

**PLANNING & DEVELOPMENT**

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Timothy Huey  
Director

To: Mahesh Sharma, County Administrator

From: Scott County TIF Review Committee

Date: November 8, 2016

**Re: City of Bettendorf's proposed creation of a TIF District for the demolition of the Twin Bridges Motor Inn and the redevelopment of the site with market rate multi-family rental units.**

The City of Bettendorf views this property as a seriously 'challenged' property in its current state. The City has been seeking the redevelopment of this site since it was identified in its Downtown Master Plan as a 'catalyst site'. The City has determined it to be a nuisance property with public health concerns, structural concerns, life/safety concerns and as a seriously blighted area. For these reasons the City is offering this TIF plan as a substantial incentive package based on the property in question, and knowing that no other developer has expressed interest in redevelopment of the property. The City also states that the incentive is offered due to the assumed risk on the part of the developer, and because, as the initial blighted property to be redeveloped, it is expected to help rejuvenate the downtown. The City of Bettendorf has determined this property to be a public nuisance with over 600 police and fire calls in the past calendar year. The property, therefore as stated above, is considered by the City to be a severely blighted property.

The TIF Review Committee submitted some additional questions on the property to the City:

1. Is the total Assessed Value of the Project expected to be \$22M? CONSTRUCTION COST OF \$22M. MINIMUM ASSESSMENT SET AT \$15M. AFTER TALKING WITH TOM MCMANUS, WE BELIEVE THE ASSESSOR WILL SET A MUCH HIGHER VALUE THAN \$15M. THE \$15M ASSESSED VALUE IS HELPING THE DEVELOPER SECURE LOCAL FINANCING.
2. What would be the Base Valuation for the project? WHILE WE ARE NOT SETTING A BASE IN THIS AGREEMENT, WE ARE ASSUMING IT'LL BE THE ASSESSED VALUE AS OF JANUARY 1, 2017. (ROUGHLY \$785K)
3. How much would the annual increment payment expected to be? THAT'LL BE DETERMINED BY THE ASSESSED VALUE, BUT IF IT IS THE MINIMUM ASSESSED VALUE, THE ANNUAL PAYMENT WILL BE AROUND \$375K.
4. You describe this as "multi-family commercial development" is this all market rate residential rental units or is there some retail/office component to the development? ALL MARKET RATE. THERE WILL BE ONE UNIT OF RETAIL/RESTAURANT, (APPROXIMATELY 3,000 SQUARE FEET). TARGETED AT MILLENIALS AND WORKING CLASS, THE DEVELOPER CONTEMPLATES 135 TOTAL UNITS, AND HIS PROFORMA SUGGEST 95% OCCUPANCY IN THE FIRST YEAR.

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City of Bettendorf's TIF proposal  
November 8, 2016

5. This would appear to be a TIF offered as an economic incentive to eliminate this blighted property? THAT IS 100% CORRECT. THIS PROPERTY HAS BEEN DETERMINED TO BE A PUBLIC NUISANCE WITH OVER 600 POLICE AND FIRE CALLS THIS CALENDAR YEAR. IT IS A SEVERLY BLIGHTED PROPERTY THAT HAS BEEN IDENTIFIED AS A 'CATALYST SITE' FOR REDEVELOPMENT.

The TIF Review Committee would consider the use of a TIF incentive in this current proposal as a method to reverse the obvious blight of this site and a proposal the Board of Supervisors should consider supporting. Even though it is a "residential" development it is not a detached single family residential development on a greenfield site but rather the redevelopment of a seriously blighted site for a commercial multi-family development.

The TIF Review Committee will draft a letter for the Board's consideration.



1609 State Street • Bettendorf, Iowa 52722-4937 • 563-344-4000

October 27, 2016

Dear Taxing Entities,

One of the City of Bettendorf's top goals in an effort to encourage economic development and increase the tax base is "to encourage the redevelopment of underutilized or blighted property", such as the property located at 221 – 15<sup>th</sup> Street in Bettendorf, Iowa, (commonly known as The Twin Bridges Motor Inn).

Today, the property is in very poor condition, and is considered a public nuisance due to the number of health and public safety issues that have arisen. The City of Bettendorf and Scott County respond to over 300 police, fire, nuisance, public health or safety calls at this site annually! This property sits in Bettendorf's Downtown, at a location that is targeted for redevelopment, and at the base of the new Interstate 74 Bridge. This property is one of the true catalyst sites to spur economic revitalization in Downtown Bettendorf. Twin Bridges Associates, LP and their general partner Frank Levy, have approached the City of Bettendorf requesting a full 20 year TIF, and a \$750,000 Forgivable Economic Development Loan, to support the redevelopment of this property, which would start immediately with the demolition of the existing building.

