.00	0.0%	0.00	
Supplies	0.00		0.00		200.00	0.0%	0.00	
Total Crossing Guard	0.00		0.00		4,700.00	0.0%	0.00	
Fire								
Contracts w/Other Agencies	0.00		0.00		33,000.00	0.0%	0.00	
City of IC Fire Department	0.00		0.00		0.00		0.00	
Coralville Fire Dep't	0.00		0.00		3,520.00	0.0%	0.00	
Hydrant Flush-City of Iowa City	0.00		0.00		36,520.00	0.0%	0.00	
Total Contracts w/Other Agencies	0.00		0.00		36,520.00	0.0%	0.00	
Total Fire	0.00		0.00		36,520.00	0.0%	0.00	
Hazmat-Johnson County	0.00		0.00		526.50	99.9%	0.00	
Police								
Commodities	0.00		0.00		5,000.00	0.0%	0.00	
Major Equipment	0.00		0.00		5,000.00		0.00	
Car Equipment	0.00		0.00		0.00		0.00	
Total Major Equipment	0.00		0.00		5,000.00	0.0%	0.00	
Minor Equipment	0.00		0.00		4,500.00	31.5%	0.00	
Operating Police Equipment	0.00		0.00		3,500.00	0.0%	0.00	
Regular Officer Uniform	0.00		0.00		0.00		0.00	
Total Minor Equipment	0.00		0.00		1,415.30	17.7%	0.00	
Supplies	0.00		0.00		3,500.00	0.0%	0.00	
Ammunition	0.00		0.00		300.00	0.0%	0.00	
Business Meetings/Meals	0.00		0.00		3,000.00	0.6%	0.00	
Office Supplies	0.00		0.00		0.00		0.00	

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Operating Supplies	0.00		0.00		791.79	26.4%	0.00	
Other Supplies	0.00		0.00		133.87	6.7%	0.00	
Postage/Shipping	0.00		0.00		64.94	10.8%	0.00	
Professional Memberships	0.00		0.00		125.00	14.0%	0.00	
Programs	0.00		0.00		0.00	0.0%	0.00	
<b>Total Supplies</b>	<b>0.00</b>		<b>0.00</b>		<b>1,134.98</b>	<b>6.9%</b>	<b>0.00</b>	
Total Commodities	0.00		0.00		2,550.28	8.7%	0.00	
Contractual Services								
Garage Rental	0.00		0.00		600.00	25.0%	0.00	
Payments to Other Agencies	0.00		0.00		0.00	0.0%	0.00	
County Jail/Service/Filing Fees	0.00		0.00		0.00	0.0%	0.00	
Evidence testing	0.00		0.00		83.40	11.1%	0.00	
Technology Services	0.00		0.00		83.40	7.0%	0.00	
Total Payments to Other Agencies	0.00		0.00		0.00	0.0%	0.00	
Police Insurance-Car/Liability	0.00		0.00		10,000.00	36.0%	0.00	
Printing/Copying	0.00		0.00		359.97	1.0%	0.00	
Prof Serv-Psych Testing-Physica	0.00		0.00		10.00	0.0%	0.00	
Special Events Staff	0.00		0.00		500.00	0.0%	0.00	
<b>Total Contractual Services</b>	<b>0.00</b>		<b>0.00</b>		<b>1,053.37</b>	<b>6.5%</b>	<b>0.00</b>	
Police Benefits & Costs								
Police FICA	0.00		0.00		0.00	0.0%	0.00	
Police Health Insurance	0.00		0.00		0.00	0.0%	0.00	
Police IPERS	0.00		0.00		0.00	0.0%	0.00	
Police Medicare	0.00		0.00		0.00	0.0%	0.00	
Police SUTA	0.00		0.00		0.00	0.0%	0.00	
Police Workers Compensation	0.00		0.00		0.00	0.0%	0.00	
Total Police Benefits & Costs	0.00		0.00		0.00	0.0%	0.00	
Police Gross Wages								
Holiday & Other Pay	0.00		0.00		3,330.46	11.9%	0.00	
Miscellaneous Payroll Item	0.00		0.00		0.00	0.0%	0.00	
Police Gross Wages	0.00		0.00		44,495.53	18.7%	0.00	
Salaries-Reserves	0.00		0.00		24.00	0.0%	0.00	
<b>Total Police Gross Wages</b>	<b>0.00</b>		<b>0.00</b>		<b>47,825.99</b>	<b>18.0%</b>	<b>0.00</b>	
Repair/Maint/Utilities								
Telecommunications Expense								
IT Support	0.00		0.00		0.00	0.0%	0.00	
Other Cell Phones	0.00		0.00		168.00	17.7%	0.00	
Verizon/Pager Fees/Mediacom	0.00		0.00		574.48	15.8%	0.00	
Total Telecommunications Expense	0.00		0.00		742.48	12.7%	0.00	
Vehicle Operations								
Fuel	0.00		0.00		1,029.02	7.4%	0.00	
Other	0.00		0.00		500.00	0.0%	0.00	
Washes	0.00		0.00		66.00	9.4%	0.00	
Total Vehicle Operations	0.00		0.00		1,095.02	7.2%	0.00	
Vehicle Repair								
Bicycle Maint/Repair	0.00		0.00		0.00	0.0%	0.00	
Car Maint/Repair	0.00		0.00		201.43	2.0%	0.00	
Total Vehicle Repair	0.00		0.00		201.43	2.0%	0.00	
Total Repair/Maint/Utilities	0.00		0.00		2,036.93	6.5%	0.00	
Staff Development								
Meetings & Conferences	0.00		0.00		922.20	36.9%	0.00	

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Regular Officer Training	0.00		0.00		0.00		0.00	
Academy Training	0.00		0.00		7,500.00		0.00	
Officer Training	0.00		0.00		0.00		0.00	
Skills Training/Testing	0.00		0.00		6,500.00		0.00	
Training Supplies	0.00		0.00		2,000.00		0.00	
Total Regular Officer Training	0.00		0.00		16,000.00		0.00	
Total Staff Development	0.00		0.00		18,500.00		0.00	
Total Police	0.00		0.00		361,052.00		0.00	
Total PUBLIC SAFETY	0.00		0.00		417,998.00		0.00	
PUBLIC WORKS								
Other Public Works								
Contracts-Other Agencies								
IC Animal Center	0.00		0.00		777.00		0.00	
IC Bus Service	0.00		0.00		36,884.00		0.00	
SEATS Service	0.00		0.00		8,444.00		0.00	
Total Contracts-Other Agencies	0.00		0.00		46,105.00		0.00	
Total Other Public Works	0.00		0.00		46,105.00		0.00	
Roads, Bridges, & Sidewalks								
Contractual Services								
Engineering Fees	0.00		0.00		12,274.34		0.00	
Repairs/Improvements								
Arterial panel replacements	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Asphalt patch projects	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Local panel replacements	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
OUP street repairs	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Sidewalk Repairs	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Street Repairs	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Traffic sign assessment/mgmt	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Total Repairs/Improvements	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Striping/Curb Renumbering	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Visioning Project	0.00		0.00		0.00		0.00	
Total Contractual Services	0.00	0.0%	0.00	0.0%	12,274.34		0.00	24.5%
Snow Removal-Contractual	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Storm water permit	0.00	0.0%	0.00	0.0%	3,000.00		0.00	0.0%
Street Lighting Electricity	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Street Sweeping-Contractual	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Traffic Controls and Safety								
Street Signs-Commodities	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Traffic Light Electricity	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Total Traffic Controls and Safety	0.00	0.0%	0.00	0.0%	0.00		0.00	0.0%
Total Roads, Bridges, & Sidewalks	0.00	0.0%	0.00	0.0%	12,274.34		0.00	23.2%
Sanitation								
Contractual								
Grandview Recycling	0.00		0.00		0.00		0.00	0.0%
Leaf Vacuuming	0.00		0.00		15,000.00		0.00	0.0%
Trash/Recycling	0.00		0.00		30,000.00		0.00	11.6%
Total Contractual	0.00		0.00		45,000.00		0.00	7.7%
Total Sanitation	0.00		0.00		45,000.00		0.00	7.7%

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	STREET CONSTRUCTION		CAPITAL PROJECTS		GENERAL		DEBT SERVICE	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Budget	% of Budget	Jul - Aug 16	% of Budget
<b>Total PUBLIC WORKS</b>								
Total Expense	0.00	0.0%	0.00	0.0%	144,105.00	16.3%	0.00	0.0%
Net Ordinary Income	0.00	0.0%	0.00	0.0%	793,176.00	15.3%	30,174.46	96.8%
Other Income/Expense	0.00	0.0%	0.00	0.0%	16,085.00	-499.0%	0.00	100.0%
Other Income								
<b>OTHER FINANCING SOURCES</b>								
Bond Proceeds	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%
<b>Total OTHER FINANCING SOURCES</b>								
Total Other Income	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%
Net Other Income	0.00	0.0%	0.00	0.0%	16,085.00	-499.0%	-30,133.26	100.0%
<b>Net Income</b>	<b>0.00</b>	<b>0.0%</b>	<b>0.00</b>	<b>0.0%</b>	<b>16,085.00</b>	<b>-499.0%</b>	<b>-30,133.26</b>	<b>100.0%</b>

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
July through August 2016

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL		
	Jul - Aug 16	% of Budget	Jul - Aug 16	Budget	Budget	% of Budget	Jul - Aug 16	Budget	% of Budget
Ordinary Income/Expense									
Income									
CHARGES FOR SERVICES									
Police Reports	0.00		0.00		0.00		140.00	1,000.00	14.0%
Structural Compliance Inspect.	0.00		0.00		0.00		80.00	0.00	100.0%
Total CHARGES FOR SERVICES	0.00		0.00		0.00		220.00	1,000.00	22.0%
GENERAL PROPERTY TAXES									
Benefits Levies	0.00		0.00		106.01	0.1%	106.01	99,059.00	0.1%
Commercial Prop Tax Rplmnt adj	0.00		0.00		0.00		0.00	4,177.00	0.0%
Debt Service Levy	0.00		0.00		0.00		41.20	31,185.00	0.1%
Insurance Levy	0.00		0.00		0.00		13.59	19,500.00	0.1%
Library Services Levy	0.00		0.00		0.00		21.93	18,961.00	0.1%
Regular Property Tax	0.00		0.00		0.00		657.99	568,832.00	0.1%
Transit Levy	0.00		0.00		0.00		57.07	45,328.00	0.1%
Total GENERAL PROPERTY TAXES	0.00		0.00		106.01	0.1%	897.79	778,688.00	0.1%
INTERGOVERNMENTAL/SHARED REVENUE									
Other State Grants/Reimburse.	0.00		0.00		0.00		0.00	0.00	0.0%
Seatbelt Incent/Traffic Safety	0.00		0.00		0.00		0.00	0.00	0.0%
Total Other State Grants/Reimburse.	0.00		0.00		0.00		0.00	0.00	0.0%
State Shared Revenues									
Commercial Property Tax Rplmnt	0.00		0.00		0.00		0.00	4,177.00	0.0%
Road Use/Street Construction	0.00		24,154.38	127,171.00	0.00	19.0%	24,154.38	127,171.00	19.0%
Total State Shared Revenues	0.00		24,154.38	127,171.00	0.00	19.0%	24,154.38	131,348.00	18.4%
Total INTERGOVERNMENTAL/SHARED REVE...	0.00		24,154.38	127,171.00	0.00	19.0%	24,154.38	131,348.00	18.4%
LICENSES & PERMITS									
Beer/Wine/Liquor/Cig Permits	0.00		0.00		0.00		0.00	390.00	0.0%
Building/Equipment Permits	0.00		0.00		0.00		1,563.39	12,500.00	12.5%
Misc. Licenses/Permits									
Parking Permits	0.00		0.00		0.00		782.00	1,000.00	78.2%
Rental Permits	0.00		0.00		0.00		23,750.00	20,000.00	118.8%
Total Misc. Licenses/Permits	0.00		0.00		0.00		24,532.00	21,000.00	116.8%
Total LICENSES & PERMITS	0.00		0.00		0.00		26,095.39	33,890.00	77.0%
MISCELLANEOUS REVENUES									
Cable TV Franchise	0.00		0.00		0.00		2,869.92	15,000.00	19.3%
Contributions	0.00		0.00		0.00		0.00	250.00	0.0%
Fines									
Parking Fines	0.00		0.00		0.00		700.00	5,000.00	14.0%
Traffic Fines-Cik of Ct	0.00		0.00		0.00		10,058.29	95,000.00	10.6%
Total Fines	0.00		0.00		0.00		10,758.29	100,000.00	10.8%
Misc. Income									
Other	0.00		0.00		0.00		160.00	1,000.00	16.0%
Total Misc. Income	0.00		0.00		0.00		160.00	1,000.00	16.0%
Olive Ct Developer Contribution	0.00		0.00		0.00		0.00	92,000.00	0.0%
Refunds and Reimbursements	0.00		0.00		0.00		0.00	1,000.00	0.0%
Total MISCELLANEOUS REVENUES	0.00		0.00		0.00		13,808.21	209,250.00	6.6%
OTHER CITY TAXES									
Utility Excise Tax	0.00		0.00		0.00	0.0%	0.00	0.00	0.0%
Total OTHER CITY TAXES	0.00		0.00		0.00	0.0%	0.00	0.00	0.0%
SPECIAL ASSESSMENTS									
Special Assessments	0.00		0.00		0.00		292.00	0.00	100.0%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
July through August 2016

