



79 Acre Indoor/Outdoor Sports Complex
and Family Entertainment Center – (\$45 million)
33 Acre Commercial Development – (\$12 million)

Total Investment of \$57 million

BETTENDORF FAMILY SPORTSPLEX LLC



#PARKING STALLS : 1,835

NO.	REVISIONS	DESCRIPTION	DATE



BETTENDORF FAMILY SPORTSPLEX
 BETTENDORF, IOWA
 SITE PLAN

Missman Project No.
 C16L052A
 File Name:
 c:\projects\c16l052a\c16l052a.dwg
 All Rights Reserved
 Plot Book No. 8888
 Drawn By: MJM
 Checked By: JLM
 Date: 02/15/17

History

A sports complex has been on City Council's agenda for several years. Both staff and City Council have been looking for a private investor during that time. In late 2016, Doug Kratz approached City officials with an idea for a sports complex. Doug's foresight matched the City's vision and conversations began.

Two Project Phases

▶ BettPlex Site

- Indoor/outdoor sport facilities & family entertainment center
- Operational by August 1, 2018

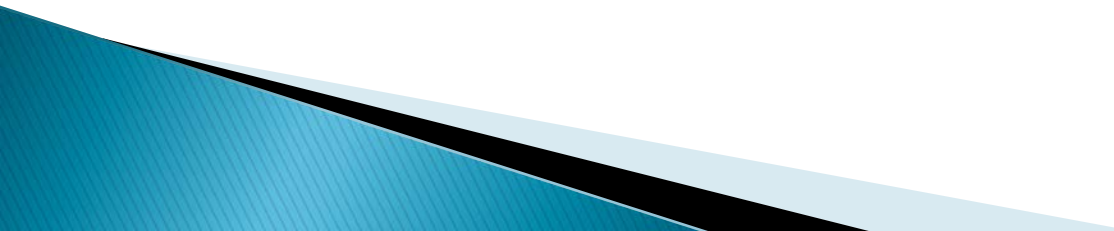
▶ Commercial Site

- Commercial strip center, convenience store & hotel
- Hotel construction commences by January 1, 2021

City Commitments to the Project

- ▶ \$4.9 million TIF supported Economic Development Grant financed by Capital Loan Notes
- ▶ \$3,870,000 infrastructure improvements, which include adding sanitary sewer and stormwater improvements, entry roads, improvements to Middle/Forest Grove and asphalt access walkways
- ▶ \$1.9 million Economic Development Grants – paid in two installments
- ▶ \$600,000 for 10 acre land purchase

Developer Commitments to the Project

- ▶ Minimum Assessment Agreements on both project areas
 - ▶ \$5.00 per night hotel room fee
 - ▶ If hotel permit has not been pulled by January 1, 2021, \$1.9 million grant will be repaid to City over ten years
 - ▶ Personal guarantee on first three years of Capital Loan Note payments
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TIF Terms

▶ BettPlex Site

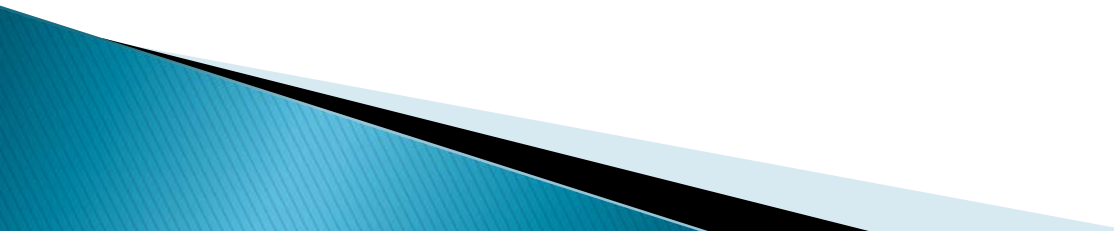
- 20 year 100% TIF will be used to pay back \$4.9 million economic development grant
- From January 1, 2019 through January 1, 2039
- Minimum assessment of \$22 million (may change)

▶ Commercial Project

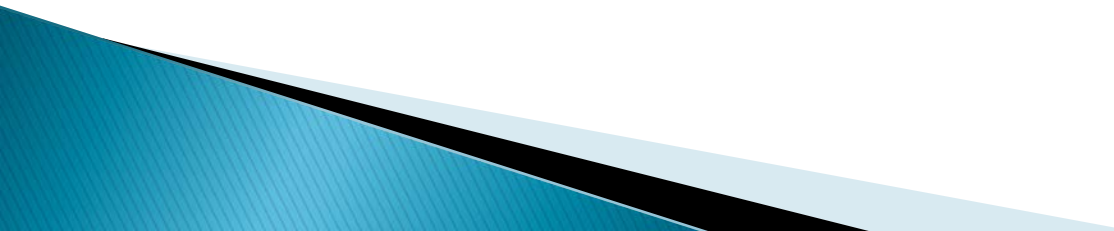
- 20 year 100% TIF rebate to developer
- From January 1, 2019 through January 1, 2039
- Minimum assessment of \$4 million in 2019, \$8 million in 2020, \$12 million in 2021 and beyond

City Benefits Over 20 Years

- ▶ \$5 debt levy – on \$30 million estimated value = Over 20 years City receives \$2.7 million.
- ▶ \$5 Room Fee for 100 hotel rooms with average of 60% occupancy = Over 20 years City receives approximately \$2.2 million.
- ▶ Increased Sales Tax estimated on 100 hotel room only = City receives \$600,000 over 20 years.
- ▶ Increased Hotel/Motel Tax on 100 hotel rooms, \$90/room @ 60% occupancy = City receives approximately \$2.8 million over 20 years.
- ▶ \$12 million commercial commitment from retail, restaurants, hotels and entertainment, generates \$1,080,000 from \$5 debt levy over 20 years.

- ▶ The BettPlex will be the anchor development spurring additional growth around the I-80/Middle Road Corridor.
 - ▶ As the City considered extending significant incentives to the project, we took steps to be assured our costs would be recovered through the development agreement. Without considering additional future growth, The BettPlex project as detailed in the development agreement provides a net benefit to the City of \$2.95 million over the term of the financing.
 - ▶ The development agreement provides the developer **significant incentives** in exchange for his acceptance of **significant risk** associated with being the first, anchor project at the site.
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Bond Issuances

- ▶ Not to exceed \$3,250,000 GO Urban Renewal Bonds
 - ▶ Not to exceed \$2,250,000 Taxable Urban Renewal Tax Increment Revenue Annual Appropriation Bonds
 - ▶ Not to exceed \$4,900,000 Taxable Urban Renewal Tax Increment Revenue Annual Appropriation Capital Loan Notes
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QUESTIONS???