The project proposed at this time contemplates a multi-family commercial development in an entirely new, urban designed setting, targeted at attracting young professionals and families to Downtown Bettendorf. This development would feature contemporary building and design standards, while connecting directly to the new Urban Park that is coming as part of the Interstate 74 Bridge Project. It is a conduit to the Mississippi River Trail system and provides tremendous economic growth potential, with a new property valuation anticipated to exceed \$22 Million, making it the second highest valued property in Downtown Bettendorf, with The Isle Casino and Hotel complex being the only property valued higher.

Twin Bridges Associates, LP's plan will be to immediately mitigate any environmental issues, demo the building, grade the site, and break ground on the new development in the spring of 2017. Their incentive, which is a proposed 20 year 100% TIF will come in the form of a rebate that is based on their ability to perform. Additionally, the City of Bettendorf anticipates awarding a \$750,000 Forgivable Economic Development Loan to support this project; as staff and City Council believe in the ability of this project to serve as a tremendous catalyst, and agent of change for greater growth and development in Downtown Bettendorf for years to come.

Prior to committing to a Development Agreement, the City desires to seek your input about this project. Therefore, an Opportunity to Consult will be held on Friday, November 4, 2016 at 10am in the Administrative Offices of Bettendorf City Hall, located at 1609 State Street. If you have thoughts, or cannot make the meeting, please feel free to contact me with any questions. I will be happy to oblige.

Additionally, per Iowa Code, a hard copy of the Resolution setting the date for the Opportunity to Consult, and the proposed Development Agreement will be mailed to each of the taxing entities; and as a courtesy, hard copies will be hand delivered as well.

Thank you!

Jeff Reiter  
Economic Development Director  
City of Bettendorf

EXHIBIT A

Street Address: 221 – 15<sup>th</sup> Street

City: Bettendorf

County: Scott

LEGAL DESCRIPTION

Part of the southwest ¼ of the southwest ¼ of Section 28, Township 78 North, Range 4 east of the 5<sup>th</sup> Prime Meridian, beginning in the south boundary line of said Section 28 at a point 418 ½ feet east of the southwest corner of said Section; thence north 439 ½ feet to the center of the Davenport and LeClaire Road; thence east along the center of road 180 feet more or less to the land of Gustav Kobs' land 439 ½ feet to Section line; thence west 180 feet to the place of beginning, subject to the right of way of the Davenport, Rock Island and Northwestern Railway Company and the Iowa and Illinois Railway Company.

AND

A part of the western ½ of the southwestern ¼ of Section 28, Township 78 North, Range 4 east of the 5<sup>th</sup> Prime Meridian, more particularly described as follows: Commencing at a point 602.27 feet west of the southeast corner of said west ½ of the southwest ¼ of Section 28; thence west 130 feet; thence north 413.16 feet to the south line of Davenport and LeClaire Road; thence easterly along south line of Davenport and LeClaire Road 130 feet; thence south to the place of beginning, excepting however, that portion of said real estate above described which has heretofore has been sold to the Davenport Clinton and Eastern Railway Company and I. & I. Railway Company and D.R.I. & N.W. Railway Company for right of way; and excepting that tract conveyed to the City of Davenport, Iowa, by Warranty Deed dated October 8, 1958, and recorded in Book 237, Deeds page 206 in the office of the Recorder of Scott County, Iowa.

Exhibit A - Twin Bridges Associates, LP TIF District



RESOLUTION SETTING THE DATES FOR PUBLIC HEARINGS ON APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF BETTENDORF AND TWIN BRIDGES ASSOCIATES, LP AND ESTABLISHING THE TWIN BRIDGES TAX INCREMENT FINANCING DISTRICT FOR THE PROPERTY LOCATED AT 221 – 15<sup>th</sup> STREET

WHEREAS, the City of Bettendorf previously established Urban Renewal Area #1, and

WHEREAS, the City of Bettendorf and Twin Bridges Associates, LP have negotiated a Development Agreement for the redevelopment of the property located at 221 – 15<sup>th</sup> Street and establishing the new Twin Bridges Tax Increment Financing District within Urban Renewal Area #1, and

WHEREAS, an Opportunity to Consult will be held on November 4, 2016, concerning said Development Agreement and related Tax Increment Financing District, and

WHEREAS, the City of Bettendorf desires to receive public input prior to entering into said Development Agreement and establishing the Twin Bridges Tax Increment Financing District, and

WHEREAS, the City Council has determined the public purpose will be accomplished by the creation of new businesses that generate public gains and benefits as mandated by Section 15A of the Code of Iowa.