	POLICE FORFEITURE			ROAD USE TAX			EMPLOYEE BENEFITS			TOTAL	
	Jul - Aug 16	% of Budget	Budget	Jul - Aug 16	% of Budget	Budget	Jul - Aug 16	% of Budget	Budget	Jul - Aug 16	% of Budget
Total SPECIAL ASSESSMENTS	0.00		0.00				0.00		0.00	0.00	100.0%
USE OF MONEY & PROPERTY											
Interest on Cash Investments	1.42	100.0%	0.00	0.00	100.0%	0.00	47.75	0.00	0.00	143.87	100.0%
Total USE OF MONEY & PROPERTY	1.42	100.0%	0.00	0.00	100.0%	0.00	47.75	0.00	0.00	143.87	100.0%
Total Income	1.42	100.0%	24,154.38	127,171.00	19.0%	153.76	99,059.00	0.2%	65,611.64	1,158,676.00	5.7%
Gross Profit	1.42	100.0%	24,154.38	127,171.00	19.0%	153.76	99,059.00	0.2%	65,611.64	1,158,676.00	5.7%
Expense											
CAPITAL PROJECTS											
ADA Transition Plan	0.00		0.00	0.00		0.00	0.00		0.00	18,500.00	0.0%
George St asphalt overlay	0.00		0.00	0.00		0.00	0.00		0.00	121,000.00	0.0%
Koser/George drainage	0.00		0.00	0.00		0.00	0.00		0.00	15,500.00	0.0%
Melrose West drainage	0.00		0.00	0.00		0.00	0.00		0.00	64,000.00	0.0%
Olive Court Reconstruction	0.00		0.00	0.00		0.00	0.00		0.00	317,500.00	0.0%
Total CAPITAL PROJECTS	0.00		0.00	0.00		0.00	0.00		0.00	536,500.00	0.0%
COMMUNITY & ECONOMIC DEV.											
Tree Trimming/Lawn Care	0.00		0.00	0.00		0.00	0.00		4,650.00	5,000.00	93.0%
Total COMMUNITY & ECONOMIC DEV.	0.00		0.00	0.00		0.00	0.00		4,650.00	5,000.00	93.0%
CULTURE & RECREATION											
Community Center	0.00		0.00	0.00		0.00	0.00		0.00	20,000.00	0.0%
Equipment	0.00		0.00	0.00		0.00	0.00		0.00	41,000.00	0.0%
Occupancy and Operations	0.00		0.00	0.00		0.00	0.00		0.00	61,000.00	0.0%
Total Community Center	0.00		0.00	0.00		0.00	0.00		0.00	122,000.00	0.0%
Community Support Projects	0.00		0.00	0.00		0.00	0.00		0.00	500.00	0.0%
Library	0.00		0.00	0.00		0.00	0.00		7,729.29	47,533.00	16.3%
Parks	0.00		0.00	0.00		0.00	0.00		69.70	800.00	11.2%
Park Expenses	0.00		0.00	0.00		0.00	0.00		0.00	0.00	0.0%
Park Update Contribution	0.00		0.00	0.00		0.00	0.00		69.70	800.00	11.2%
Total Parks	0.00		0.00	0.00		0.00	0.00		69.70	800.00	11.2%
Total CULTURE & RECREATION	0.00		0.00	0.00		0.00	0.00		7,818.99	109,833.00	7.1%
DEBT SERVICE											
Interest	0.00		0.00	0.00		0.00	0.00		174.46	1,185.00	14.7%
Principal	0.00		0.00	0.00		0.00	0.00		30,000.00	30,000.00	100.0%
Total DEBT SERVICE	0.00		0.00	0.00		0.00	0.00		30,174.46	31,185.00	96.8%
GENERAL GOVERNMENT											
City Hall & General Buildings											
Commodities	0.00		0.00	0.00		0.00	0.00		10.00	200.00	5.0%
Supplies	0.00		0.00	0.00		0.00	0.00		10.00	200.00	5.0%
Total Commodities	0.00		0.00	0.00		0.00	0.00		20.00	400.00	5.0%
Contractual	0.00		0.00	0.00		0.00	0.00		2,748.46	5,497.00	50.0%
Rents & Leases	0.00		0.00	0.00		0.00	0.00		2,748.46	5,497.00	50.0%
Total Contractual	0.00		0.00	0.00		0.00	0.00		5,496.92	10,994.00	50.0%
Employee Benefits & Costs											
FICA	0.00		0.00	0.00		0.00	0.00		31.00	31.00	0.0%
IPERS	0.00		0.00	0.00		0.00	0.00		45.00	45.00	0.0%
Medicare	0.00		0.00	0.00		0.00	0.00		7.00	7.00	0.0%
Total Employee Benefits & Costs	0.00		0.00	0.00		0.00	0.00		83.00	83.00	0.0%
Repair/Maint/Utilities	0.00		0.00	0.00		0.00	0.00		0.00	1,000.00	0.0%
Maintenance	0.00		0.00	0.00		0.00	0.00		0.00	1,000.00	0.0%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
July through August 2016

Cash Basis

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Telecommunications	0.00		0.00		0.00		10.00	0.5%
Utilities	0.00		0.00		0.00		271.15	16.9%
<b>Total Repair/Maint/Utilities</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>281.15</b>	<b>6.0%</b>
Salaries-Regular Part Time	0.00		0.00		0.00		96.00	19.2%
Facilities Assistant	0.00		0.00		0.00		96.00	19.2%
<b>Total Salaries-Regular Part Time</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>3,135.61</b>	<b>28.6%</b>
<b>Total City Hall &amp; General Buildings</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>83.00</b>	<b>0.0%</b>
Clerk/Treasurer & Finance Admin								
Commodities								
Hardware/Software	0.00		0.00		0.00		0.00	0.0%
Licensing Fees	0.00		0.00		0.00		0.00	0.0%
Minor Equipment/Supplies/Techno	0.00		0.00		0.00		0.00	0.0%
Office Supplies and Postage	0.00		0.00		0.00		252.76	25.3%
Taping meetings	0.00		0.00		0.00		500.00	16.7%
<b>Total Commodities</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>752.76</b>	<b>13.2%</b>
Contractual Services								
Accounting Fees	0.00		0.00		0.00		0.00	0.0%
Bank/CCard Fees	0.00		0.00		0.00		0.00	0.0%
Legal Publications	0.00		0.00		0.00		68.39	2.0%
Meeting Set Up Fees	0.00		0.00		0.00		0.00	0.0%
Printing/Copying	0.00		0.00		0.00		605.75	121.2%
Technology Services	0.00		0.00		0.00		24.95	3.3%
<b>Total Contractual Services</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>699.09</b>	<b>7.1%</b>
Employee Benefits & Costs								
FICA	0.00		0.00		0.00		105.02	14.7%
IPERS	0.00		0.00		0.00		151.28	14.7%
Medicare	0.00		0.00		0.00		24.55	14.7%
Unemployment Compensation	0.00		0.00		0.00		11.85	8.5%
<b>Total Employee Benefits &amp; Costs</b>	<b>0.00</b>		<b>0.00</b>		<b>292.70</b>		<b>2,047.00</b>	<b>14.3%</b>
Salaries-Regular Part Time	0.00		0.00		0.00		1,598.02	13.9%
Clerk, Treasurer, Historian	0.00		0.00		0.00		1,598.02	13.9%
<b>Total Salaries-Regular Part Time</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>11,500.00</b>	<b>13.9%</b>
Staff Development								
Dues & Memberships	0.00		0.00		0.00		0.00	0.0%
IA League of Cities	0.00		0.00		0.00		770.00	102.7%
JCOG Assessment	0.00		0.00		0.00		0.00	0.0%
<b>Total Dues &amp; Memberships</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>770.00</b>	<b>26.8%</b>
<b>Total Staff Development</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>770.00</b>	<b>26.8%</b>
<b>Total Clerk/Treasurer &amp; Finance Admin</b>	<b>0.00</b>		<b>0.00</b>		<b>292.70</b>		<b>4,112.57</b>	<b>14.3%</b>
Election Expenses	0.00		0.00		0.00		0.00	0.0%
Legal Services								
General government	0.00		0.00		0.00		11,432.66	28.6%
Traffic fines	0.00		0.00		0.00		3,940.00	19.7%
Legal Services - Other	0.00		0.00		0.00		0.00	0.0%
<b>Total Legal Services</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>15,372.66</b>	<b>25.6%</b>
Mayor/Council Operations								
Employee Benefits & Costs	0.00		0.00		0.00		370.00	0.0%
FICA	0.00		0.00		0.00		89.00	0.0%
IPERS-Council								

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL		
	Jul - Aug 16	% of Budget	Jul - Aug 16	Budget	Budget	% of Budget	Jul - Aug 16	Budget	% of Budget
Medicare	0.00		0.00	0.00	87.00	0.0%	0.00	87.00	0.0%
Unemployment Compensation	0.00		0.00	0.00	80.00	0.0%	0.00	80.00	0.0%
Total Employee Benefits & Costs	0.00		0.00	0.00	626.00	0.0%	0.00	626.00	0.0%
Salaries-Regular Part Time	0.00		0.00	0.00	0.00	0.0%	0.00	4,000.00	0.0%
Council	0.00		0.00	0.00	0.00	0.0%	0.00	1,967.00	0.0%
Mayor	0.00		0.00	0.00	0.00	0.0%	0.00	5,967.00	0.0%
Total Salaries-Regular Part Time	0.00		0.00	0.00	626.00	0.0%	0.00	6,593.00	0.0%
Total Mayor/Council Operations	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
TIF Analysis	0.00		0.00	0.00	0.00	0.0%	1,500.00	9,500.00	15.8%
Tort Liability Insurance	0.00		0.00	0.00	0.00	0.0%	24,120.84	118,996.00	20.3%
Total GENERAL GOVERNMENT	0.00		0.00	0.00	2,756.00	10.6%	3,965.00	15,200.00	26.1%
PUBLIC SAFETY	0.00		0.00	0.00	0.00	0.0%	2,700.00	0.00	100.0%
Building Inspections	0.00		0.00	0.00	0.00	0.0%	6,665.00	15,200.00	43.8%
Building / Rental Inspection	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
OUP Inspector	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Total Building Inspections	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Crossing Guard	0.00		0.00	0.00	279.00	0.0%	0.00	279.00	0.0%
Employee Benefits & Costs	0.00		0.00	0.00	402.00	0.0%	0.00	402.00	0.0%
FICA	0.00		0.00	0.00	65.00	0.0%	0.00	65.00	0.0%
IPERS	0.00		0.00	0.00	60.00	0.0%	0.00	60.00	0.0%
Medicare	0.00		0.00	0.00	806.00	0.0%	0.00	806.00	0.0%
Unemployment Compensation	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Total Employee Benefits & Costs	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Salaries	0.00		0.00	0.00	0.00	0.0%	0.00	4,500.00	0.0%
Crossing Guard	0.00		0.00	0.00	0.00	0.0%	0.00	4,500.00	0.0%
Total Salaries	0.00		0.00	0.00	0.00	0.0%	0.00	200.00	0.0%
Supplies	0.00		0.00	0.00	806.00	0.0%	0.00	5,506.00	0.0%
Total Crossing Guard	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Fire	0.00		0.00	0.00	0.00	0.0%	0.00	33,000.00	0.0%
Contracts w/Other Agencies	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
City of IC Fire Department	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Coralville Fire Dept	0.00		0.00	0.00	0.00	0.0%	0.00	3,520.00	0.0%
Hydrant Flush-City of Iowa City	0.00		0.00	0.00	0.00	0.0%	0.00	36,520.00	0.0%
Total Contracts w/Other Agencies	0.00		0.00	0.00	0.00	0.0%	0.00	36,520.00	0.0%
Total Fire	0.00		0.00	0.00	0.00	0.0%	0.00	36,520.00	0.0%
Hazmat-Johnson County	0.00		0.00	0.00	0.00	0.0%	525.50	526.00	99.9%
Police	0.00		0.00	0.00	0.00	0.0%	0.00	5,000.00	0.0%
Commodities	0.00		0.00	0.00	0.00	0.0%	0.00	5,000.00	0.0%
Major Equipment	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Car Equipment	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Total Major Equipment	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Minor Equipment	0.00		0.00	0.00	0.00	0.0%	1,415.30	4,500.00	31.5%
Operating Police Equipment	0.00		0.00	0.00	0.00	0.0%	0.00	3,500.00	0.0%
Regular Officer Uniform	0.00		0.00	0.00	0.00	0.0%	1,415.30	6,000.00	17.7%
Total Minor Equipment	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%
Supplies	0.00		0.00	0.00	0.00	0.0%	0.00	3,500.00	0.0%
Ammunition	0.00		0.00	0.00	0.00	0.0%	0.00	300.00	0.0%
Business Meetings/Meals	0.00		0.00	0.00	0.00	0.0%	19.38	3,000.00	0.6%
Office Supplies	0.00		0.00	0.00	0.00	0.0%	0.00	0.00	0.0%

