

PLANNING & DEVELOPMENT

500 West Fourth Street
Davenport, Iowa 52801-1106
E-mail: planning@scottcountyiaowa.com
Office: (563) 326-8643 Fax: (563) 326-8257



Timothy Huey
Director

To: Dee F. Bruemmer, County Administrator
From: Scott County TIF Review Committee
Date: January 21, 2015

Re: City of Davenport's proposed Downtown Urban Renewal Area Amendment and Opportunity for Affected Taxing Entities to Consult meeting.

The City of Davenport has notified Scott County of an opportunity to consult that was scheduled for Tuesday, January 20 regarding the proposed amendment to the Downtown Davenport Urban Renewal Plan. The proposed Urban Renewal Plan Amendment included the proposed new project for the former Howard Johnson Hotel property at 227 LeClaire Street, Riverwatch Place and also the identification of three previous projects approved by the City of Davenport. It is staff's understanding that previously the City was not required to notify affected taxing entities of these previous projects but due to a change in the State law they now must do so.

The information provided by the City does not give much detail on the project other the name and address and the total TIF income proposed to be reimbursed to the developer over a 15 year period. In checking Scott County Auditors/Treasurers Report on the property the 2013 annual tax on the property is \$34,337 based on a 2013 assessed valuation of \$828,600. Since 2012 the assessed valuation has dropped about 85% from a 2012 assessed valuation of \$1,433,200 to 2014 assessed valuation of \$210,000. Currently at tax certificate with a redemption total of \$57,465 is held by Forrest Holding, Inc. The plan amendment states that: *"The City will use TIF funds to reimburse the developer 60% of the incremental taxes of their development for fifteen years. Reimbursement is estimated to be \$4,745,000"*

Based on that information the City has provided and from Scott County Treasurer records, staff calculates the following:

Estimated annual total tax increment	\$527,222
Estimated annual TIF rebate to developer (60%)	\$316,333
Estimated annual TIF distributed to taxing bodies	\$210,889
Estimated total increment over 15 years	\$7,908,333
Estimated total TIF rebates to developer (60%)	\$4,745,000
Estimated total TIF distributed to taxing bodies	\$3,163,333

The TIF Review Committee has submitted a request to the City's Economic Development staff for more information on the Riverwatch Place project and the four others listed as previously approved. The TIF Review Committee will discuss this proposal with the Board at the next Committee of the Whole meeting to determine what response, if any, the Board should send to the City on this use of Tax Increment Financing.

226 West Fourth Street • Davenport, Iowa 52801
Telephone: 563-326-7748 • Fax: 563-328-6714
www.cityofdavenportiowa.com

Date: January 12, 2015

To: Board of Supervisors, Scott County
Superintendent, Davenport Community School District
President, Scott Community College

From: City Council
City of Davenport, Iowa

RE: Downtown Urban Renewal Area Amendment

The City of Davenport is in the process of amending the urban renewal area known as the Downtown Urban Renewal area, 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 new renewal plan amendment has been set for Tuesday, January 20, 2015 at 3:00 o'clock p.m. at City Hall, 2nd floor large conference room, 226 W 4th St. in Davenport. If you are unable to send a representative to the meeting, we invite your written comments. In addition, Section 403.5 gives you designated representative the right to make written recommendations concerning the urban renewal plan amendment no later than second days following the date of the meeting.

The City will also hold a public hearing on this urban renewal plan amendment at 5:30 o'clock p.m. on February 4, 2015, and a copy of the notice of hearing is enclosed for your information.

Please call Sarah Ott, Economic Development Coordinator, at 326-6167 or via email at sott@ci.davenport.ia.us if you have questions.

Enclosure

CC: Dee Bruemmer

CITY OF DAVENPORT, IOWA
URBAN RENEWAL PLAN AMENDMENT
DOWNTOWN URBAN RENEWAL AREA

January 21, 2015

The Urban Renewal Plan (the “Plan”) for the Downtown Urban Renewal Area (the “Area”) is being amended for the purpose of identifying new urban renewal projects to be undertaken therein.

1) **Identification of New Projects.** By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following described project descriptions:

A) Name of Project: Riverwatch Place

Cost: \$4,745,000

Rationale: The City will use TIF funds to reimburse the developer 60% of the incremental taxes of their development for fifteen years. Reimbursement is estimated to be \$4,745,000.

2) **Identification of Previous Projects:**

B) Name of Project: The Dock

Cost: \$3,600,000

Rationale: The City will use TIF funds to reimburse the developer 75% of the incremental taxes of their development for fifteen years. Reimbursement is estimated to be \$3,600,000.

C) Name of Project: City Square

Cost: \$25,900,000

Rationale: The City shall issue to the developer a TIF note in the amount of \$15,000,000. The TIF note shall bear interest at the rate of 6.0% The total principal and interest payments anticipated during the TIF period will be approximately \$25.9 million. Any principal and interest in excess of this amount shall not be the responsibility of the City.

D) Name of Project: Renwick 2

Cost: \$1,067,965

Rationale: The City shall issue a loan to the developer to outfit the commercial space of the Renwick building.

E) Name of Project: MDI

Cost: \$78,930

Rationale: The City shall issue to the developer a rebate of 100% of the incremental taxes of their development for two years. Reimbursement is estimated to be \$78,930.

2) **Required Financial Information.** 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: \$200,100,000

Remaining Constitutional debt capacity of the City: \$101,681,943

Proposed debt to be incurred in the Urban Renewal Area: \$4,745,000

NOTICE OF PUBLIC HEARING ON DESIGNATION OF EXPANDED
NORTH ECONOMIC DEVELOPMENT AREA AND ON PROPOSED URBAN
RENEWAL PLAN AMENDMENT

Notice Is Hereby Given: That at 5:30 o'clock p.m., at City Council Chambers on the first floor of City Hall, 226 W. 4th Street, Davenport, Iowa, on the 4th day of February, 2015, there will be conducted a public hearing on the question of amending the Downtown Urban Renewal Area Plan, pursuant to Chapter 403, Code of Iowa, by including the following project:

- 1) Riverwatch Place: 227 LeClaire St, Davenport, IA 52801

A copy of the proposed 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.

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.

Jackie Holecek
Deputy City Clerk