NOW, THEREFORE IT BE RESOLVED BY THE CITY OF BETTENDORF that November 15, 2016 at 7pm in the Bettendorf City Hall Council Chambers at 1609 State Street is hereby established as the date, time and location for a public hearing for a proposed Development Agreement including a Tax Increment Financing District between the City of Bettendorf and Twin Bridges Associates, LP.

Passed, Approved and Adopted this 1<sup>st</sup> day of November, 2016.

\_\_\_\_\_  
Mayor Robert Gallagher, Jr.

Attest:

\_\_\_\_\_  
Decker P. Ploehn, City Clerk

**ORDINANCE PROVIDING THAT TAX INCREMENT REVENUES  
LEVIED AND COLLECTED EACH YEAR ON PROPERTY LOCATED  
WITHIN URBAN RENEWAL AREA #1, IN THE CITY OF  
BETTENDORF, COUNTY OF SCOTT, STATE OF IOWA, BY AND FOR  
THE BENEFIT OF THE STATE OF IOWA, CITY OF BETTENDORF,  
COUNTY OF SCOTT, BETTENDORF COMMUNITY SCHOOL  
DISTRICT AND OTHER TAXING DISTRICTS, BE PAID TO A  
SPECIAL FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON  
LOANS, MONIES ADVANCED TO AND INDEBTEDNESS,  
INCLUDING BONDS ISSUED OR TO BE ISSUED, INCURRED BY  
SAID CITY IN CONNECTION WITH SAID URBAN RENEWAL  
REDEVELOPMENT PROJECT.**

WHEREAS, the City Council of the City of Bettendorf, Iowa, after public notice and hearing as prescribed by law and pursuant to Resolution No. 36-90, passed and approved on the 4<sup>th</sup> day of September, 1990, adopted the Bettendorf Urban Renewal Plan (the "Urban Renewal Plan") and has been amended to include an urban renewal area known as Urban Renewal Area #1 (the "Urban Renewal Project Area"), which Urban Renewal Project Area includes the lots and parcels located within the area legally described in "Exhibit A" attached to this ordinance.

WHEREAS, the City Council desires to establish the Twin Bridges Associates, LP Tax Increment Financing District for the division of revenue pursuant to Section 403.19 of the Code of Iowa for the following lots and parcels located within the area legally described in "Exhibit A" (the "TIF District"); and

WHEREAS, expenditures and indebtedness are anticipated to be incurred by the City of Bettendorf, Iowa in the future to finance urban renewal projects within the TIF District carried out in furtherance of the objectives of the Urban Renewal Plan; and

WHEREAS, the City Council of the City of Bettendorf, Iowa desires to provide for the division of revenue from taxation in the TIF District, as described below, in accordance with the provisions of Section 403.19 of the Code of Iowa, as amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BETTENDORF, IOWA:

Section 1. That the taxes levied on the taxable property in the TIF District legally described in the preamble hereof, by and for the benefit of the State of Iowa, City of Bettendorf, County of Scott, Bettendorf Community School District, and all other taxing districts from and after the effective date of this Ordinance shall be divided as hereinafter in the Ordinance provided.

Section 2. That portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the TIF District, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City of Bettendorf certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the division of property tax revenue described herein, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid.

Section 3. That portion of the taxes each year in excess of the base period taxes determined as provided in Section 2 of the Ordinance shall be allocated to and when collected be paid into a special tax increment fund of the City of Bettendorf, Iowa hereby established, to pay the principal of and interest on loans, monies advanced to, indebtedness, whether funded, refunded, assumed or otherwise, including bonds or obligations issued under the authority of Section 403.9 or 403.12 of the Code of Iowa, as amended, incurred by the City of Bettendorf, Iowa, to finance or refinance, in whole or in part, urban renewal projects undertaken within the TIF District pursuant to the Urban Renewal Plan, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant Section 298.2, but only to the extent authorized in Section 403.19(2), and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the Urban Renewal Project Area without and limitation as hereinabove provided.