**City of University Heights, Iowa**  
**Profit & Loss Budget vs. Actual**  
July through August 2016

Cash Basis

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Operating Supplies	0.00		0.00		0.00		791.79	26.4%
Other Supplies	0.00		0.00		0.00		133.87	6.7%
Postage/Shipping	0.00		0.00		0.00		64.94	10.8%
Professional Memberships	0.00		0.00		0.00		125.00	14.0%
Programs	0.00		0.00		0.00		0.00	0.0%
<b>Total Supplies</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>1,134.98</b>	<b>6.9%</b>
Total Commodities	0.00		0.00		0.00		2,550.28	8.7%
Contractual Services								
Garage Rental	0.00		0.00		0.00		600.00	25.0%
Payments to Other Agencies	0.00		0.00		0.00		0.00	0.0%
County Jail/Service/Filing Fees	0.00		0.00		0.00		0.00	0.0%
Evidence testing	0.00		0.00		0.00		83.40	11.1%
Technology Services	0.00		0.00		0.00		83.40	7.0%
Total Payments to Other Agencies	0.00		0.00		0.00		0.00	0.0%
Police Insurance-Car/Liability	0.00		0.00		0.00		359.97	36.0%
Printing/Copying	0.00		0.00		0.00		10.00	1.0%
Prof Serv.-Psych Testing-Physica	0.00		0.00		0.00		0.00	0.0%
Special Events Staff	0.00		0.00		0.00		0.00	0.0%
<b>Total Contractual Services</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>1,053.37</b>	<b>6.5%</b>
Police Benefits & Costs								
Police FICA	0.00		0.00		16,481.00	18.0%	2,965.23	18.0%
Police Health Insurance	0.00		0.00		32,005.00	16.3%	5,204.10	16.3%
Police IPERS	0.00		0.00		26,157.00	17.7%	4,639.65	17.7%
Police Medicare	0.00		0.00		3,854.00	18.0%	693.47	18.0%
Police SUTA	0.00		0.00		2,000.00	8.4%	167.30	8.4%
Police Workers Compensation	0.00		0.00		15,000.00	11.4%	1,714.00	11.4%
<b>Total Police Benefits &amp; Costs</b>	<b>0.00</b>		<b>0.00</b>		<b>95,497.00</b>	<b>16.1%</b>	<b>15,383.75</b>	<b>16.1%</b>
Police Gross Wages								
Holiday & Other Pay	0.00		0.00		0.00		3,330.46	11.9%
Miscellaneous Payroll Item	0.00		0.00		0.00		0.00	0.0%
Police Gross Wages	0.00		0.00		0.00		44,495.53	18.7%
Salaries-Reserves	0.00		0.00		0.00		0.00	0.0%
<b>Total Police Gross Wages</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>47,825.99</b>	<b>18.0%</b>
Repair/Maint/Utilities								
Telecommunications Expense								
IT Support	0.00		0.00		0.00		0.00	0.0%
Other Cell Phones	0.00		0.00		0.00		168.00	17.7%
Verizon/Pager Fees/Mediacom	0.00		0.00		0.00		574.48	15.6%
Total Telecommunications Expense	0.00		0.00		0.00		742.48	12.7%
Vehicle Operations								
Fuel	0.00		0.00		0.00		1,029.02	7.4%
Other	0.00		0.00		0.00		0.00	0.0%
Washes	0.00		0.00		0.00		66.00	9.4%
Total Vehicle Operations	0.00		0.00		0.00		1,095.02	7.2%
Vehicle Repair								
Bicycle Maint/Repair	0.00		0.00		0.00		0.00	0.0%
Car Maint/Repair	0.00		0.00		0.00		201.43	2.0%
Total Vehicle Repair	0.00		0.00		0.00		201.43	2.0%
Total Repair/Maint/Utilities	0.00		0.00		0.00		2,038.93	6.5%
Staff Development								
Meetings & Conferences	0.00		0.00		0.00		922.20	36.9%

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Regular Officer Training	0.00		0.00		0.00		0.00	0.0%
Academy Training	0.00		0.00		0.00		0.00	0.0%
Officer Training	0.00		0.00		0.00		0.00	0.0%
Skills Training/Testing	0.00		0.00		0.00		210.00	3.2%
Training Supplies	0.00		0.00		0.00		2,000.00	0.0%
Total Regular Officer Training	0.00		0.00		0.00		16,000.00	1.3%
Total Staff Development	0.00		0.00		0.00		1,132.20	6.1%
Total Police	0.00		0.00		15,383.75	16.1%	69,984.52	15.3%
Total PUBLIC SAFETY	0.00		0.00		15,383.75	16.0%	77,175.02	15.0%
PUBLIC WORKS								
Other Public Works								
Contracts-Other Agencies								
IC Animal Center	0.00		0.00		0.00		129.58	16.7%
IC Bus Service	0.00		0.00		0.00		6,147.32	16.7%
SEATS Service	0.00		0.00		0.00		1,407.32	16.7%
Total Contracts-Other Agencies	0.00		0.00		0.00		7,684.22	16.7%
Total Other Public Works	0.00		0.00		0.00		7,684.22	16.7%
Roads, Bridges, & Sidewalks								
Contractual Services								
Engineering Fees	0.00		0.00		0.00		12,274.34	24.5%
Repairs/improvements								
Artificial panel replacements	0.00		0.00		0.00		0.00	0.0%
Asphale patch projects	0.00		0.00		0.00		0.00	0.0%
Local panel replacements	0.00		0.00		0.00		0.00	0.0%
OUP street repairs	0.00		0.00		0.00		0.00	0.0%
Sidewalk Repairs	0.00		4,937.63	141.1%	0.00		4,937.63	141.1%
Street Repairs	0.00		0.00	0.0%	0.00		0.00	0.0%
Traffic sign assessment/mgmt	0.00		0.00	0.0%	0.00		0.00	0.0%
Total Repairs/improvements	0.00		4,937.63	5.2%	0.00		4,937.63	5.2%
Striping/Curb Renumbering	0.00		0.00	0.0%	0.00		0.00	0.0%
Visioning Project	0.00		0.00	0.0%	0.00		0.00	0.0%
Total Contractual Services	0.00		4,937.63	4.8%	0.00		17,211.97	11.2%
Snow Removal-Contractual	0.00		0.00	0.0%	0.00		0.00	0.0%
Storm water permit	0.00		0.00	0.0%	0.00		0.00	0.0%
Street Lighting Electricity	0.00		1,098.53	12.9%	0.00		1,098.53	12.9%
Street Sweeping-Contractual	0.00		3,855.63	85.7%	0.00		3,855.63	85.7%
Traffic Controls and Safety								
Street Signs-Commodities	0.00		814.40	100.0%	0.00		814.40	100.0%
Traffic Light Electricity	0.00		156.13	15.6%	0.00		156.13	15.6%
Total Traffic Controls and Safety	0.00		970.53	97.1%	0.00		970.53	97.1%
Total Roads, Bridges, & Sidewalks	0.00		10,862.32	6.9%	0.00		23,136.66	11.0%
Sanitation								
Contractual								
Grandview Recycling	0.00		0.00	0.0%	0.00		0.00	0.0%
Leaf Vacuuming	0.00		0.00	0.0%	0.00		0.00	0.0%
Trash/Recycling	0.00		0.00	0.0%	0.00		3,477.00	11.6%
Total Contractual	0.00		0.00	0.0%	0.00		3,477.00	7.7%
Total Sanitation	0.00		0.00	0.0%	0.00		3,477.00	7.7%

City of University Heights, Iowa  
Profit & Loss Budget vs. Actual  
July through August 2016

	POLICE FORFEITURE		ROAD USE TAX		EMPLOYEE BENEFITS		TOTAL	
	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget	Jul - Aug 16	% of Budget
Total PUBLIC WORKS	0.00		10,862.32	6.9%	0.00		34,297.88	11.4%
Total Expense	0.00		10,862.32	6.9%	15,676.45	99,059.00	178,237.19	11.0%
Net Ordinary Income	1.42	100.0%	13,292.06	-44.1%	-15,522.69	0.00	-112,625.55	24.6%
Other Income/Expense								
Other Income	0.00		0.00		0.00		0.00	0.0%
OTHER FINANCING SOURCES	0.00		0.00		0.00		0.00	0.0%
Bond Proceeds								
Total OTHER FINANCING SOURCES	0.00		0.00		0.00		0.00	0.0%
Total Other Income	0.00	0.0%	0.00	0.0%	0.00	0.00	0.00	0.0%
Net Other Income	1.42	100.0%	13,292.06	-44.1%	-15,522.69	0.00	-112,625.55	803.1%
Net Income								

RESOLUTION NO. 16-51

**RESOLUTION APPROVING AND ADOPTING THE IDOT ANNUAL CITY STREET FINANCIAL REPORT 7/1/15 – 6/30/16**

**BE IT RESOLVED** by the City of University Heights, Iowa, that the IDOT Annual City Street Financial Report 7/1/15 – 6/30/16, attached hereto as Exhibit “A” is adopted and approved.

Upon motion by \_\_\_\_\_, and seconded by \_\_\_\_\_, the vote was as follows:

	AYES:	NAYS	ABSENT
Haverkamp	_____	_____	_____
Lane	_____	_____	_____
Maher	_____	_____	_____
Quezada	_____	_____	_____
Zimmermann	_____	_____	_____

Upon Roll Call thus recorded, the Resolution is declared adopted this 13<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Weldon E. Heitman (Wally), Mayor  
City of University Heights

ATTEST:

\_\_\_\_\_  
Christine M. Anderson, City Clerk

City of University Heights, Iowa  
**Warrants for Council Approval**  
 August 10 through September 13, 2016

Date	Name	Memo	Amount
<b>Aug 10 - Sep 13, 16</b>			
08/11/2016	City of Iowa City	City Hall water/sewer automatic payment	-14.22
08/15/2016	Jones, Christian R		-1,196.38
08/15/2016	Lyon, Kristofer S		-2,110.38
08/15/2016	Schmitz, Jakub J		-1,341.62
08/15/2016	Sherman, Nicholas M		-1,583.98
08/15/2016	Simcox, Levio M		-1,306.15
08/15/2016	Stanley, Kenneth L		-1,773.00
08/15/2016	Internal Revenue Service	42-1109342	-3,657.98
08/24/2016	MidAmerican Energy	pedestrian lights at 113 Golfview	-32.92
08/24/2016	MidAmerican Energy	1011 Melrose stop light	-35.24
08/24/2016	MidAmerican Energy	City Hall gas/electricity	-129.15
08/26/2016	MidAmerican Energy	street lights	-444.79
08/26/2016	MidAmerican Energy	1301 Melrose stop light	-37.05
08/26/2016	Model Tree/Brad Logan	tree removal/clean up after storm rplces ck #20...	-4,425.00
08/30/2016	Jones, Christian R		-553.37
08/30/2016	Lyon, Kristofer S		-1,645.98
08/30/2016	Schmitz, Jakub J		-1,298.29
08/30/2016	Sherman, Nicholas M		-1,617.95
08/30/2016	Simcox, Levio M		-1,246.07
08/30/2016	Stanley, Kenneth L		-2,039.22
08/30/2016	Anderson, Christine M.		-393.23
08/30/2016	Kimura, Lori D.		-308.76
08/31/2016	Wellmark BC/BS	monthly insurance payment	-2,602.05
08/31/2016	Internal Revenue Service	42-1109342	-3,483.22
08/31/2016	IOWA PUBLIC EMPLOYEES ...		-4,078.50
08/31/2016	IOWA PUBLIC EMPLOYEES ...		-132.27
09/01/2016	Paul J. Moore, Melrose Aven...	City Hall Rent/garages automatic deposit	-1,374.23
09/01/2016	Verizon Wireless	monthly wireless service for patrol car laptops	-120.03
09/08/2016	City of Iowa City	City Hall water/sewer automatic payment	-14.22
09/13/2016	Stan Laverman	rental inspector salary	-600.00
09/13/2016	Internet Navigator	monthly fee for city website/email service	-74.85
09/13/2016	Brad Wiley	August council meeting filming & editing	-250.00
09/13/2016	City of Iowa City	bus, library serv, animal serv	-14,208.09
09/13/2016	City of Iowa City	traffic signals work Sunset & Melrose	-2,242.81
09/13/2016	MidAmerican Energy	VOID wrong amount	0.00
09/13/2016	Simcox, Levio M	reimburse for Armorer's Course	-150.00
09/13/2016	Iowa City Press-Citizen	July & August publications	-611.32
09/13/2016	Johnson County Refuse, Inc.	August recycling	-1,738.50
09/13/2016	Mediacom	online service 9/3/16-10/2/16	-109.95
09/13/2016	Metropolitan Planning Organi...	FY2017 MPOJC Program assessment	-1,626.39
09/13/2016	Physio-Control Inc	2 replacement batteries for AED's	-450.00
09/13/2016	Treat America Dining	meals for Lyon during training	-57.26
09/13/2016	Westport Touchless Autowash	July & August vehicle washes	-108.00
09/13/2016	VISA	cleaning supplies/swearing in ceremony/bolts/d...	-112.81
09/13/2016	VISA	Night Out supplies/business cards/rubber glove...	-746.97
09/13/2016	VISA	postage/home entry tools/toner/	-509.14
09/13/2016	Iowa Municipalities Workers' ...	25% of annual premium	-2,008.00
09/13/2016	Iowa City School District	facility use fees for Sept-Oct meetings	-80.00
09/13/2016	Hawkeye Title Services	report of leins against OUP	-150.00
09/13/2016	Siders Development	OUP inspections/reporting August 2016	-1,350.00
09/13/2016	Terry Goerd	August inspection services	-1,890.00
09/13/2016	Ann Dudler	reimbursement for certified mail sent for BOA	-7.54
09/13/2016	Anderson, Christine M.	reimburse for certified mail for BOA	-6.47
09/13/2016	MidAmerican Energy	traffic controls at 1301 Melrose	-51.54
09/13/2016	MidAmerican Energy	convert overhead lines to underground	-27,380.37

**Aug 10 - Sep 13, 16**

MEMORANDUM

TO: University Heights, Mayor, Council, and Staff  
FROM: Josiah Bilskemper, P.E.  
DATE: September 12, 2016  
RE: City Engineer's Report – September 2016

**(1) One University Place – Public Improvements Project**

- a. A majority of the remaining work on this project has been completed. The new traffic signals and pedestrian signals are installed and running, and the street and sidewalk paving has been completed on the north side of the intersection. The intersection is fully open at this time.
- b. Remaining work items include painting of new pavement markings, installation of street signs, sodding work, and plantings within the median island on Sunset Street. The existing temporary curb ramp and pedestrian crossing that was installed across Melrose Avenue at Birkdale court will also be removed and the curb cut removed and repaired. The Contractor indicates these items are to be completed in the next two weeks.
- c. Beginning Monday, September 12, the Contractor is undertaking an additional work request to remove and replace a damaged street panel around an existing storm drain on the south side of Melrose Avenue near Olive Court. This work will close direct access to Olive Court from Melrose Avenue for a duration of 3 days.
- d. Recall that the City requested a number of damaged street panels on Melrose Avenue be replaced as part of the OUP Public Improvements project. Replacement of these existing damaged panels was not required to facilitate the roadway improvements needed for the OUP project, but it made sense to include them at this time with the roadway under construction. We will work with the Clerk and Treasurer to provide a break out cost of these additional pavement repairs, as they are not included in the special assessment amount. The additional work at the Melrose Avenue and Olive Court intersection will be handled in the same manner.
- e. A pay application has been prepared for this project to reflect the work completed through last week, and includes a change order detailing items that were removed or added to the project during the construction phase.
- f. Change Order #1 provides a project deduct in the amount of \$36,976.78.
  - i. Review of the detailed traffic signal equipment drawings submitted by the signal manufacturer showed that observation cameras were mistakenly quoted in the bid, and an equipment cost deduct to the standard detection cameras was in order. This reduced the contract price by \$25,655.00.
  - ii. At the May 10, 2016 meeting, Council approved Resolution 16-26 to remove work associated with Bid Alternate #1 relating to the Sunset Street Bio-Cell and reducing the contract price by \$17,021.00.



