

PLANNING & DEVELOPMENT

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Timothy Huey
Director

To: Dee F. Bruemmer, County Administrator

From: Scott County TIF Review Committee

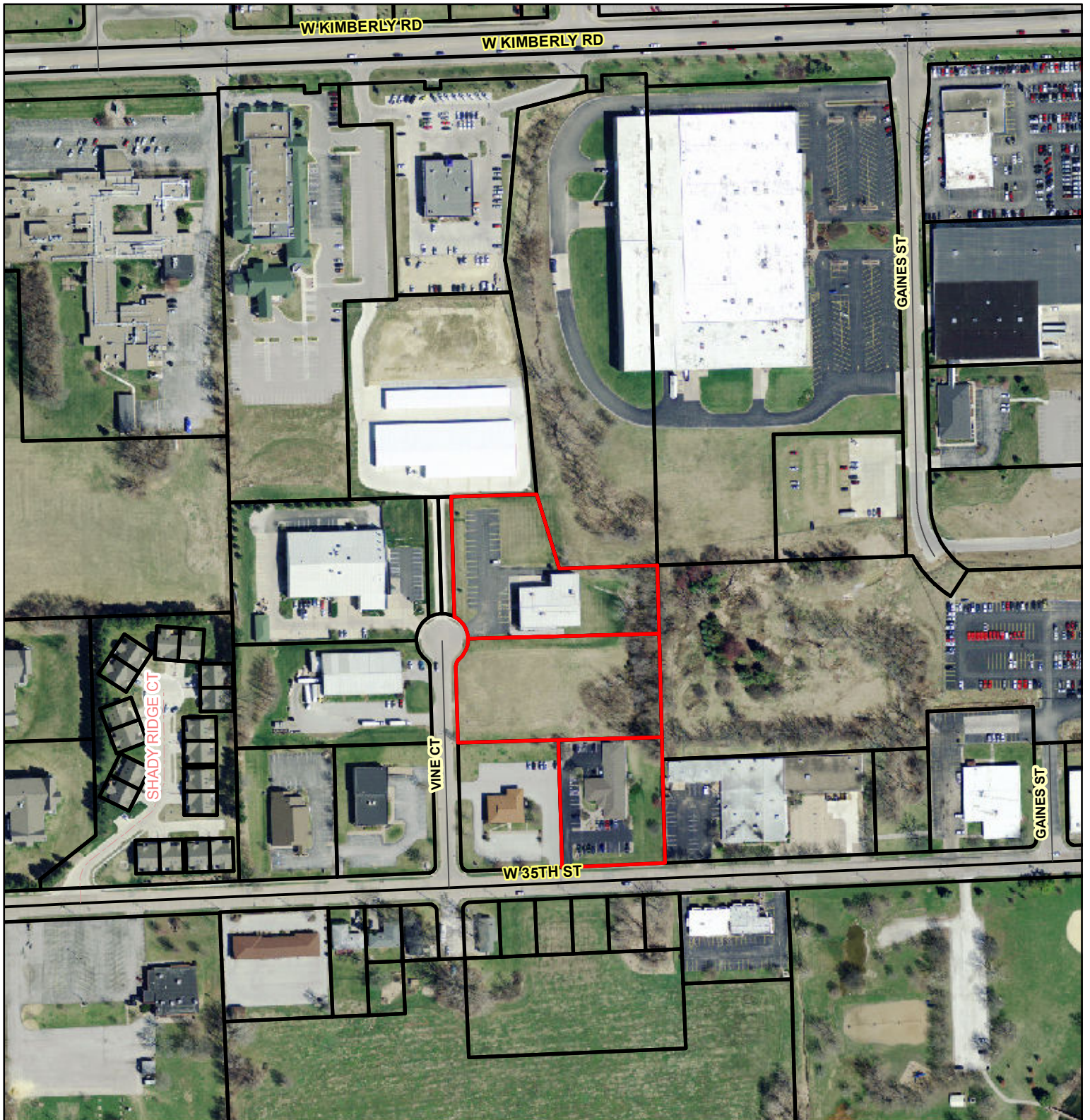
Date: May 19, 2016

Re: City of Davenport's proposed expansion of its North Urban Renewal Area.

On Monday, May 17 The City of Davenport notified Scott County of an opportunity to consult on regarding the proposed expansion of the North Economic Development Area. The three lots are adjacent to Vine Court and West 35th Street but not contiguous to any other Urban Renewal Area. City Staff stated that the intention was to create a TIF incentive plan for the accounting firm that occupied one of the buildings and intended to expand in to the other building. The proposed project is estimated to retain 54 jobs, add 23 more within 3 years and another 48 job in years 4 and 5. The jobs are projected to have an average wage of \$62K/yr. This would be a regional headquarters for the company and to the extent that this project grows our local economy I believe the Board can support it to the extent that it is for a company that is growing our local economy. For similar projects the City has granted 60% rebate of the TIF for 15 years.