Section 4. Unless or until the total assessed valuation of the taxable property in the TIF District exceeds the total assessed value of the taxable property in the TIF District as shown by the assessment role referred to in Section 2 of this Ordinance, all of the taxes levied and collected upon the taxable property in the TIF District shall be paid into the funds for the respect taxing districts as taxes by or for said taxing districts in the same manner as all other property taxes.

Section 5. At such time as the loans, advances, indebtedness, bonds and interest thereon of the City of Bettendorf, Iowa referred to in Section 3 hereof have been paid, all monies thereafter received from taxes upon the taxable property in the TIF District shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

Section 6. All ordinances or parts or ordinances in conflict with the provisions of this Ordinance are hereby repealed. The provisions of this Ordinance are intended and shall be construed so as to fully implement the provisions of Section 403.19 of the Code of Iowa, as amended, with respect to the division of taxes from property within the TIF District, as described above. In the event that any provision of this Ordinance shall be determined to be contrary to law, it shall not affect other provisions or

application of this Ordinance which shall at all times be construed to fully invoke the provisions of Section 403.19 of the Code of Iowa with reference to the TIF District and the territory contained therein.

Section 7. This Ordinance shall be in effect after its final passage, approval, and publication as provided by law.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_,  
2016.

\_\_\_\_\_  
Robert Gallagher, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Decker P. Ploehn, City Clerk





## COUNCIL LETTER

**MEETING DATE:** November 1, 2016

**REQUESTED BY:** Jeff Reiter

**ITEM TITLE: Resolution Setting the Dates for Public Hearings on Approving a Development Agreement between the City of Bettendorf and Twin Bridges Associates, LP and Establishing the Twin Bridges Tax Increment Financing District for the Property Located at 221 – 15<sup>th</sup> Street**

### EXPLANATION

One of the City of Bettendorf's top goals in an effort to encourage economic development and increase the tax base is "to encourage the redevelopment of underutilized or blighted property", such as the property located at 221 – 15<sup>th</sup> Street in Bettendorf, Iowa, (commonly known as The Twin Bridges Motor Inn).

The current building located on this site was constructed in 1961 and is in very poor condition. The City has recently conducted code enforcement activities at the property and the building has not been allowed to be fully occupied since August. This property has been identified in the Downtown Master Plan as a possible catalyst site for downtown revitalization and the City Council identified this location as a top priority for redevelopment at its most recent goal-setting session. It is anticipated that this redevelopment project will encourage further private investment in the downtown.

The City has negotiated a Development Agreement with Twin Bridges Partners, LP for the redevelopment of this site. The Developer is committing to build two 5-story apartment buildings with a total of 135 market-rate housing units ranging from micro-studio units to two-bedroom units. The new buildings shall comply with the Downtown Master Plan design standards. The construction cost is estimated to be \$22 million and construction will begin within 120 days of the signing of the Agreement. In exchange, the Agreement calls for a \$750,000 forgivable economic development loan, as well as a 20 year, 100% TIF rebate to the Developer in support of this project.

Prior to offering any such financial incentives, the City desires to seek public input in the form of a public hearing. Therefore, staff recommends setting November 15, 2016 at 7 pm in the City Council Chambers at Bettendorf City Hall, 1609 State Street as the date, time, and place for said public hearing to consider the approval of the Development Agreement as well as the establishment of the Twin Bridges Tax Increment Financing District. Additionally, an opportunity to consult will be held with the affected taxing entities on November 4, 2016. Staff will report the results of that meeting to the Council at the public hearing.