- iii. During construction, it was determined that underground conduit and fiber optic cable to connect to the existing City of Iowa City fiber optic access box was needed to maintain the signal interconnect system. This increased the contract price by \$1,873.94.
- iv. During construction, meetings were held with the City of Iowa City Water Department regarding the water main installations for the project. Recent updates to the City of Iowa City water main construction requirements included requiring a particular type of water main pipe (restrained joint) be installed for certain lengths on either side of bends in the alignment. Changing to this type of water main pipe increased the contract price by \$3,275.22.
- v. During construction, an additional water main bend and fittings were required after the actual location of the existing water main on Melrose was identified. This extra bend and fittings increased the contract price \$550.06.
- g. Pay Application #1 accounts for work completed through September 7, 2016. It also includes each of the items identified above associated with Change Order #1. We have reviewed the quantities, agree that they reflect the status of work completed, and recommend approval of the pay application. The amount due for this pay request (retainage in the amount of 5% is being withheld) is \$504,860.03.
- h. Both the pay application and the change order are attached. These are being given a final review by the Contractor, and I anticipate following up with fully signed copies on Monday, September 12.

**(2) Melrose/Sunset Intersection – Overhead to Underground Rebuild - MidAmerican Energy**

- a. At the May 10, 2016 meeting, Council approved Resolution 16-24 approving the Agreement for Utility Relocation and Rebuild between the City of University Heights and MidAmerican Energy Company at an estimated cost of \$33,499.00. MidAmerican has completed their work to remove the existing overhead utility pole on the north side of the Melrose and Sunset intersection, and to install a new pole in the Sunset Street right-of-way on the south side of the intersection.
- b. The actual costs for this work (\$28,821.44) turned out to be less than this estimate. Per the agreement, the City is obligated to make payment to MidAmerican within 60 days of completion of the project and receipt of a final bill. The only item left to verify per the agreement is that grass areas are restored. Seeding work has been done, but it's still too early to verify the restoration is completed.
- c. I recommend the Council approve payment of 95% of this final bill from MidAmerican, with 5% to be withheld as retainage until it can be verified the site restoration is completed. This method of holding 5% retainage is standard practice for our public projects to ensure these types of final items get taken care of.

**(3) 2016 Sidewalk Repair Project (SW Quadrant)**

- a. The city sidewalk contractor completed the final removal and replacement work (8-foot sidewalk panels on Sunset Street; City repair). All of the project work is completed, and a final pay application will be submitted later this month.

- b. The first pay application for all the resident sidewalk replacements was approved at the August meeting. Invoices for this work were mailed to each property owner involved in the sidewalk repair project on Monday, August 29. Payments are due to the Clerk by Friday, September 30, 2016. A listing of properties and billed amounts will be provided to the Clerk for tracking payment.

**(4) Excavation Permits (Work in Right-of-Way)**

- a. CenturyLink has completed a portion of their work in the Melrose Avenue right-of-way to facilitate new services to the OUP south building. A new underground access box was placed in the right-of-way on the south side of Melrose, with underground boring used to run conduit to the OUP site. They have set a pedestal and underground box in the west edge of the OUP plaza area as previously reported. On Monday, September 12, they will be working within their existing manhole on Melrose Avenue to do final splicing work for connection of the new service lines. Flaggers will be used at the Melrose and Sunset intersection to accommodate traffic. They also have restoration work to complete on the south side of Melrose Avenue.

**(5) Pavement Markings**

- a. The repainting of existing pavement markings (L.L. Pelling Painting Division) has not begun, and will need to be completed in the next two to three weeks.

**(6) LED Streetlights**

- a. I missed getting this in my August report, but MidAmerican notified us in July that all streetlights have now been converted to LED fixtures. The Council approved Resolution 16-12 at the March 8, 2016 meeting to sign an agreement with MidAmerican Energy for the conversion of all remaining street lights in University Heights to LED fixtures for a cost of \$4,000.00.

**(7) Street Signs**

- a. Russ installed the parking signs for Tower Court Park. These new signs designate five angled parking stalls at the west end of the Marietta on-street parking for use only by those using the park.
- b. The Council reviewed an MPOJC sign report at the January 2016 meeting and approved removal of several street signs. Russ has removed these street signs.
- c. The Council reviewed a second MPOJC sign report at the August 2016 meeting and approved several recommendations for installation, removal and consolidation of several signs in town. Russ has completed a portion of these removals. He is also in the process of replacing many of the “No Parking Any Time” signs throughout town that are in particularly poor condition.
- d. The Council requested that 20 MPH speed limit signs be placed on Highland Drive west of Sunset Street. Russ has installed these new speed limit signs (one near Sunset Street facing east, a second sign near Koser Avenue, facing west).

Please feel free to contact me if you have any questions about these or any other items.

JDB

**INDEX**  
**ORDINANCE 193 - CONFLICTS OF INTEREST**

- A. *Wilson v. Iowa City*, Iowa Supreme Court (1969)
- B. Proposed Ordinance 193 – Conflicts of Interest

such circumstances any error in its admissibility is waived. State v. Halverson, Iowa, 155 N.W.2d 177, 180, and citations.

We find no error and the judgment of the trial court is affirmed.

Affirmed.

All Justices concur.



**John B. WILSON et al., Appellees and  
Cross-Appellants,**

v.

**IOWA CITY, Iowa, William B. Hubbard, W.  
Burger, et al., Appellants and  
Cross-Appellees.**

No. 53300.

Supreme Court of Iowa.

March 11, 1969.

Action for declaratory judgment challenging validity of proceedings under Urban Renewal Law. From a decree of the Johnson District Court, Clair E. Hamilton, J., holding certain municipal actions invalid, defendants appealed and plaintiffs cross-appealed. The Supreme Court, LeGrand, J., held that vote by member of city council on any resolution relating to urban renewal project, if in violation of conflict of interest provision of Urban Renewal Law, is void, and result reached by council in such matter is also void whether vote determined issue before council or not. The Court further held that ownership of any stock in corporation which owns or holds interest in property in urban renewal project, or proposed project, is disqualifying interest under conflict of interest provision of Urban Renewal Law.

Modified and affirmed on both appeals.

Garfield, C. J., and Stuart, J., dissented in part.

### 1. Appeal and Error ⇨893(2)

Consideration by Supreme Court on appeal in action brought and tried as equitable action is de novo. 58 I.C.A. Rules of Civil Procedure, rule 334.

### 2. Municipal Corporations ⇨293(3)

Passage of resolution of necessity is condition precedent to exercise of urban renewal authority by municipality. I.C.A. § 403.4.

### 3. Appeal and Error ⇨1078(1)

Issues not urged on appeal are deemed waived. 58 I.C.A. Rules of Civil Procedure, rule 344(a), pars. 3, 4, subd. 3.

### 4. Municipal Corporations ⇨231(1)

Vote cast in violation of a conflict of interest statute, even if immaterial to outcome, vitiates proceeding. I.C.A. § 403.16.

### 5. Municipal Corporations ⇨231(2)

Vote by member of city council on any resolution relating to urban renewal project, if in violation of conflict of interest provision of Urban Renewal Law, is void, and result reached by council in such matter is also void whether vote determined issue before council or not. I.C.A. § 403.16.

### 6. Municipal Corporations ⇨231(2)

Conflict of interest provision of Urban Renewal Law intended to disqualify interested member before time of establishment of urban renewal project. I.C.A. § 403.16.

### 7. Municipal Corporations ⇨231(2)

Legislature, in enacting conflict of interest provision of Urban Renewal Law, intended every public official and employee described therein to be prevented not only from gaining personal advantage after he actually knew what was included in project but also to prevent him from trading upon advance information as to what was planned to be included therein. I.C.A. § 403.16.

### 8. Municipal Corporations ⇨231(2)

Date of each resolution of city council certifying to federal agency exact property

on which studies, surveys and other work was to be done in connection with proposed urban renewal project and to request substantial funds for that purpose was date upon which member's disqualifying interest therein became fixed. I.C.A. §§ 403.1 et seq., 403.16.

**9. Municipal Corporations ⇨231(2)**

City council resolution asking for federal grant to undertake and carry out urban renewal project within city and specifically describing area to which such funds would be applicable was void where two councilmen voting thereon owned property within described area. I.C.A. § 403.16.

**10. Municipal Corporations ⇨231(2)**

City council resolution asking additional funds from federal government to make surveys and prepare plans on specifically described areas proposed for urban renewal project was void where three councilmen voting thereon owned property within described area. I.C.A. § 403.16.

**11. Municipal Corporations ⇨231(2)**

City council resolutions merely extending area to be included in proposed urban renewal project covered by prior resolutions, which were void on ground that councilmen voting thereon owned property within described area, were also void. I.C.A. § 403.16.

**12. Municipal Corporations ⇨231(2)**

City councilman, who owned property within area described in council resolutions relating to establishment of urban renewal project, was disqualified from voting on such resolutions. I.C.A. § 403.16.

**13. Municipal Corporations ⇨231(2)**

City councilman, who had leasehold interest in business property included in area covered by prior council resolution was disqualified, under conflict of interest provision of Urban Renewal Law, from voting on subsequent resolution, effect of which was to take property in which he had interest out of original large project and

place it in alternative smaller project, even though he was not member of council when area was originally established. I.C.A. § 403.16.

**14. Statutes ⇨176, 184**

Where statute had not previously been before Supreme Court for interpretation; court was obliged to examine both language used and purpose for which legislation was enacted.

**15. Statutes ⇨205**

Court must consider all parts of statute together and must not give undue importance to any single or isolated portion.

**16. Statutes ⇨206**

It is not permissible to rest interpretation of legislative act upon any one part or to give undue effect thereto.

**17. Statutes ⇨212.5**

Legislature will be presumed not to intend to overturn long-established principles of law, and statute will be so construed, unless intention to do so plainly appears by express declaration or necessary or unmistakable implication and language employed admits of no other reasonable construction.

**18. Officers ⇨110**

Statutes governing standards which public requires of its servants are merely declaratory of common law.

**19. Municipal Corporations ⇨231(1)**

To establish conflict of interest, it is not necessary that advantage to public servant be financial one, nor is it required that there be showing that official sought or gained such result, and it is potential for conflict of interest which law desires to avoid. I.C.A. § 403.16.

**20. Municipal Corporations ⇨231(2)**

Legislative intent of conflict of interest provision of Urban Renewal Law was to prohibit any personal interest on part of

public officials and employees in whole urban renewal project, not merely interest in property included within project. I.C.A. § 403.16.

**21. Municipal Corporations** ⇨231(2)

City councilman, who was employed as director of community relations by state university, which owned real estate in area of proposed urban renewal project and was vitally interested in project, was disqualified, under conflict of interest provision of Urban Renewal Law, from voting on resolution relating to establishment of project. I.C.A. § 403.16.

**22. Officers** ⇨110

When one is committed to give loyalty and dedication of effort to both his public office and his private employer, when interests of the two may conflict, one is faced with pressures and choices to which no public servant should be unnecessarily exposed.

**23. Municipal Corporations** ⇨231(2)

Fact that ownership interest of city councilmen, who held or controlled stock in corporations which owned or had leasehold interests in real estate within proposed urban renewal project area, was less than five percent of outstanding stock of corporations involved did not prevent such ownership from disqualifying councilmen from voting on resolutions relating to establishment of project. I.C.A. § 403.16.

**24. Statutes** ⇨223.1

Conflict of interest section of Urban Renewal Law making any interest sufficient to disqualify takes precedence over other statute specifying that such interest must represent at least five percent of outstanding stock of corporation owning real estate within proposed project area. I.C.A. §§ 368A.22, subd. 2(i), 403.16, 403.18.

**25. Municipal Corporations** ⇨231(2)

Ownership of property near, but not within, proposed urban renewal project

does not come within restrictions of conflict of interest provision of Urban Renewal Law. I.C.A. § 403.16.

**26. Municipal Corporations** ⇨231(2)

City councilman, who took office on January 1, 1968, who had not participated in any previous urban renewal proceedings, and who was contract purchaser of property within 200 feet of boundary of proposed urban renewal project areas, did not have such interest in project area as to bar his right to participate in future action on renewal project. I.C.A. § 403.16.

