

BOARD OF SUPERVISORS

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CAROL EARNHARDT, Chair
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BRINSON L. KINZER

March 23, 2017

Mayor Bob Gallagher
Bettendorf City Council Members
Bettendorf City Hall
1609 State Street
Bettendorf, IA 52722

RE: City of Bettendorf's proposal to re-create an Urban Renewal Area at the Middle Road I-80 interchange.

Dear Mayor Gallagher and Council Members:

Thank you for the opportunity to comment on the proposed re-creation of an Urban Renewal Area at Middle Road I-80 interchange. The Scott County Board of Supervisors has reviewed the information provided to our TIF Review Committee by your Economic Development Director, Jeff Reiter. The Board understands that the current action is to re-create the Urban Renewal Area that was originally established in 1991, but has since expired without any TIF Districts having been created within the URA. This newly created district is again intended to allow the use of Tax Increment Financing Plans to be approved for projects within this URA.

The Board of Supervisors has supported the use of TIF as an economic development tool in commercial areas when it is used to attract new businesses or services which grow the economy of the Quad Cities and does not substantially compete with existing businesses. The Board has also supported the use of TIF to extend or rehabilitate infrastructure needed to support such development. The Board has opposed the use of TIF to pay for public improvements that are predominantly for the benefit of city residents. Such costs should be funded through revenues raised by municipal sources which would include, but not be limited to, municipal buildings and facilities, such as parks. The Board notes that in the proposed Urban Renewal Plan for this area, \$12M in recreation and park development is included in the list of eligible projects. The Board would oppose such inclusion and feels such use of TIF is inappropriate. It is the Board's understanding from the additional information submitted by City staff that the use of TIF dollars is not contemplated for these public parks and recreation improvements. That information indicated that the City may utilize urban renewal powers to bond for the estimated \$12,000,000 in improvements for the park development.

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The Board understands that the current action to re-create an Urban Renewal Area does not allow any expenditure of TIF revenue. Any such expenditure would require approval of a specific TIF Plan and TIF District, for which additional opportunities to consult would be provided.

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

Sincerely,

A handwritten signature in blue ink that reads "Carol Earnhardt". The signature is written in a cursive style.

Carol Earnhardt, Chair
Scott County Board of Supervisors

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