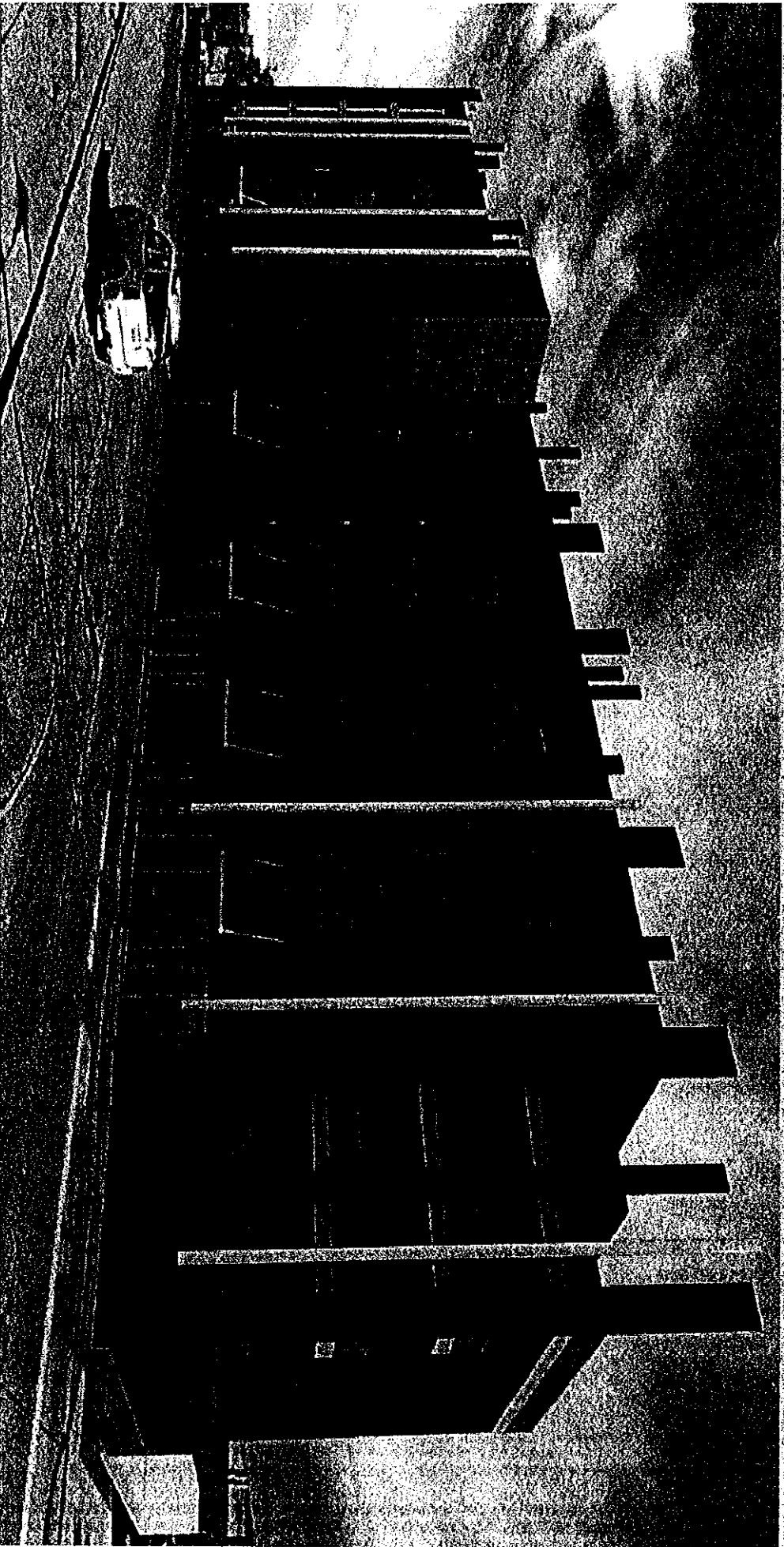
### **If the matter is not budgeted in the current year, explain why funding is requested and the anticipation:**

- TIF Funds generated by the project will be rebated to the Developer.
- The budget contemplates the forgivable loan amount.

### **List Attachments:**

- Concept Plan Submitted by the Developer
- Development Agreement Draft
- Resolution
- Legal Description of Development Site
- Urban Renewal Area #1 Plan

# Front Elevation



**DEVELOPMENT AGREEMENT**

This Development Agreement is entered into between the City of Bettendorf, Iowa, an Iowa Municipal Corporation (City), and \_\_\_\_\_ (Developer), as of the \_\_\_\_ day of \_\_\_\_\_, 2016.

**RECITALS**

**WHEREAS**, Developer owns certain property, more specifically described on Exhibit A attached hereto (Property), which is located within the Urban Renewal Area #1, and upon which the Developer intends to construct a multi-story, 135-unit, workforce housing commercial project (Project) on the Property; and

**WHEREAS**, the existing building on this site was originally constructed in 1961 and has been operated as an extended stay motel for the last decade, and it is currently in a deteriorated condition; and

**WHEREAS**, this property has been identified as a potential redevelopment site in the City of Bettendorf's Downtown Master Plan and Streetscape Plan, and downtown redevelopment continues to be a high priority for the Bettendorf City Council; and

**WHEREAS**, the Project will not occur without financial assistance from the City of Bettendorf; and

**WHEREAS**, the Developer's obligations to redevelop the Property as provided herein furthers the objectives of the Urban Renewal Plan to provide additional urban infill, employment opportunities and tax base within the Urban Renewal Project Area, and preserve and create an environment which will protect the health, safety and general welfare of City residents; and