**27. Municipal Corporations** ⇨231(2)

As respects application of conflict of interest provision of Urban Renewal Law, actual dishonesty is not decisive, and fact that there is opportunity for dishonesty is what may disqualify, and it is potential for conflict of interest that becomes vital. I.C.A. § 403.16.

**28. Municipal Corporations** ⇨231(3)

Ownership of any stock in corporation which owns or holds interest in property in urban renewal project, or proposed project, is disqualifying interest under conflict of interest provision of Urban Renewal Law. I.C.A. § 403.16.

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William L. Mearden and Jay H. Honohan, Iowa City, for appellants.

Bartley, Bartley, Diehl, Thornton & Light, Iowa City, for appellees.

LeGRAND, Justice.

This is an action for declaratory judgment brought by residents of Iowa City, Iowa, challenging the validity of certain proceedings under chapter 403, Code of Iowa, commonly called the Urban Renewal Law.

[1] It was brought and tried as an equitable action, and our consideration on this appeal is de novo. Rule 334, Rules of Civil

Procedure; *Frederick v. Shorman*, 259 Iowa 1050, 1055, 147 N.W.2d 478, 482.

Chapter 403 was originally enacted in 1957. It declares there exist in the municipalities of this state certain areas which "constitute a serious and growing menace, injurious to the public health, safety, morals and welfare." Its announced purpose, as set forth in section 403.2, includes the prevention, elimination, and rehabilitation of these "slum and blighted areas" in order that the state and its municipalities "shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency and consume an excessive portion of state revenues because of the extra services required for police, fire, accident, hospitalization and other forms of public protection, services and facilities."

Iowa City, a municipality with a council-manager form of government under chapter 363C, Code of Iowa, first availed itself of the urban renewal law in 1964. From 1964 to 1967, when this action was started, the council adopted numerous resolutions designed ultimately to put an urban renewal project into effect.

This controversy covers a period of more than three years. During that three-year period the makeup of the city council, composed of five members, was changed several times. From September 21, 1964, to January 1, 1966, the councilmen were Yocum, Maas, Burger, Hubbard and Nesmith. From January 1, 1966, to January 1, 1968, the list included Hubbard, Burger, Nesmith, Lind and Hickerson. From January 2, 1968, to the time of trial, Lind, Hickerson, Connell, Butherus and Brandt served on the council.

The council first took action under chapter 403 on September 21, 1964, when it passed a resolution of necessity finding that "one or more slums or blighted areas exist in the city of Iowa City, Iowa, and the rehabilitation, conservation, redevelopment or a combination thereof of such area or areas is necessary in the interest of the

public health, safety, morals or welfare of the residents of the city of Iowa City, Iowa."

[2] This resolution was obviously adopted to comply with the requirements of section 403.4, Code of Iowa. Its language is identical with the statute and its passage is a condition precedent to the exercise of urban renewal authority by a municipality.

On the same date a second resolution was passed directing the city manager's office to arrange for the preparation of an application to the proper agency of the federal government, the first step under Title I, Housing Act of 1949, (42 U.S.C.A. section 1450 et seq.) to secure financial assistance for an urban renewal program.

Neither of these resolutions did more than find the city had certain slum or blighted areas and determine it was advisable to attempt rehabilitation under the urban renewal law. They neither described nor located such areas.

[3] The record sets out numerous activities on the part of the council and many resolutions dealing with surveys, plans, legal services, engineering services, and appraisals, but we refer only to those matters which are relied upon by the litigants in their presentation of this appeal. Issues not urged are deemed waived under our rules. Rule 344(a) (3) (4, Third), R.C.P.; *Sawyer v. Sawyer*, 261 Iowa 112, 152 N.W.2d 605, 610; *Nelson v. Leaders*, 258 Iowa 919, 923, 140 N.W.2d 921, 923, 924; *B-W Acceptance Corp. v. Saluri*, 258 Iowa 489, 499, 139 N.W.2d 399, 404; *Allerton-Clio-Lineville Community School District v. County Board of Education*, 258 Iowa 846, 848, 140 N.W.2d 722, 723, and citations.

On August 15, 1967, the council by resolution set a public hearing for the City-University Urban Renewal Project R-14. The hearing date was September 12, 1967. Prior to the hearing plaintiffs secured a temporary injunction enjoining defendants Hubbard, Burger, Hickerson and Lind from "participating in any manner in any action

of the defendant, City of Iowa City, Iowa, or any board or commission thereof or urban renewal agency" concerning property then under consideration for urban renewal treatment.

No hearing was held. Later, after trial, a decree was entered finding certain resolutions adopted by the council on March 7, 1967, invalid and void under section 403.16, Code of Iowa; holding all other proceedings pertaining to urban renewal up to and including August 15, 1967, valid; and holding councilmen Lind, Hickerson, Hubbard, and Connell "prohibited by section 403.16 from participating in a vote on the proposed project Iowa R-14 set for hearing by resolution enacted on August 15, 1967."

Other findings and holdings of the trial court are referred to in detail later.

Both plaintiffs and defendants have appealed, urging specific propositions which they claim require reversal of the district court decree. To some extent these propositions overlap. In those instances we discuss the assertions of both sides in one division for brevity and clarity.

As is perhaps already apparent, the fundamental dispute here—and the point upon which the result must hinge—is whether certain members of the city council were prohibited from voting on urban renewal resolutions because of conflict of interest. This, in turn, depends upon the construction given to section 403.16, which provides, in part, as follows:

"No public official or employee of a municipality, or board or commission thereof, and no commissioner or employee of an urban renewal agency, \* \* \* shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included or planned to be included in any urban renewal project of such municipality, or in any contract or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the interest acquired shall be immediately disclosed in writing to the local governing

body, and such disclosure shall be entered upon the minutes of the governing body. If any such official, commissioner or employee presently owns or controls, or has owned or controlled within the preceding two years, any interest, direct or indirect, in any property which he knows is included or planned to be included in an urban renewal project, he shall immediately disclose this fact in writing to the local governing body, and such disclosure shall be entered upon the minutes of the governing body; and any such official, commissioner or employee shall not participate in any action by the municipality, or board or commission thereof, or urban renewal agency affecting such property. \* \* Any violation of the provisions of this section shall constitute misconduct in office."

With this statute as background, we discuss the factual situation leading up to the resolutions of March 7, 1967, which the trial court held to be invalid. We eliminate those proceedings which are unimportant to this appeal.

As previously mentioned the city council adopted a resolution of necessity on September 21, 1964. On November 17, 1964, a resolution was passed asking for a federal grant of \$171,969.00 to undertake and carry out an urban renewal project in Iowa City. The resolution specifically described the area to which these funds were applicable. Part of this area is included in the City-University Urban Renewal Project R-14.

This proposed project was the subject of one of the two resolutions of March 7, 1967, and was also the plan upon which the enjoined public hearing was to have been held.

On July 13, 1965, and April 5, 1966, resolutions were adopted asking additional funds from the federal government to make surveys and prepare plans on other specifically described areas. These remain part of the city's comprehensive program, but are still in the study stage.

On October 26, 1965, new property was added to the area upon which the city has

announced urban renewal plans. This property is part of Iowa R-31, the proposed project covered by the second resolution of March 7, 1967.

We call attention to the fact that each of the four resolutions adopted prior to March 7, 1967, described property upon which an urban renewal project was contemplated. Substantial funds were requested to make studies and surveys and to employ legal, engineering, and other personnel for this purpose.

Each of the two resolutions of March 7, 1967, was entitled "Resolution Authorizing the Filing of an Application for Loan and Grant."

They were actually alternative resolutions. One encompassed part, but not all, of the property covered by the November 17, 1964, resolution. The other included the remainder of the property described in that resolution plus the area added by the resolution of October 25, 1965.

Originally it was contemplated all this should comprise one project. It was split, however, when there was a cutback on available financing. To come within the new funding limitations, the larger project was divided into two smaller ones. Only one, Iowa R-14, had been set for public hearing when the temporary injunction issued.

This becomes important later in considering the validity of Councilman Lind's vote.

The trial court found the vote by which the resolutions of March 7, 1967, were adopted invalid for these reasons:

"The importance of the two resolutions enacted March 7, 1967, is the establishment as the date that a councilman would then know whether or not he owned property planned to be included in an urban renewal project, and further that all through the resolutions they referred to proposed projects and in fact they were projects at that time when they were voted upon. \* \* \*

[The vote] is \* \* \* invalid because Hubbard, Lind and Hickerson were prohibited from voting on the said resolutions [under section 403.16]."

Both sides appeal from this part of the decree, defendants insisting no urban renewal project was adopted by the resolution of March 7, 1967, while plaintiffs assert the date upon which a disqualifying interest first occurred was November 17, 1964, and that the resolutions of that date as well as those of July 13, 1965, October 26, 1965, and April 5, 1966, should have been declared invalid.

I. Before considering these conflicting claims involving an interpretation of section 403.16, there is one proposition which runs all through this appeal and which we should first dispose of. It is defendants' contention the trial court was wrong in holding a vote cast in violation of section 403.16 invalidates the proceeding even though that vote was not decisive to the outcome. Defendants claim such a vote may constitute misconduct on the part of the officer but does not vitiate the action of the council unless the measure would have failed without it.

We have never squarely ruled on this. We have held in several cases a vote contrary to a conflict of interest rule is void, but in each case the vote was necessary to the passage of the resolution. *Buffington Wheel Company v. Burnham*, 60 Iowa 493, 496, 15 N.W. 282, 284; *Bay v. Davidson*, 133 Iowa 688, 690, 111 N.W. 25, 9 L.R.A., N.S., 1014; *James v. City of Hamburg*, 174 Iowa 301, 309, 156 N.W. 394; *Krueger v. Ramsey*, 188 Iowa 861, 866, 176 N.W. 1, 3; *Town of Hartley v. Floete Lumber Company*, 185 Iowa 861, 865, 171 N.W. 183.

We do not cite these cases for any analogy to our present facts but only to show the anxiety of courts, both at common law and under statute, to dishonor contracts or other actions by a city council when one of its members is in line to gain personal profit thereby.

In *Bay v. Davidson*, supra, at page 691 of the Iowa Reports, at page 26 of 111 N. W., we quoted this with approval, "It is a well-established and salutary rule in equity that he who is intrusted with the business of others cannot be allowed to make such business an object of pecuniary profit to himself. This rule does not depend upon reason technical in character, and is not local in its application. It is based upon principles of reason, of morality and of public policy. It has its foundation in the very constitution of our nature, for it has authoritatively been declared that a man cannot serve two masters, and is recognized and enforced wherever a well-regulated system of jurisprudence prevails. \* \* \*

And in the Hamburg case, where it was found a member's public duty ran afoul of his private interest, we said at page 309 of the Iowa Reports, at page 396 of 156 N.W., "He was called upon to serve two masters; one with which his interest financially was bound up, the other, in which was involved his public duty as an officer of the city. He was bound therefore to serve both faithfully—the bank of which he was an officer and in which he was financially interested, and the city of which he was also an officer and servant. It is an old saying that a man cannot serve two masters, \* \* \*. A temptation would be offered \* \* \* to disregard his public duty, and yield to the temptation of personal interest. It is this that the law guards against. It is this sort of a condition that the law is intended to avoid. \* \* \* The law intends that these public officers should, like Caesar's wife, be above suspicion and temptation."

And, again at 312, at 397 of 156 N.W., "Some men are big enough and strong enough to waive all personal considerations and discharge fairly and impartially a public duty, but all men are not so constituted. The law would remove from public officers these temptations to which, owing to the weakness of human nature, men do sometimes yield."

In the Krueger case, we set aside the action of a city council in vacating a street

where it appeared one of the councilmen had an "understanding" by which he was later to acquire that property.

[4] In all these cases the challenged vote was necessary to secure a majority. None is authority for the problem confronting us here; nor are the courts of other jurisdictions in general accord. There is authority for either side. We agree with the trial court the better rule holds a vote cast in violation of a conflict of interest statute, even if immaterial to the outcome, vitiates the proceeding.

In *Baker v. Marley*, 8 N.Y.2d 365, 208 N.Y.S.2d 449, 450, 170 N.E.2d 900, 901, concerning such a situation the court said this, "Public policy forbids the sustaining of municipal action founded upon the vote of a member of the municipal governing body in any matter before it which directly or immediately affects him individually."

This same result was reached in *Aldom v. Borough of Roseland*, 42 N.J.Super. 495, 127 A.2d 190, 193, 197; *Pyatt v. Mayor & Council of Borough of Dunellen*, 9 N.J. 548, 89 A.2d 1, 5; *Piggott v. Borough of Hopewell*, 22 N.J.Super. 106, 91 A.2d 667, 670.

The opposite result was reached in *Singewald v. Minneapolis Gas Company*, 274 Minn. 556, 142 N.W.2d 739, which held a vote violative of a conflict of interest rule invalidates the result only when that vote is decisive in the passage of the act. In *Marshall v. Ellwood City Borough*, 189 Pa. 348, 41 A. 994, 995, and *Eways v. Reading Parking Authority*, 385 Pa. 592, 124 A.2d 92, 93, the Pennsylvania court also adheres to the rule that an improper vote does not void the result unless that vote is decisive in it. See 62 C.J.S. Municipal Corporations § 402, page 761.

A strong and persuasive statement of the rule we favor is found in *Piggott v. Borough of Hopewell*, supra, 91 A.2d, at page 670, where it is said in quoting from earlier New Jersey decisions, "The concurrence of an interested member in the action taken by the body taints it with illegality.

\* \* \* The infection of the concurrence of the interested person spreads, so that the action of the whole body is voidable. \* \* \* This is the general rule. \* \* \* It is supported by a twofold reason, viz.: First, the participation of the disqualified member in the discussion may have influenced the opinion of the other members; and, secondly, such participation may cast suspicion on the impartiality of the decision. \* \* \* It being impossible to determine whether the virus of self-interest affected the result, it must needs be assumed that it dominated the body's deliberations, and that the judgment was its product."

