



CITY OF LECLAIRE, IOWA

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SENDER'S DIRECT CONTACT INFORMATION:
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MAY 9 2012

May 8, 2012

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

FROM: City Council
City of LeClaire, Iowa

RE: LeClaire Urban Renewal Plan Amendment

#7010 1870 0001 7791 2735
#7010 1870 0001 7791 2742
#7010 1870 0001 7791 2759

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, May 21, 2012, 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 (7) 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 June 4, 2012, 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)

**NOTICE OF PUBLIC HEARING ON DESIGNATION OF EXPANDED LECLAIRE
URBAN RENEWAL AREA NO. 1 AND ON PROPOSED URBAN RENEWAL PLAN
AMENDMENT**

Notice Is Hereby Given: That at 7:00 o'clock p.m., at the Council Chambers, LeClaire, Iowa, on the 4th day of June, 2012, the City Council of the City of LeClaire will hold a public hearing on the question of designating an expanded LeClaire Urban Renewal Area No. 1, pursuant to Chapter 403, Code of Iowa, by adding and including all the property within the following boundaries:

Lot #2 of the Niko Addition Subdivision (115 Davenport Street)

The subject matter of the public hearing will also include a proposed amendment to the urban renewal plan for the LeClaire Urban Renewal Area No. 1 covering the addition of the property identified above, pursuant to Chapter 403, Code of Iowa, a copy of which amendment is on file for public inspection in the office of the City Clerk.

The proposed amendment to the urban renewal plan brings the property described above under the plan and makes it subject to the provisions of the plan. The primary purpose of the amendment is to support commercial development through tax increment financing.

At said hearing any interested person may file written objections or comments and may be heard orally with respect to the subject matters of the hearing.

Edwin N. Choate
City Administrator

CITY OF LECLAIRE

URBAN RENEWAL PLAN AMENDMENT #4

LECLAIRE URBAN RENEWAL AREA NO. 1

MAY, 2012

The Urban Renewal Plan for the LeClaire Urban Renewal Area No. 1 is being amended to increase the size of the original district. The property which is being added to the Urban Renewal Area is described on Exhibit A attached hereto.

If the proposed tax increment ordinance covering this Amendment is adopted during calendar year 2012, and if debt payable from incremental taxes is certified to the County Auditor by December 1, 2012, the area being added to the district as a result of this amendment will have a "frozen base" as of the January 1, 2011 assessed valuation date.

With the adoption of this plan amendment, the City of LeClaire will designate the area being added as an economic development area that is appropriate for the promotion of economic development. The area being added will also become subject to the provisions of the original plan. Urban renewal projects consisting of the use of tax increment financing to promote commercial development may be considered by the City within this area.

The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa: (as of July 1, 2012)

Outstanding general obligation debt of the City:	<u>\$10,342,606</u>
Constitutional debt limit of the City:	<u>\$16,721,447</u>

Proposed debt to be incurred in area to be added
to Urban Renewal Area:

\$500,000 (maximum, subject to annual appropriation)

EXHIBIT A

LEGAL DESCRIPTION

EXPANDED LECLAIRE URBAN RENEWAL AREA NO. 1

(2012 - Addition #4)

Certain real property in the City of LeClaire, County of Scott, State of Iowa more particularly described as follows:

Lot #2 of the "Niko Subdivision" Addition to the City of LeClaire

(115 Davenport Street)



May 22, 2012

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

RE: City of LeClaire's proposal to amend and expand an existing Urban Renewal Area to include Lot 2 of the Niko Addition Subdivision (115 Davenport Street) to provide TIF incentives for expansion of an existing retail commercial business.

Dear Mayor Scannell and Council Members:

Thank you for the opportunity to comment on the proposed amendment of the Urban Renewal Area #1 in the City of LeClaire. The Scott County Board of Supervisors has reviewed the information provided by your City Administrator Ed Choate.

The Scott County Board of Supervisors has previously expressed and continues to have concerns with the equity and wisdom of providing TIF incentives as a rebate to expanding retail businesses that are in competition with other similar businesses in LeClaire and Scott County. It would appear that these TIF rebates are not being used to level the playing field due to some extraordinary re-development cost but rather as an incentive for the expansion of the business. While the Board has supported TIF incentives for the creation of primary, industrial jobs, it has not supported the use of TIF where the job creation was secondary jobs in the retail or service sectors.

The Board of Supervisors would encourage the City of LeClaire not to incur any further debt or fund any additional projects with TIF revenues from the existing portions of the Urban Renewal Areas and to dissolve those existing TIF Districts when the current debt is retired. The Board believes that the purpose of tax increment financing is to temporarily defer the tax paid on incremental value of new development to assist that development to occur but it is not to allow a municipality to divert income from that increment indefinitely to fund a variety of unrelated projects.

Sincerely,

Tom Sunderbruch, Chairman
Scott County Board of Supervisors

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