**WHEREAS**, the economic development incentives for the development of the Improvements are provided by the City to Developer pursuant to the Urban Renewal Law and Chapter 15A of the Code of Iowa, and Developer's obligations under this Agreement to construct the Improvements will generate the following public gains and benefits: (i) it will advance the improvement and redevelopment of the Project Area in accordance with the Urban Renewal Plan; (ii) it will encourage further private investment in the surrounding area; and, (iii) it will further the City's efforts to retain and create job opportunities within the Project Area which might otherwise be lost; and

**WHEREAS**, City believes that the redevelopment of the Property pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Project has been undertaken, and warrant the provision of the economic assistance set forth in this Agreement.

**NOW, THEREFORE**, the parties hereto agree as follows:

**Section 1.     Developer Obligations.**

Developer agrees demolish the existing structure on the property and construct two five-story multi-family buildings on the Property which will include a total of 135 housing units. The housing units will range from micro units to two-bedroom units. The Project shall be constructed in substantial

DRAFT

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compliance with the approved Conceptual Development Plan attached hereto as Exhibit B and with such future amendments thereto as may be approved by City.

The Project design and construction shall adhere to design standards contained within the Downtown Master Plan and Streetscape Plan. The Project must further comply with all applicable state and local laws and regulations, including but not limited to the City's Site Plan Regulations, Zoning Ordinance, and Building Code.

Developer shall cause construction of the Project to commence within 120 days of the date of this Agreement, and shall cause such construction to be diligently pursued to completion. The Project shall be substantially completed by December 31, 2018.

**Section 2. City Obligations.**

City agrees to assist Developer in applying for Workforce Housing Tax Credits for the Project from the Iowa Economic Development Authority. City further agrees that it will vacate Gilbert Street, which runs along the rear of the Property, and transfer that property to Developer by way of Quit Claim Deed. In exchange, Developer agrees to incorporate that property into this Development Project and use it for tenant parking and enhanced streetscapes, as well as to maintain it as a secondary access point to the State Street Fire Station.

**Section 3. Economic Development Payments.**

**A. Forgivable Economic Development Loan.**

City shall advance to Developer a Forgivable Economic Development Loan in a principal amount equal to \$750,000. The Forgivable Loan shall be forgiven in full upon satisfactory completion of the Project, as determined by City. If Developer is determined to be in default of this Agreement for failure to timely commence construction of the Project, or for abandoning construction prior to the Project's completion, the City may elect to declare the Forgivable Loan due and payable. In such event, the principal amount of the Forgivable Loan shall be immediately due and payable, and any portion of the Forgivable Loan not repaid within 30 days of such election shall thereafter draw interest at the annual rate of eight percent (8%), until paid, with all payments to be applied first to payment of accrued interest and then to reduction of the principal.

Said Loan shall be secured by the attached Subordinate Mortgage, labeled as Exhibit C, and the attached Promissory Note, labeled as Exhibit D. Both documents shall be filed with the Scott County Recorder's Office.

**B. Tax Increment Rebate Payments.**

The City agrees to make tax increment rebate payments (TIF Rebate) to Developer in support of this Project. The TIF Rebate shall be paid only from the tax incremental revenues derived from the Project for the term of this Agreement, pursuant to Chapters 15A and 403 of the Code of Iowa. For the purposes of this Agreement, the tax incremental revenues derived from the Project shall mean only the taxes available for division by the City under the Urban Renewal Law in excess of the base year assessment for the Property and any Added Land and improvements thereto. January 1, 2018 shall be considered the base year.

Added Land is any vacated right-of-way adjoining the Property which is transferred to the Developer within 9 months of the date of this Agreement for assemblage with the Property.

The TIF Rebates shall be made on December 1<sup>st</sup> and June 1<sup>st</sup> of each fiscal year, and shall continue for a period of twenty (20) years of taxes commencing with the January 1, 2019 tax year. Each of the TIF Rebate Payments shall be in an amount equal to 100% of the Project TIF in that fiscal year, subject to the limitation further described below.