[5] We hold a vote by a member of the council on any of the challenged resolutions, if in violation of section 403.16, is void and that the result reached by the council in such a matter is also void, whether such vote determined the issue before the council or not.

II. Returning now to the question of whether the vote of any councilman was contrary to the provisions of section 403.16, we find the trial court held the resolutions of March 7, 1967, void because they were voted on by councilmen after they knew property owned by them or in which they had an interest was included in the urban renewal project. The trial court further found March 7, 1967, was the date upon which a project as defined in section 403.17, Code, was born.

[6] We agree these two resolutions of March 7, 1967, were void but we do not agree that there must first be a project before a councilman becomes disqualified under section 403.16. The statute plainly intended to disqualify an interested member before that time. We refer to the wording of the statute that no public official or employee shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included or *planned to be included therein*, or in any contract or *proposed contract* in connection therewith. Later it is provided a councilman must disclose any interest, di-

rect or indirect, which he owned or controlled in the past two years or which he now owns or controls, in any property which he knows is included or *planned to be included* in an urban renewal project. This section then bars his participation in any action by the municipality "affecting such property."

[7] We cannot escape the conclusion the legislature intended every public official and employee described in the statute to be prevented not only from gaining personal advantage after he actually knew what was included in a project, but to prevent him also from trading upon advance information as to what was planned to be included therein.

[8] In the present case it can hardly be denied the councilmen knew what property was planned for the project when the resolutions of November 17, 1964, July 13, 1965, October 26, 1965, and April 5, 1966, were adopted. All of those designated specified areas upon which urban renewal projects were then contemplated. That was the very reason for the resolutions—to certify to the federal agency the exact property on which studies, surveys and other necessary work was to be done and to request substantial funds for that purpose. We hold the date of each such resolution was the date upon which a member's disqualifying interest therein became fixed.

[9-11] We further find that each of the four resolutions was void. As to the resolution of November 17, 1964, Councilmen Yocum and Hubbard both owned property within the described area. As to the resolution of July 13, 1965, Councilmen Yocum, Hubbard and Burger all owned property therein. As to the resolution of October 26, 1965, the same votes which disqualified the resolution of November 17, 1964, apply because that resolution simply extended the area to be included therein. In addition to that Councilman Maas owned a disqualifying stock interest in a corporation owning property within the added territory; and

as to the resolution of April 5, 1966, the votes of Councilmen Hubbard and Burger (Yocum no longer being on the council) were disqualified because that resolution merely extended the area to be included in the proposed project covered by the resolution of July 13, 1965.

Perhaps in view of these holdings it would be unnecessary to consider the effect of the vote on the resolutions of March 7, 1967, since those resolutions were based on the existence of proposed projects we have now held void. However, we have nevertheless given this matter our attention, and we agree with the trial court that the two resolutions passed on that date were void because Councilmen Lind, Hickerson and Hubbard all had a disqualifying interest under section 403.16 which prevented each from casting a valid vote.

[12] The situation with regard to Mr. Hubbard is simple. He owned property in the area, and from what has already been said it is clear he should not have voted. However, the facts concerning Councilman Lind and Councilman Hickerson require special discussion.

[13] III. Mr. Lind became a councilman on January 1, 1966. He did not vote on any resolution fixing the boundaries of proposed urban renewal projects until the council considered the resolution of April 5, 1966. This resolution did not directly affect him.

Mr. Lind had a leasehold interest in business property included in the area covered by the resolution of November 17, 1964. This is the area which was split into two sections because of reduced federal financing. Although he was not a member of the council when this area was originally established, he voted on the resolutions of March 7, 1967, the effect of which was to take the property in which he had an interest out of Iowa Project R-14 (the original large project) and place it in Iowa Project R-31 (an alternative smaller project.)

The trial court properly held such a vote was in violation of section 403.16. Defendants claim this vote was permissible. They say any other result would void all urban renewal because one's property is always either within a proposed area or is beyond it. It must of necessity be one or the other. Therefore, defendants argue, urban renewal would be impossible. This argument, while ingenious, is without merit. It overlooks the real significance of the votes of March 7, 1967. At that time Mr. Lind's leased property was already in the proposed project. Therefore his interest had attached to it. When the vote was made to split the project into two sections, it necessarily changed the status of his interest. He was then voting to take his leased property out of one proposed project and put it into another proposed project. It is evident that one may be just as affected, either beneficially or adversely, by having his property deleted from a project as by having it included in the first place. We agree with the trial court that Councilman Lind was disqualified from voting on the resolutions of March 7, 1967 for this reason.

IV. Councilman Hickerson's situation is quite different. His disqualification is based entirely upon his employment by the University of Iowa, which owned real estate in the area and was vitally interested in the project. University officials had publicly urged the city to proceed with urban renewal. The University was to have exclusive right to purchase some of the land after the city acquired it by condemnation. Mr. Hickerson had held various positions of responsibility and trust with the University. At the time he became a member of the council he was director of the alumni office. Soon after his election he was made director of community relations for the University, a newly created position. We believe the record fairly shows no one was more openly in favor of the urban renewal plans than the University nor would anyone be more beneficially affected by them. While this is understandable and

perhaps even desirable, it nevertheless posed serious problems for Mr. Hickerson, who is now the mayor.

Defendants insist he is not in violation of section 403.16 because that statute disqualifies a councilman only if he owns or controls an interest, either direct or indirect, in property within the project. Mr. Hickerson has no such property interests, except some stock holdings which we discuss later.

There might be some merit to this argument if we were to limit ourselves to the literal language of this section alone, but to do so would go contrary to the obvious purpose of the law and to the intent of the legislature in adopting it.

[14] This provision has not heretofore been before us for interpretation. Under these circumstances we are obliged to examine both the language used and the purpose for which the legislation was enacted. *Dingman v. City of Council Bluffs*, 249 Iowa 1121, 1126, 90 N.W.2d 742, 746 and citations.

[15] Furthermore we must consider all parts together and not give undue importance to any single or isolated portion. In *Bowman v. City of Davenport*, 243 Iowa 1135, 1144, 53 N.W.2d 249, 254, 63 A.L.R. 2d 853, we said, "All parts [of the statute] must be considered. It is fundamental in the construction of statutes that the ultimate object is to determine the real purpose and meaning."

[16] In *Ritter v. Dage*, Iowa, 156 N.W. 2d 318, 321, we approve his statement from *Bruce v. Wookey*, 261 Iowa 231, 154 N.W.2d 93, 94, "Each section must be construed with the act as a whole and all parts of the act considered, compared and construed together." We point out, too, it is not permissible to rest the interpretation of a legislative act upon any one part or to give undue effect thereto.

[17] And at page 323 of the Ritter opinion we repeat the statement from 50 Am.

Jur., Statutes, section 340, page 333, that a statute will not be presumed to overturn long-established legal principles, unless that intention is clearly expressed or the implication to that effect is inescapable. "To the contrary, the legislature will be presumed not to intend to overturn long-established principles of law, and the statute will be so construed, unless an intention to do so plainly appears by express declaration or necessary or unmistakable implication, and the language employed admits of no other reasonable construction. \* \* \*"

We doubt if any rule of law has more longevity than that which condemns conflict between the public and private interests of governmental officials and employees nor any which has been more consistently and rigidly applied.

[18] The high standards which the public requires of its servants were set by common law and adopted later by statute. It is almost universally held that such statutes are merely declaratory of the common law. 10 *McQuillin, Municipal Corporations*, section 29.99, page 483; *Bay v. Davidson*, 133 Iowa 688, 694, 111 N.W. 25, 27, 9 L.R.A., N.S., 1014; *James v. City of Hamburg*, 174 Iowa 301, 313, 156 N.W. 394, 398; *Krueger v. Ramsey*, 188 Iowa 861, 868, 175 N.W. 1, 3; *Stockton Plumbing & Supply Co. v. Wheeler*, 68 Cal.App. 592, 229 P. 1020, 1022.

These rules, whether common law or statutory, are based on moral principles and public policy. They demand complete loyalty to the public and seek to avoid subjecting a public servant to the difficult, and often insoluble, task of deciding between public duty and private advantage.

[19] It is not necessary that this advantage be a financial one. Neither is it required that there be a showing of the official sought or gained such a result. It is the *potential* for conflict of interest which the law desires to avoid.

With this in mind, we find it difficult to believe, as defendants would have us do,

the legislature intended to scuttle all prohibition against conflict of interest in proceedings under chapter 403 except in those situations fitting the narrow interpretation we are asked to put upon section 403.16. We think rather that all signs point to the contrary.

Chapter 403 grants new and unusual powers to municipalities or to those exercising urban renewal authority under its delegation. It permits the use of eminent domain for hitherto unauthorized purposes. Sections 403.12 and 403.14 detail a list of permissible acts which are sweeping and drastic innovations.

[20] In view of this we are not persuaded defendants' interpretation of section 403.16 is the correct one. A fair reading of the whole section, together with all other parts of the chapter, leads to the conclusion the legislative intent was to prohibit any personal interest on the part of public officials and employees in the whole project, not merely an interest in property included within the project.

[21] How does this affect Mr. Hickerson's status? We agree with the trial court his was a disqualifying personal interest under the statute.

We do not say every University employee would be deprived of a voice in urban renewal proceedings by reason of such employment. Here, however, we have an employee in a position of influence as director of community relations, the very department with which the city would deal in case of matters of mutual interest to the University and the city. In addition we have unusual and direct interest on the part of the University in the outcome of urban renewal proceedings.

We are not critical of any of these circumstances except as they affect the possibility of conflict of interest between public duty and loyalty to a private employer.

[22] The employer-employee relationship has always been recognized as one

source of possible conflict of interest. It would perhaps be more accurate to describe this, as some writers have done, as a conflict of duties rather than conflict of interest. When one is committed to give loyalty and dedication of effort to both his public office and his private employer, when the interests of those two may conflict, one is faced with pressures and choices to which no public servant should be unnecessarily exposed. *James v. City of Hamburg*, supra; *Town of Hartley v. Floete Lumber Co.*, 185 Iowa 861, 864, 865, 171 N.W. 183, 185.

We find the New Jersey case of *Griggs v. Borough of Princeton*, 33 N.J. 207, 162 A.2d 862, 869, almost identical with the one now before us. There the court held two officials of Princeton University were barred from voting on an urban renewal project in which the university had a substantial stake. The court said, "The question is whether there is a potential for conflict, not whether the public servant succumbs to the temptation or is even aware of it. \* \* \* The potential of psychological influences cannot be ignored. \* \* \* [T]he mere existence of a conflict, and not its actual effect, requires the official action to be invalidated."

In another New Jersey case, it was said it is "most doubtful that participation by a councilman in a municipal action of particular benefit to his employer can be proper in any case." *Pyatt v. Mayor & Council of Borough of Dunellen*, 9 N.J. 548, 557, 89 A.2d 1, 5.

For the reasons stated we conclude Mr. Hickerson was barred from voting on the resolutions of March 7, 1967, because of conflict of interest.

In reaching this conclusion we state there is no evidence Mr. Hickerson was actuated by anything except his sincere convictions nor that his motives were in any way selfish or contrary to the welfare of the public. We can only repeat it is the *possibility* of such things which makes the rule applicable here. As bearing on this matter see 47

Virginia Law Review 1034, 1050; 107 Pa. Law Review 985; 58 Columbia Law Review 157; 2 Davis, Administrative Law Treatise, section 12.03, pages 155, 156.

[23] V. We should mention several other matters briefly. Several councilmen held or controlled stock in corporations which owned or had leasehold interests in real estate within the proposed project area.

The trial court held such ownership was not a disqualifying one because in each case it was less than five percent of the outstanding stock of the corporation involved. In doing so the trial court apparently relied on section 368A.22, subd. 2 (i), Code of Iowa.

Plaintiffs allege this was error, and we agree. Section 403.16 provides any interest of the kind described therein shall prevent participation in proceedings affecting it. Section 403.18 provides that the provisions of chapter 403 shall control in case of inconsistency between its terms and the provisions of any other law.

[24] We hold therefore section 403.16 making *any* interest sufficient to disqualify takes precedence over section 368A.22, subd. 2(i) holding such interest must represent at least five percent of the outstanding stock.

[25] VI. Finally plaintiffs challenge the trial court's finding that ownership of property near, but not within, the proposed project does not come within the restrictions of section 403.16. We agree with the trial court.

[26] This proposition affects the property of Councilman Butherus, who took office on January 1, 1968, and who has not participated in any urban renewal proceeding now before us. Plaintiffs ask a declaration of his status to determine his right to participate in future action under these circumstances.

Mr. Butherus is a contract purchaser of property within 200 feet of the boundary

of the proposed project areas. Plaintiffs claim he has an interest in the project area because under section 414.5, Code of Iowa, he would be entitled to notice of, and to object to, any zoning changes affecting part of the project property; and further because under section 391.39, Code of Iowa, he could be assessed for some street improvements within the project area.

We find no merit to plaintiffs' contention. No reasonable interpretation of section 403.16 can lead to the result they ask for. The case of *McNamara v. Borough of Saddle River*, 64 N.J. Super. 426, 166 A.2d 391, is a zoning case and lends no support to plaintiffs' theory here.

VII. The record shows that Councilman Connell, who became a councilman on January 1, 1968, owns real estate in Project Iowa R-14. He was not a member of the council when any action here involved was taken. This opinion makes it clear, however, he cannot participate in any future action of the council concerning such project.

[27] VIII. We have considered the claim of defendants that the vote on the two resolutions of March 7, 1967, did not constitute "participation" by the councilmen in any action "affecting" their property interests. We find no merit in this argument.

