

**BOARD OF SUPERVISORS**

600 West Fourth Street  
Davenport, Iowa 52801-1030

Office: (563) 326-8749

E-Mail: board@scottcountyia.com



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October 18, 2016

Mayor Marty O' Boyle  
Eldridge City Council Members  
Eldridge City Hall  
305 North Third Street  
Eldridge, Iowa 52748

**RE: City of Eldridge's proposed Amendment #2 to the city's Urban Renewal Area Plan to use TIF income for capital projects related to the upgrading and expansion of the City's wastewater treatment facilities and other possible city capital projects.**

Dear Mayor O'Boyle and Council Members:

Thank you for the opportunity to comment on the proposed amendment #2 to the City of Eldridge's Unified Urban Renewal Plan. The Scott County Board of Supervisors has reviewed the materials submitted by City Administrator John Dowd.

On two previous occasions, March, 2000 and May, 2012, when the City was required to give the Board an Opportunity to Consult on amendments to the City's Urban Renewal Areas and Plans the Board has stated that it encourages the use of tax increment financing to be limited to redeveloping and revitalizing blighted areas with a history of declining property values or for attracting new or expanded industrial development. The Board has consistently supported the use of tax increment financing as an incentive for the retention and creation of **primary** jobs. The Board has also always recommended that all tax increment financing be for the minimum dollar amount to make any project feasible and also be of the shortest possible duration.

In this case, it is the Board's understanding that the City's upgrade to its sewer system has a total estimated budget of approximately \$15M with Tax Increment Financing funding approximately \$9.6M of that total budget. The Board would note that a portion of those TIF funds are generated by the County's tax levy and should be used in accordance with TIF projects cited above or if not returned to the County to be deposited in the County's General Fund for the benefit of all County residents.

On the two previous occasions the Board commented, the Board of Supervisors has encouraged the City of Eldridge to limit its use of TIF dollars for reversing blight or as an incentive for direct benefits to the local economy and not for capital improvements for public infrastructure that should be borne by the residents and City of Eldridge and not supported with revenue generated by the County's property tax levy. While the Board of Supervisors recognizes the City of Eldridge 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,

Jim Hancock, Chairman  
Scott County Board of Supervisors

cc: Scott County Board of Supervisors  
North Scott School District Board  
Joe Stutting, North Scott School District Superintendent  
John Dowd, Eldridge City Administrator  
Mahesh Sharma, Scott County Administrator