In any given year of the TIF Rebate, such Rebate payment shall be limited to that amount which is necessary to provide Developer's investors with their target rate of return on their initial investments. Once that rate of return is achieved for that year, any remaining TIF amount shall return to the City and other appropriate taxing bodies. Developer agrees to provide a financial report to the City by April 15 of each year in which Developer is eligible for a TIF Rebate payment, beginning with April 15, 2019. This report shall include the following information:

- i) A summary of all income and revenues by category received by Twin Bridges Associates, LP from all sources, including but not limited to incidental sales of personal property and fixtures.
- ii) A summary of all expenses by category incurred in the operation, maintenance and leasing of the Property and Improvements.
- iii) A summary of all receipts from the sale or refinancing of any portion of the property.
- iv) The aggregate original equity investment by all the Partners in Twin Bridges Associates, L.P, as reduced from time-to-time by any distributions made in reduction of their original equity investment.
- v) The aggregate amounts and date of advancement and repayment of all loans from the Partners.
- vi) The calculation of the internal rate of return to the limited Partners and the Special Limited Partner on their original equity investment in Twin Bridges Associates, LP cumulative of all prior distributions, for the term from \_\_\_\_ through the prior calendar year for any annual report, and through the December 31<sup>st</sup> nearest to the date of refinancing or sale for any Interim Report.
- vii) The total cost to Twin Bridges Associates, LP of acquiring the Property and constructing the Project. Such costs shall include accrued interest through the date of completion of the Project. The information required by this sub-paragraph need only be shown in the first Annual Report after completion of the Improvements.

The TIF Rebate payments to the Developer are subject to the timely payment of property taxes by the Developer.

Developer agrees to execute a Minimum Assessment Agreement for the Property in the amount of \$20,000,000. Said Minimum Assessment Agreement shall be in full force and effect for the duration of the TIF Rebates on the Property and shall run with the land. *Yes I think we should*

**Comment [k1]:** Are we requiring a minimum assessment agreement?

**Section 4. Term of Agreement.**

The tax increment revenues described in Section 3 above shall accumulate and be available for rebate through the life of the TIF Rebate stream. This Agreement shall terminate once all TIF Rebates have concluded.

**Section 5. Right of Non-Appropriation.**

Notwithstanding anything in this Agreement to the contrary, the obligation of the City to pay any installment of the TIF Rebate from the Pledged Tax Increment Revenues described in Section 3 hereto shall be an obligation limited to currently budgeted funds, and not a general obligation or other

indebtedness of the City or a pledge of its full faith and credit within the meaning of any constitutional or statutory debt limitation, and shall be subject in all respects to the right of non-appropriation by the City Council of the City as provided in this section. The City may exercise its right of non-appropriation as to the amount of the TIF Rebates to be paid during any fiscal year during the term of this Agreement without causing a termination of this Agreement. The right of non-appropriation shall be exercised only by resolution affirmatively declaring the City's election to non-appropriate funds otherwise required to be paid to Developer in the next fiscal year under this Agreement.

In the event the City Council of the City elects to not appropriate sufficient funds in the budget for any future fiscal year from the Pledged TIF Rebate described in Section 3 hereto for the payment in full of the installments on the TIF Rebate due and payable in that fiscal year, then the City shall have no further obligation to the Developer for the payment of all installments due in the next fiscal year which cannot be paid with the funds then appropriated for that purpose.

The right of non-appropriation reserved to the City in this Section is intended by the parties, and shall be construed at all times, so as to ensure that the City's obligation to pay future installments on the TIF Rebates shall not constitute a legal indebtedness of the City within the meaning of any applicable constitutional or statutory debt limitation prior to the adoption of a budget which appropriates funds for the payment of that installment or amount. In the event that any of the provisions of this Agreement are determined by a court of competent jurisdiction to create, or result in the creation of, such a legal indebtedness of the City, the enforcement of the said provision shall be suspended, and the Agreement shall at all times be construed and applied in such a manner as will preserve the foregoing intent of the parties, and no event of default shall be deemed to have occurred as a result thereof. If any provision of this Agreement or the application thereof to any circumstance is so suspended, the suspension shall not affect other provisions of this Agreement which can be given effect without the suspended provision, and to this end the provisions of this Agreement are severable.

**Section 6. Assignment.**

This Agreement may not be amended or assigned by either party without the express permission of the other party. However, the City hereby gives its permission that the Developer's right to receive the TIF Rebate hereunder may be assigned by the Developer to a private lender, as security, or to another entity which is controlled by the Developer, without further action on the part of the City.

The City agrees, further, not to unreasonably withhold its permission upon receipt of a request from the Developer for assignment of all or any portion of its rights and obligations hereunder to any other party and to either approve or deny such request within sixty (60) days after receipt of such request by the City Council.