In fairness to all parties involved in this controversy we specifically approve the following findings made by the trial court: "There has been no evidence produced at any hearing of this cause indicating any dishonesty or improper motives or actions on the part of any councilmen, officers, or employees of the city of Iowa City, Iowa. However, actual dishonesty is not decisive. The fact that there is opportunity for dishonesty is what may disqualify. It is the potential for conflict of interest that becomes vital."

[28] The decree entered by the district court is modified to provide that the resolutions passed by the city council on Novem-

ber 17, 1964, July 13, 1965, October 26, 1965, and April 5, 1966 in addition to the two resolutions of March 7 1967, are invalid and void. The decree is further modified to provide that ownership of any stock in a corporation which owns or holds an interest in property in an urban renewal project, or a proposed project, as defined in section 403.16, Code of Iowa, is a disqualifying interest under that section. In all other respects the district court decree is hereby affirmed.

Costs on appeal are taxed against defendant city of Iowa City.

Modified and affirmed on both appeals.

All Justices concur, except LARSON, J., who takes no part, GARFIELD, C. J., who dissents from Division IV, and STUART, J., who dissents from Division I.



**Earl BLOOM and Nellie Bloom, Appellees,**

**v.**

**Lyle STEEVE and John Curtis, Appellants.**

**No. 53342.**

Supreme Court of Iowa.

March 11, 1969.

Action on note. The Adams District Court, H. J. Kittleman, J., entered judgment in favor of plaintiff, and appeal was taken. The Supreme Court, Becker, J., held that dismissal with prejudice of action to determine right to invoke acceleration clause did not bar subsequent action to recover amounts due and unpaid on same note, under doctrine of res judicata.

Affirmed.

**1. Judgment ⇨570(1)**

Dismissal with prejudice of action to determine right to invoke acceleration

clause did not bar subsequent action to recover amounts due and unpaid on same note, under doctrine of res judicata.

**2. Judgment ⇨570(3), 654**

A voluntary dismissal with prejudice operates as adjudication on merits which will sustain a plea of res judicata if other elements of doctrine are present. 58 I.C.A. Rules of Civil Procedure, rule 217.

**3. Judgment ⇨540, 634**

To sustain a plea of res judicata the former case must involve (1) the same parties or parties in privity, (2) the same cause of action and (3) the same issues.

**4. Judgment ⇨956(1)**

Burden to prove elements of plea of former adjudication is on party asserting it.

**5. Judgment ⇨956(1)**

Person relying upon doctrine of res judicata as to a particular issue involved in pending case bears burden of introducing evidence to prove that such issue was involved and actually determined in prior action, where this does not appear from record.

**6. Judgment ⇨956(5)**

It must clearly appear from record in former cause, or by proof by competent evidence consistent therewith, that matter as to which rule of res judicata is invoked as a bar was, in fact, necessarily adjudicated in former action.

**7. Judgment ⇨585(2)**

If same facts or evidence would sustain both actions, the two actions are considered the same within rule that judgment in former is a bar to subsequent action.

**8. Judgment ⇨956(2)**

Extrinsic evidence of interest payments on note and relationship of payments on note to payments on other obligations was relevant and admissible in action to

## **ORDINANCE No. 193 CONFLICTS OF INTEREST**

**WHEREAS**, the Iowa Supreme Court has established that the premise and purpose of all conflict of interest requirements is “to avoid subjecting public officials to the difficult and often insoluble task of deciding between their duty to the public and their own private interest or advantage[;]” and

**WHEREAS**, the City Council of University Heights, Iowa deems it advisable to adopt a Conflicts of Interest Ordinance to promote transparency and accountability in City government; and

**WHEREAS**, the citizens of University Heights are entitled to have matters before the City of University Heights considered and determined free of conflicts of interest; and

**WHEREAS**, Iowa Code chapter 362 provides a foundation for regulating conflicts of interest but does not preclude municipalities from building upon this foundation by enacting their own policies and ordinances,

**NOW THEREFORE, BE IT RESOLVED** by the City Council of University Heights that the following ordinance is adopted:

### **Section 1. DEFINITIONS.**

- A. “City” means the City of University Heights, Iowa, and its boards, commissions, employees, and agents.
- B. “Individual” means a City Officer, Mayor, Council Member, a member of the Zoning Commission, Board of Adjustment, or Tree Board, and a member of any other appointed commission or board of the City, and a City employee or independent contractor with whom the City regularly engages for professional or other services.
- C. “Family Member” means an Individual’s spouse, parent, child, grandchild, sibling, significant other, step-child, son- or daughter-in-law, and mother- or father-in law.
- D. “Pecuniary Interest” means a legal, equitable, or other beneficial interest, direct or indirect, and includes such interests that may be reasonably expected in addition to those presently existing.
- E. “Organizational Interest” means holding a Pecuniary Interest in and/or serving as an employee, officer, director, manager, or in another position of supervision or authority, direct or indirect, of an organization, entity, business, or other enterprise other than the City.

**Section 2. CONFLICTS OF INTEREST POLICY.**

- A. In addition to those circumstances identified by Iowa law, as presently existing or hereafter amended, a Conflict of Interest exists where an Individual or an Individual’s Family Member has a Pecuniary Interest or Organizational Interest with respect to any person, group, organization, or entity having or concerning any proposal, matter, measure, contract, job, work, or services performed for or materials supplied to the City, unless otherwise expressly permitted by Iowa law.
- B. In the event an Individual has a Conflict of Interest, the Individual shall promptly inform the City before the commencement of any discussion or other consideration of the matter.
- C. The statement of an Individual that the Individual has a conflict of interest is conclusive.
- D. An Individual with a Conflict of Interest shall not discuss or vote on a matter in which the Conflict of Interest exists.
- E. Any Conflict of Interest shall be noted in the minutes of the pertinent Council meeting.
- F. Any matter or measure adopted or other action taken by the City where a Conflict of Interest exists is void, except as provided by Iowa law and not in contravention of this Ordinance.

**Section 3. ADMINISTRATION.** The minutes of the calendar year’s first City Council meeting shall reflect the completion and submission to the City a signed version of the Conflict of Interest Form (“Form”) by all Individuals. An appointed Individual shall complete the Form no later than 30 days after appointment. The Form is adopted and established as follows:

**CONFLICT OF INTEREST FORM**

I, the undersigned, hereby acknowledge that I have read and that I understand the spirit and letter of the Conflict of Interest Ordinance of the City of University Heights, Iowa.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

**Section 4. REPEALER, SAVING CLAUSE.** All ordinances, resolutions, or parts thereof in conflict herewith are hereby repealed to the extent of such conflict. If any section, provision or part of this ordinance shall be adjudicated 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 5. EFFECTIVE DATE.** This Ordinance shall become effective upon its passage and publication as provided by law.

Adopted by the University Heights City Council on this \_\_\_ day of \_\_\_\_\_, 2016, and approved this \_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Weldon E. Heitman (Wally), Mayor  
City of University Heights

ATTEST:  
(seal)

\_\_\_\_\_  
Christine M. Anderson, City Clerk

STATE OF IOWA            )  
                                  )  
COUNTY OF JOHNSON    )        SS:

On the \_\_\_\_ day of September, 2016, before me, a notary public in and for the state of Iowa, personally appeared Weldon E. Heitman, Mayor, and Christine M. Anderson, Clerk, of the City of University Heights, to me personally known, and who, being by me duly sworn, did say that they are the Mayor and City Clerk of the City of University Heights, Iowa; that the seal affixed to this instrument is the corporate seal of the City; and that said instrument was acknowledged and sealed on behalf of the City, and that Weldon E. Heitman and Christine M. Anderson acknowledged the execution of said instrument to be their voluntary act and deed and the voluntary act and deed of the City, by it and by them voluntarily executed.

\_\_\_\_\_  
Notary Public in and for the  
State of Iowa

STATE OF IOWA            )  
                                  )  
COUNTY OF JOHNSON    )        SS:

I, Christine M. Anderson, being first duly sworn, certify that the above ordinance was published in the Iowa City Press-Citizen the \_\_\_\_ day of September, 2016.

\_\_\_\_\_  
Christine M. Anderson

Signed and sworn to before me on the \_\_\_\_ day of September, 2016, by Christine Anderson, Clerk of the City of University Heights.

\_\_\_\_\_  
Notary Public in and for the  
State of Iowa

University Heights September 2016 eGovernment Report

**U-H Website Updates/Statistics Aug 1-31, 2016**

- August 29, 2016
  - **Special Council meeting agenda/attachments, updated Financial page**
- August 28, 2016
  - **Special Council meeting agenda**
- August 27, 2016
  - **Bike Surbey, community visioning, farmer's market**
- August 20, 2016
  - **Road detours**
- August 11, 2016
  - **Construction Update 10, council meeting webstream**
- August 8, 2016
  - **Council meeting agenda & attachments; road repair**
- August 7, 2016
  - **Council meeting agenda**
- August 4, 2016
  - **Backporch Revival Concert info**
- August 1, 2016
  - **Zoning Commission meeting & minutes**

**Monthly Statistics from Stat Counter**

<b>Page Views</b>	<b>Unique Visits</b>	<b>1<sup>st</sup> Time Visits</b>	<b>Returning Visits</b>	
<b>1332</b>	<b>941</b>	<b>634</b>	<b>307</b>	<b>Total</b>
<b>43</b>	<b>31</b>	<b>21</b>	<b>10</b>	<b>Average</b>

**Monthly Statistics from Webalyzer**

<b>Hits per Hour</b>	<b>68</b>
<b>Hits per Day</b>	<b>1632</b>
<b>Pages per Day</b>	<b>400</b>
<b>Total Visits</b>	<b>6800</b>
<b>Total Unique User Agents</b>	<b>986</b>
<b>Average Visits Per Day</b>	<b>219</b>

**Twitter**

<b>Tweets</b>	<b>8</b>
<b>Re-tweets</b>	<b>1</b>
<b>Followers</b>	<b>91</b>

# University Heights City Council Meeting Webcasts Viewing Statistics From EarthChannel

## July Council Meeting statistics 8/9/16 to 8/31/16



## August Council Meeting statistics 8/22/16 to 8/31/16



9-3-16

Attached are the two proposals from Reference Audio for the community room technology. I sent these to you in August, but wanted to send them again ahead of our September meeting as I would like to have council choose a proposal.

[HDProposal 30497](#) is for a system with HD (High Definition) components. Basically this is becoming the industry standard in production. HD level would allow for live web streaming should we choose to do so in the future. Estimated total package cost is \$28,277.04

[SDProposal 30468](#) is for a system with SD (Standard Definition) components. This is the level at which we currently produce our council recordings. Estimated total package cost is \$25,717.04

I've also included the [Community Room Diagram](#) for you to refer to.

Both proposals use some of the equipment that John McLure has generously allowed the city to borrow. He would like to donate to the city any equipment that we would use in the community center.

The vast majority of both proposals are the same. The HD proposal requires more new materials to be purchased, but since that is "standard" costs are lower. The SD proposal re-uses more of John's equipment, but the pieces we need to add are more expensive.

Besides allowing the council as well as other meetings to be easily recorded, both proposals would also install a sound system that could be used for any other meetings, as well as video projector with easily accessed inputs.

All things being equal I am inclined to lean toward the HD proposal, as it allows us greatly opportunity in the future.

-Mike



**City of University Heights  
1004 Melrose Ave  
Iowa City, IA 52246**

**MULTI-PURPOSE ROOM AUDIO VIDEO  
SYSTEMS (HD)**

**A Luxury Experience of Smart Technology™**

Proposal: 30497  
Created: August 9, 2016  
Printed: August 09, 2016

RESIDENTIAL

COMMERCIAL

· Audio · Video · Security & CCTV · Theater · Satellite · Lighting Control · IP Networks  
· Design & Custom Installation

# PROJECTION VIDEO SYSTEM

## MULTI-PURPOSE ROOM AUDIO

Mic lines will be ran for 17 desktop mics, HDMI connection in room and control room. A new sound system will be installed with auto mixer, 2 wireless mics and 1 on wall volume control. The mixer can handle 20 mic inputs and has 8 outputs.

Existing 12 desktop mics will be reused.

Additionally, an audio backfeed from the projector will feed into the mixer for easy computer audio for the board and room users.

2 new HD PTZ cameras and controller will be installed for multiple angles. New HD video mixer and recorder installed for easy operation.

New half tall rack will be installed. Two new monitors will mounted to wall. 1 will be the multiview and the other primary view. Video mixer and PTZ camera controller will sit on rack or customer supplied desk.

New widescreen HD projector will be mounted and shoot onto a new 106" 16:10 manual pull down screen.

