

PLANNING & DEVELOPMENT

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Timothy Huey
Director

To: Dee F. Bruemmer, County Administrator

From: Scott County TIF Review Committee
Craig Hufford, Treasurer's Office
Timothy Huey, Planning & Development
Wes Rostenbach, Auditor's Office

Date: February 23, 2010

Re: City of LeClaire's proposed Amendment to Urban Renewal Plan to allow TIF funding for development of Huckleberry Park

The City of LeClaire has notified Scott County of an Opportunity to Consult to be held Monday March 1st on the City's proposed amendment to its Urban Renewal Plan to allow the expenditure of \$1.65M in TIF funding for the improvement and development of Huckleberry Park.. The City acquired the 16 acres for park purposes back in 1984. The property was included in the amended Urban Renewal Area in 2003. The current amendment is to specifically address the amount and type of improvements to be funded with TIF dollars.

The TIF Review Committee would recommend the Board continue to oppose TIF when used to fund municipal capital projects such as the current proposal for funding Huckleberry Park improvements. While the development of the park may be a worthwhile project for the citizens of LeClaire; it should be funded with revenue generated by the City's sources or with State and Federal Grants and not with County property tax revenues diverted by tax increment financing.

The TIF review Committee will draft a letter for the Board's consideration stating these objections and posing additional questions to the City.

BOARD OF SUPERVISORS

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CHRIS GALLIN, Chair
LARRY MINARD, Vice-Chair
JIM HANCOCK
JEFF LISKE
TOM SUNDERBRUCH

March 2, 2010

Robert Scannell
LeClaire City Council Members
LeClaire City Hall
425 North Third Street
LeClaire, IA 52753

RE: City of LeClaire's proposal to amend the Urban Renewal Plan for LeClaire's Urban Renewal Area to allow the use of tax increment financing for the developing and equipping of Huckleberry Park.

Dear Mayor Scannell and Council Members:

Thank you for the opportunity to comment on the proposed amendment of the Urban Renewal Plan for Urban Renewal Area in the City of LeClaire. The Scott County Board of Supervisors has reviewed the information provided by your City Administrator Ed Choate.

The Board of Supervisors has the following questions regarding the City's proposal:

1. *What is the total proposed budget for the Huckleberry Park?*
2. *What portion of that budget is proposed to be paid for with TIF?*
3. *How many years have TIF payments already been collected from this district?*
4. *How many additional years will the TIF District run with this proposal?*
5. *How is this new park development determined to be urban renewal or economic development under the provisions of State Law for TIF Districts?*

The Scott County Board of Supervisors objects to the use of TIF tax dollars generated within this urban renewal area for a capital improvement project for the benefit of the citizens of LeClaire. That is a capital project that should not be subsidized by the portion of the property tax levy assessed by Scott County but rather paid for by the citizens of LeClaire and from tax revenues generated by the City of LeClaire. The Board voiced its objections in 2003 when the City took action to combine two of its urban renewal areas into one to increase the amount of TIF payments available for the city hall project, as well as, adding time to the number of years these payments can be captured by the City.

The Board notes that State Law has been amended to no longer allow newly created urban renewal areas to extend time limits in the manner that is proposed with the city's Urban Renewal Area #1. The Board has concerns that this allows TIF payments to be captured beyond the initial maximum twenty year time frame. This means that the County will not receive any property tax income from many of the new homes in LeClaire for possibly another fifteen or more years. The County has therefore been forced to put the financial burden of providing County services to these residents for the last ten or more years on the other County residents both within and outside of LeClaire. It now appears it will be forced to continue to shift that financial burden for many years to come.

The Scott County Board of Supervisors would recommend and appreciate if the City of LeClaire would consider amending the proposed Tax Increment Financing plan so that the portion of the property taxes generated by Scott County's levy was paid to the County and not used to finance your new city park. While the Board of Supervisors recognizes the City of LeClaire has no legal obligation to comply with our request, we hope in the spirit of intergovernmental cooperation the City Council would seriously consider this request.

Sincerely,

Chris Gallin, Chair
Scott County Board of Supervisors

cc: Scott County Board of Supervisors
Ed Choate, LeClaire City Administrator
Dee F. Bruemmer, County Administrator

FEB 22 2010



CITY OF LECLAIRE, IOWA

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SENDER'S DIRECT CONTACT INFORMATION:
PHONE EXT. #1104 ECHOATE@LECLAIREIOWA.GOV

February 19, 2010

TO: Chair, Board of Supervisors, Scott County
Superintendent, Pleasant Valley Community School District
President, Scott Community College

#7003 3110 0001 6689 2924
#7003 3110 0001 6689 2931
#7003 3110 0001 6689 2948

FROM: City Council
City of LeClaire, Iowa

RE: LeClaire Urban Renewal Plan Amendment

The City of LeClaire is in the process of amending the urban renewal plan for the LeClaire Urban Renewal Area No. 1, and, pursuant to Section 403.5 of the Code of Iowa, the City is sending you the enclosed copy of its urban renewal plan amendment and scheduling a meeting at which you will have the opportunity to discuss this amendment.

The meeting to discuss our urban renewal plan amendment has been set for Monday, March 1, 2010, at 9:00 o'clock a.m. at the LeClaire City Hall in LeClaire. If you are unable to send a representative to the meeting, we invite your written comments. In addition, Section 403.5 gives your designated representative the right to make written recommendations concerning the urban renewal plan amendment no later than seven days following the date of the meeting.

The City Council will also hold a public hearing on this urban renewal plan amendment at 7:00 o'clock p.m. on March 15, 2010, and a copy of the notice of hearing is enclosed for your information.

Please call our City Administrator at (563) 289-4242, if you have any questions.

Enclosure(s)

URBAN RENEWAL PLAN AMENDMENT #2

LeClaire Urban Renewal Area #1 (Huckleberry Park Development Project)

March 15, 2010

The Urban Renewal Plan for the City of LeClaire Urban Renewal Area No. 1 is being amended to facilitate the use of tax increment financing in connection with an additional urban renewal project.

A. The list of authorized projects and activities under the Urban Renewal Plan is hereby amended to include the following language:

The City will use its urban renewal powers, including tax increment financing, to undertake the development, construction and equipping of municipal parks in the Urban Renewal Area. The City Council has determined that the provision of quality parks enhances the community's attractiveness to private enterprise and contributes to economic development. This project is hereby declared to be an urban renewal project of the City.

The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Outstanding general obligation debt of the City (as of July 1, 2010):	<u>\$ 4,942,468</u>
Constitutional debt limit of the City (as of July 1, 2010):	<u>\$15,466,028</u>
Proposed additional debt to be incurred in Urban Renewal Area in connection with this project:	<u>\$ 1,650,000</u>