The Committee will draft a letter for the Board's consideration at the COW. The information provided by the City is also included.

Location of 908 W 35th St, Vacant Lot & 3513 Vine Ct





226 West Fourth Street • Davenport, Iowa 52801
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Date: May 10, 2016

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

From: City Council
City of Davenport, Iowa

RE: North Urban Renewal Area Amendment

The City of Davenport is in the process of amending the urban renewal area known as the North 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, May 17, 2016 at 8:30 a.m. at City Hall, in the Community Planning & Economic Development Conference Room, 226 W 4th St. in Davenport. You can access this room by entering through our CPED reception area on 2nd floor. 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 seven 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 June 1, 2016, and a copy of the notice of hearing is enclosed for your information. Please reference the enclosed map for site location.

Please call Susanne Knutsen, Lead Economic Development Coordinator, at 326-6179 or via email at smk@ci.davenport.ia.us if you have questions.

Enclosures

City of Davenport, Iowa

**Urban Renewal Plan Amendment
North Urban Renewal Area**

May 9, 2015

The Urban Renewal Plan (the “Plan”) for the North Urban Renewal Area (the “Area”) is being amended for the purposes of 1) increasing the size of the Area by added certain real property thereto; and 2) identifying new urban renewal projects to be undertaken therein.

- 1) **Addition of Property.** The real property (the “Property”), legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the May 2016 Addition to the Area. With the adoption of this Amendment, the City will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Area.

It is anticipated that the City will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to certain taxable Property contained in this January 2016 Addition. Following the adoption of such ordinance, if the City certifies obligations to the County Auditor payable from incremental property tax revenues to be derived from the January 2016 Addition by December 1, 2016, then the “base valuation” for the calculation of available incremental property tax revenues for the January 2016 Addition will be determined as of January 1, 2016. For property placed in an economic development urban renewal area after January 1, 1995, Section 403.17 of the Code of Iowa limits the number of years of incremental property tax collections to twenty years.

NOTICE OF PUBLIC HEARING ON DESIGNATION OF EXPANDED
NORTH URBAN RENEWAL AREA

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 1st day of June, 2016, there will be conducted a public hearing on the question of expanding the North Urban Renewal Area, pursuant to Chapter 403, Code of Iowa, by adding and including all the property described as follows:

Property's legal description:

Lot 5 of Schuette's First Addition to the City of Davenport, Scott County, Iowa. Subject to easements, restrictions and covenants of record. Parcel P1410-10. More commonly known at 3513 Vine Court and;

Lot 6 of Schuette's First Additional to the City of Davenport, Scott County, Iowa. Parcel 1410-11 and;

Lot 8 of Schuette's First Addition to the City of Davenport, Scott County, Iowa. Parcel P1415-11. More commonly known as 908 West 35th Street.

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.

A copy of the proposed amendment is on file for public inspection in the office of the City Clerk.

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

Honkamp Krueger Project Overview: While this public hearing is only for the addition of area to the North Urban Renewal Area we wanted to include further information on the overall project. There will be two additional public hearings tentatively scheduled for June. These will cover amending the Urban Renewal Plan to include the Honkamp Krueger project and a hearing on the TIF rebate amount.

Honkamp Krueger is a national financial services company with offices currently in Davenport. The company is seeking a regional headquarters that is anticipated to house over 125 employees over the next five years. Davenport is currently in competition with Madison, WI, Peoria, IL and Valparaiso, IN.

According to the company a majority of Iowa is already covered by their offices in Dubuque and Des Moines. This project intends to allow for the targeting of strategically important areas include Milwaukee, Chicago, Quad Cities, Northern Illinois, Central Illinois and Northern Indiana. The proposed project would allow for the development and growth of firm wide resources and specialists which will serve clients across a regional and national footprint.

If chosen for the regional headquarters, this project will retain 54 positions and add an additional 23 positions in the next three years paying an average salary of \$62,000/yr. The City of Davenport is interested in preserving these jobs and continuing to grow the central Davenport area through infill development.

Honkamp Krueger's project is approximately \$2.4 million and they are proposing to add 10,000 square feet of space to their existing location at 908 W 35th St and 3513 Vine Court just south of West Kimberly Road. A final TIF rebate figure has not been arrived at yet but we are estimating that the company will receive a 60% rebate of their increased property taxes for 15 years.

For estimation purposes, if the increase in assessed valuation was \$1 million the company would receive approximately \$323,000 over 15 years contingent upon job retention and creation. The remainder of the money would continue to go to the taxing jurisdictions per the estimates below:

Taxing Entity	Total amount paid over 15 years
County	\$32,420
School	\$84,650
College District	\$5,231
City	\$90,612
Assessor	\$1,873
Other	\$385