1 ON WALL DIGITAL VOLUME CONTROL WITH LED FEEDBACK

1 8 CHANNEL BREAK IN BOX

1 EA 12 ANALOG MIC/LINE INPUT 8 ANALOG OUTPUT NETWORKED SIGNAL PROCESSOR



1 EA 2 X 120W 70/100V FANLESS AMPLIFIER

4 EA CONTROL 47C/T PREMIUM IN CEILING SPEAKERS



---

2 EA HANDHELD WIRELESS MICROPHONE

---

1 EA POWERLITE 1940W PROJECTOR WXGA 4200 LUMENS



---

1 109" 16:10 MANUAL SCREEN WITH HIGH CONTRAST GREY  
-SURFACE MOUNT

---

2 SAMSUNG 22" DB-D SEREIS 1080P DIRECT LIT LED DISPLAY

---

1 HYPERDECK STUDIO 2 SSD DUAL RECORDER

---

2 240GB SSD SOLID STATE

---

1 H-1HD HD COMPACT4 INPUT 2 OUTPUT VIDEO MIXER

---

2 EA UNIVERSAL SINGLE ARM ARTICULATING MOUNT FOR 13-27" FLAT  
PANEL

---

2 SRG120DH 1080P HD PTZ CAMERA 12X ZOOM

---

1 SONY PTZ JOYSTICK CONTROL BUNDLE RM-BR300



1 EA CFR2115 34" 15U COMPONENT EQUIPMENT RACK



1 ALUMINUM 3.5MM PLATE

1 SINGLE HDMI PLATE IN BLACK

3 EA RAVS 2M HIGH SPEED HDMI CABLE WITH ETHERNET



1 EA STANDARD HDMI WITH ETHERNET - 20 METER



2 EA RAVS 15M HIGH SPEED HDMI CABLE WITH ETHERNET



1 EA RAVS 10M HIGH SPEED HDMI CABLE WITH ETHERNET



1,600 EA HIGH PERFORMANCE SHEILDDED PLENUM BROADCAST AUDIO CABLE

240 EA 16-2 PLENUM HIGH FLEX SPEAKER CABLE



1 EA ALPHA SNAKE 3 METER INTERCONNECT



1 EA EVERGREEN 3.5MM MINI TO RCAs AUDIO INTERCONNECT CABLE  
3M



1 EA 12 VOLT DC POWER SUPPLY

3 BNC TO BNC VIDEO CABLE 6'

2 EA RG6 BNC CRIMP CONNECTOR



100 EA QUAD RG6 100% SOLID COPPER BLACK VIDEO CABLE



100 EA RAVS 18-2 NON SHIELDED CABLE FOR LOW VOLTAGE - PLENUM  
RATED



5 EA 6 FT STEREO 3.5MM PHONE PLUG

300 FT CATEGORY 6 CABLE - PLENUM RATED



2 EA CAT6 7FT CONNECTION CABLE



10 EA PRO MICROPHONE CABLE - 25FT



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3 EA HMIC-005 5FT XLR MICROPHONE CABLE



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2 EA PRO MICROPHONE CABLE - REAN XLR3F TO XLR3M

---

2 4 GANG SURFACE MOUNT METAL BOX -BLACK

---

9 DUAL 3-PIN XLRF DECORA JACKS

---

2 4 GANG DECORA TRIM PLATE- STAINLESS STEEL

---

1 1G GRAY SURFACE MOUNT BOX

---

1 SINGLE GANG STAINLESS DECORA PLATE

---

1 RCA UNBALANCED TO XLR BALANCED AUDIO CONVERTER

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1 EA RCA Y ADAPTER - 1 MALE TO 2 FEMALE RCA

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1 EA 3.5MM MINI STEREO TO DUAL RCA MALE - 2M



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1 PR ALPHA SNAKE 2 METER INTERCONNECT



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2 65FT VISCA CABLE

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4 EA B121ADJ ADJUSTABLE 1 GANG BOX

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1 EA SINGLE GANG WHITE DECORA STYLE WIRE PORT



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1 EA PROJ MOUNT UNIVERSAL PROJECTOR MOUNT

---

1 EA 2X2 SUSPENDED CEILING TILE REPLACEMENT WITH PROJECTOR MOUNT THREADING

---

1.00 EA SHIPPING AND HANDLING FOR STANDARD PROJECTION SCREEN



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1 EA MOUNTED 2 OUTLET POWER CONDITIONER



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2 EA RAVS POWER CONDITIONER 10 OUTLET EMI/RFI FILTRATION



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1.00 EA TECHNICIAN TO INSTALL/HOOKUP SYSTEM



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1.00 HR PROJECT MANAGEMENT SERVICES



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1.00 HR CUSTOMER SYSTEM ORIENTATION

---

1.00 EA INSTALLATION MATERIALS



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1.00 EA LOGISTICS AND HANDLING

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# Statement of Work

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## Project Summary

<b>Total of Items Above:</b>	\$28,277.04
<b>Total:</b>	\$28,277.04

**General Terms.**

Due to irregularities in construction and the custom nature of each project, this proposal represents our best effort to estimate final cost. Reference will provide the equipment, design and installation services described in the proposal. Changes to this proposal will require a written and/or verbal change order and the price will be revised accordingly.

If applicable see separate attachment for Commercial Terms and Conditions.

Please provide a minimum of 10 days notice prior to the start of each phase of the project. Scheduling of the project requires that payments are made according to the terms of this proposal.

Reference will provide a 90 day limited installation and service warranty (unless otherwise specified) on products purchased from and installed by Reference. Warranty will include client education, product service and support. Service calls outside the warranty period will be subject to a single fixed trip charge per incident and a minimum of 1/2 hour labor charge.

### PAYMENT TERMS:

60% Upon Acceptance	\$16,966.22
30% Prior to Equipment Install	\$8,483.11
10% Balance As Invoiced	\$2,827.70

### ACCEPTANCE:

For: City of University Heights

Date

For: Reference

Date





**City of University Heights  
1004 Melrose Ave  
Iowa City, IA 52246**

**MULTI-PURPOSE ROOM AUDIO VIDEO  
SYSTEMS (SD)**

**A Luxury Experience of Smart Technology™**

Proposal: 30468  
Created: August 4, 2016  
Printed: August 09, 2016

RESIDENTIAL

COMMERCIAL

· Audio · Video · Security & CCTV · Theater · Satellite · Lighting Control · IP Networks  
· Design & Custom Installation

# PROJECTION VIDEO SYSTEM

## MULTI-PURPOSE ROOM AUDIO

Mic lines will be ran for 17 desktop mics, HDMI connection in room and control room. A new sound system will be installed with auto mixer, 2 wireless mics and 1 on wall volume control. The mixer can handle 20 mic inputs and has 8 outputs.

Existing 12 desktop mics will be reused.

Additionally, an audio backfeed from the projector will feed into the mixer for easy computer audio for the board and room users.

2 new PTZ cameras and a controller will be installed for multiple angles. Existing video mixer will be reused. New SD recorder installed.

New half tall rack will be installed. Two new monitors will mounted to wall. 1 will be the multiview and the other primary view. Video mixer and PTZ camera controller will sit on rack or customer supplied desk.

New widescreen HD projector will be mounted and shoot onto a new 106" 16:10 manual pull down screen.

1 ON WALL DIGITAL VOLUME CONTROL WITH LED FEEDBACK

1 8 CHANNEL BREAK IN BOX

1 EA 12 ANALOG MIC/LINE INPUT 8 ANALOG OUTPUT NETWORKED SIGNAL PROCESSOR



1 EA 2 X 120W 70/100V FANLESS AMPLIFIER

4 EA CONTROL 47C/T PREMIUM IN CEILING SPEAKERS



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2 EA HANDHELD WIRELESS MICROPHONE

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1 EA POWERLITE 1940W PROJECTOR WXGA 4200 LUMENS



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1 109" 16:10 MANUAL SCREEN WITH HIGH CONTRAST GREY  
-SURFACE MOUNT

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2 17" LCD PRODUCTION MONITOR

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2 EA UNIVERSAL SINGLE ARM ARTICULATING MOUNT FOR 13-27" FLAT  
PANEL

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1 EA CUSTOMER PROVIDED/EXISTING SE-500 SD VIDEO MIXER

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2 EVI D80/W SD PTZ VIDEO CAMERA

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1 SONY PTZ JOYSTICK CONTROL BUNDLE RM-BR300

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1 DATAVIDEO SD VIDEO RECORDER WITH 320GB HD

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1 EA CFR2115 34" 15U COMPONENT EQUIPMENT RACK



1 ALUMINUM 3.5MM PLATE

1 SINGLE HDMI PLATE IN BLACK

1 EA RAVS 15M HIGH SPEED HDMI CABLE WITH ETHERNET



1 EA RAVS 10M HIGH SPEED HDMI CABLE WITH ETHERNET



1,600 EA HIGH PERFORMANCE SHEILDED PLENUM BROADCAST AUDIO CABLE

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300 FT CATEGORY 6 CABLE - PLENUM RATED



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2 EA PRO MICROPHONE CABLE - REAN XLR3F TO XLR3M

2 4 GANG SURFACE MOUNT METAL BOX -BLACK



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9 DUAL 3-PIN XLR F DECORA JACKS

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2 4 GANG DECORA TRIM PLATE- STAINLESS STEEL

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1 1G GRAY SURFACE MOUNT BOX

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2 65FT VISCA CABLE

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4 EA B121ADJ ADJUSTABLE 1 GANG BOX



1 EA SINGLE GANG WHITE DECORA STYLE WIRE PORT



1 EA PROJ MOUNT UNIVERSAL PROJECTOR MOUNT

1 EA 2X2 SUSPENDED CEILING TILE REPLACEMENT WITH PROJECTOR MOUNT THREADING

1.00 EA SHIPPING AND HANDLING FOR STANDARD PROJECTION SCREEN



1 EA MOUNTED 2 OUTLET POWER CONDITIONER



2 EA RAVS POWER CONDITIONER 10 OUTLET EMI/RFI FILTRATION



1.00 EA TECHNICIAN TO INSTALL/HOOKUP SYSTEM



1.00 HR PROJECT MANAGEMENT SERVICES



1.00 HR CUSTOMER SYSTEM ORIENTATION

1.00 EA INSTALLATION MATERIALS



1.00 EA LOGISTICS AND HANDLING

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## Statement of Work

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### Project Summary

<b>Total of Items Above:</b>	\$25,717.04
<b>Total:</b>	<u><u>\$25,717.04</u></u>

**General Terms.**

Due to irregularities in construction and the custom nature of each project, this proposal represents our best effort to estimate final cost. Reference will provide the equipment, design and installation services described in the proposal. Changes to this proposal will require a written and/or verbal change order and the price will be revised accordingly.

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**PAYMENT TERMS:**

60% Upon Acceptance	\$15,430.22
30% Prior to Equipment Install	\$7,715.11
10% Balance As Invoiced	\$2,571.70

**ACCEPTANCE:**


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 For: City of University Heights

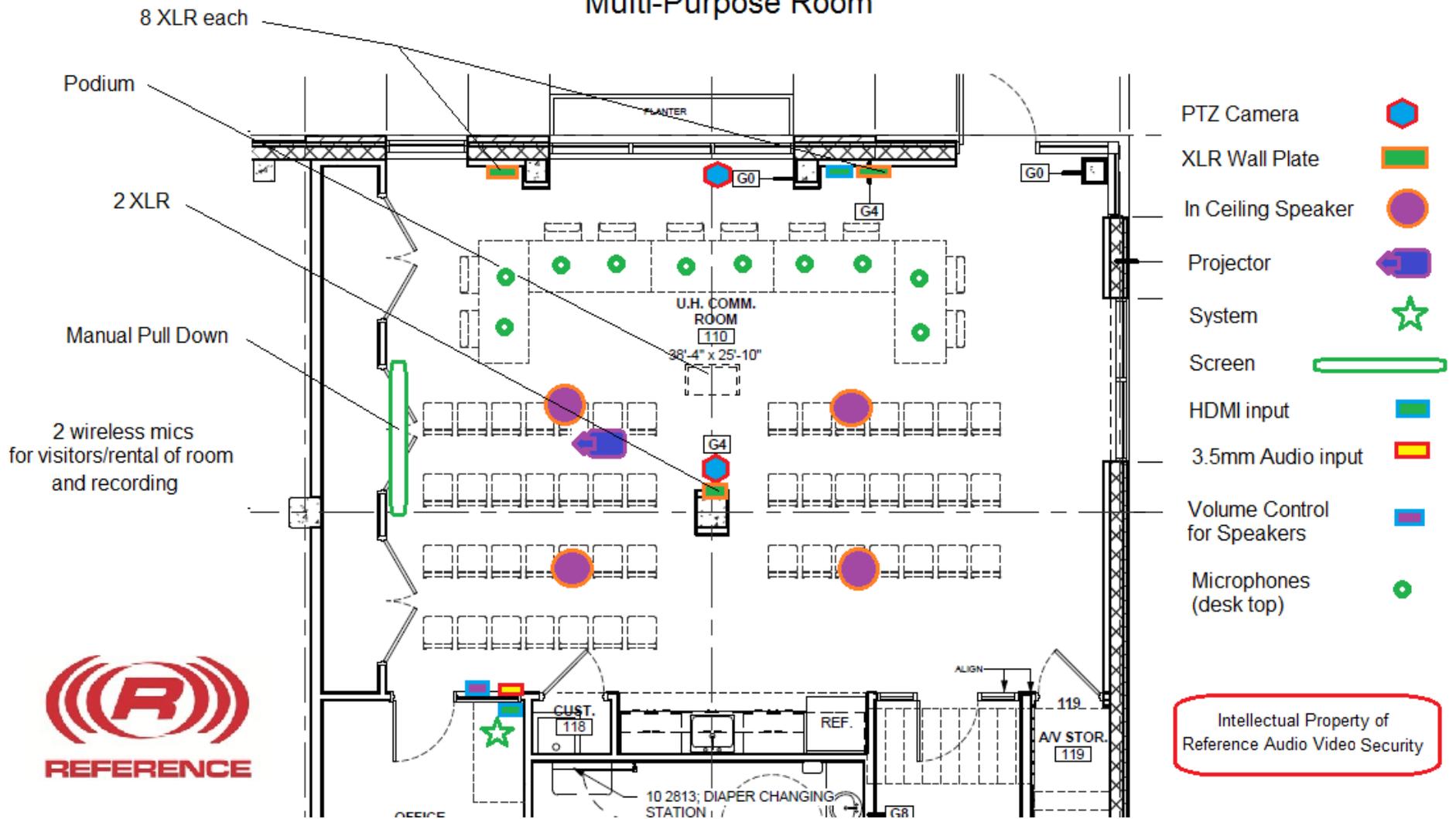
Date

For: Reference

Date



# University Heights Multi-Purpose Room



Intellectual Property of  
Reference Audio Video Security