**Section 7. Successors and Assigns.**

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

**Section 8. Governing Law.**

This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with the laws of the State of Iowa.

**Section 9. Jury Trial Waiver.**

The parties hereto, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily, and intentionally waive any right they may have to a trial by jury in any litigation based on or arising out of this agreement or instrument, or any related instrument or agreement, or any of the transactions contemplated hereby or any course of conduct, dealing, statements, whether oral or written, or action of any party hereto. No party shall seek to consolidate by counterclaim or otherwise, any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by any party hereto except by a written instrument executed by all parties.

The City and the Developer have caused this agreement to be signed, and the City's seal to be affixed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

NAME OF DEVELOPER

\_\_\_\_\_  
By:  
Its:

STATE OF IOWA )

) ss:

COUNTY OF SCOTT )

This instrument was acknowledged before me on \_\_\_\_\_, 2016, by \_\_\_\_\_, as Authorized Representative of \_\_\_\_\_, an Iowa limited liability company and the general partner of \_\_\_\_\_, an Iowa limited partnership, on behalf of whom the instrument was executed.

\_\_\_\_\_  
Notary Public in the State of Iowa



CITY OF BETTENDORF

\_\_\_\_\_  
By:  
Its: Mayor

Attested by:

\_\_\_\_\_  
By:  
Its: City Clerk

STATE OF IOWA     )  
                                  ) ss:  
COUNTY OF POLK    )

On this \_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in the State of Iowa, personally appeared ROBERT GALLAGHER and DECKER PLOEHN, to me personally known, and who, being by me duly sworn did state that they are the Mayor and City Clerk, respectively, of City of Bettendorf, Iowa, a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation; that the instrument was signed on behalf of City of Bettendorf, Iowa, by authority of its City Council, as contained in the Resolution adopted by City Council under Resolution No. 16-\_\_\_\_\_ of City Council on the \_\_\_ day of \_\_\_\_\_, 2016, and that ROBERT GALLAGHER and DECKER PLOEHN acknowledged the execution of the instrument to be the voluntary act and deed of City of Bettendorf, Iowa, by it and by them voluntarily executed.

\_\_\_\_\_  
Notary Public in the State of Iowa

**BOARD OF SUPERVISORS**

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draft draft draft draft draft

JIM HANCOCK, Chair  
CAROL EARNHARDT, Vice-Chair  
DIANE HOLST  
BRINSON L. KINZER  
TOM SUNDERBRUCH

November 15, 2016

Mayor Robert Gallagher, Jr.  
Bettendorf City Council Members  
Bettendorf City Hall  
1609 State Street  
Bettendorf, IA 52722

RE: **City of Bettendorf's proposed Tax Increment Financing (TIF) for the Twin Bridges Associates LP project to redevelop the downtown Bettendorf site at 221 15<sup>th</sup> Street.**

Dear Mayor Gallagher and Council Members:

Thank you for the opportunity to comment on the proposed creation of the tax increment financing (TIF) plan for the redevelopment of the Twin Bridges Motel site. The Scott County Board of Supervisors has reviewed the information provided to our TIF Review Committee by Jeff Reiter, Bettendorf Director of Economic Development. The Board supports the use of TIF as tool to provide an incentive to encourage the redevelopment of this blighted area. The Board also concurs that the redevelopment of this blighted site with a long history of nuisance and code violations can be expected to be a catalyst in rejuvenating Bettendorf's downtown area as it goes through its transformation triggered by the I-74 bridge construction and major road relocations.

The Board understands that the TIF payments are proposed to be 100% of the TIF generated for twenty (20) years. The Board would encourage the City to consider placing a cap on the maximum amount of payments to be rebated and if or when that cap is reached, the TIF would expire. As currently proposed, the rebate payments would have no limit, other than the twenty (20) year time limit. As presented, the Board of Supervisors believes this proposed use of TIF is appropriate as it is intended to reverse the obvious blight of this highly visible site and also hopefully trigger additional investment and redevelopment as downtown Bettendorf is transformed. But as stated above, local governments have an obligation when rebating public tax dollars to insure it is the minimum amount to make the project feasible.

The Scott County Board of Supervisors hopes to continue the spirit of cooperation with the City of Bettendorf on economic development projects and we look forward to working with you in the future.

Sincerely,

Jim Hancock, Chairman  
Scott County Board of Supervisors

cc: Scott County Board of Supervisors  
Mahesh Sharma, Scott County Administrator  
Decker Ploehn, Bettendorf City Administrator