

PLANNING & DEVELOPMENT

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Timothy Huey
Director

To: Scott County Board of Supervisors

From: TIF Review Committee

Date: January 30, 2018

Re: Opportunity to Consult on proposed amendment of City of Blue Grass's Urban Renewal Area Plan to allow the use Tax Increment Financing for residential infrastructure improvements in Prairie Woods Estates 3rd Addition.

The City of Blue Grass has notified Scott County of an Opportunity to Consult on the proposed Amendment of its Urban Renewal Area Plan and the creation of a TIF project within the City's URA.

The TIF Review Committee has reviewed the information provided by the City of Blue Grass. The information received from the City is attached.

The amendment proposes to use Tax Increment Financing to pay the costs of sanitary sewer system and stormwater management improvements in the residential development known as Prairie Woods Estates 3rd Addition.

The Board's adopted principles for reviewing TIF incentives opposes such incentives for residential development.

The TIF Review Committee has prepared the attached draft letter for the Board's consideration.

City of Blue Grass

www.bluegrassia.org

114 N. Mississippi St.
Blue Grass, IA 52726

Telephone (563) 381-4700
Fax (563) 381-2801

January 17, 2018

Scott County Board of Supervisors
c/o County Auditor
600 W 4th Street
Davenport, IA 52801

REFERENCE: Blue Grass Urban Renewal Area
Urban Renewal Plan Amendment

The City of Blue Grass is in the process of amending the urban renewal plan for the Blue Grass 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.

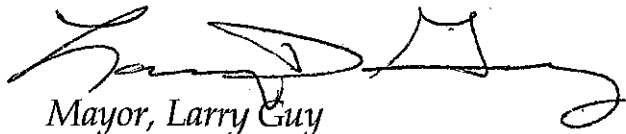
The meeting to discuss our urban renewal plan amendment has been set for February 5, 2018, at 7 o'clock p.m. at the City Council Chambers, 114 N. Mississippi Street, Blue Grass, Iowa. If you are unable to send a representative to the meeting, we invite your written comments. In addition, Section 403.5 gives your 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 Council will also hold a public hearing on this urban renewal plan amendment at 7 o'clock p.m., on February 20, 2018, and a copy of the notice of hearing is enclosed for your information.

If you have any questions, please do not hesitate to call myself or our City Clerk/Financial Officer, Ann Schmidt at (563) 381-4700.

Enclosure

Sincerely,



Mayor, Larry Guy

**CITY OF BLUE GRASS, IOWA
RESOLUTION 2018-05**

Setting date for public hearing on urban renewal plan amendment

WHEREAS, the City Council of the City of Blue Grass, Iowa (the “City”) by resolution previously established the Blue Grass Urban Renewal Area (the “Urban Renewal Area”) and adopted an urban renewal plan (the “Plan”) for the governance of projects and initiatives therein; and

WHEREAS, an amendment (the “Amendment”) to the Plan has been prepared which would facilitate the undertaking of an urban renewal project in the Urban Renewal Area consisting of using tax increment financing to the pay the costs of certain sanitary sewer system and storm water management improvements in the Prairie Woods Estates 3rd Addition residential subdivision, including the provision of funds required for housing assistance to people of low and moderate income as required under Section 403.22 of the Code of Iowa;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Blue Grass, Iowa, as follows:

Section 1. This City Council will meet at the City Council Chambers, 114 N. Mississippi Street, Blue Grass, Iowa, on the 20th day of February, 2018, at 7 o'clock p.m., at which time and place it will hold a public hearing on the proposed Amendment for the Urban Renewal Area.

Section 2. The City Clerk shall publish notice of said hearing, the same being in the form attached hereto, which publication shall be made in a legal newspaper of general circulation in Blue Grass, which publication shall be not less than four (4) and not more than twenty (20) days before the date set for hearing.

NOTICE OF PUBLIC HEARING ON PROPOSED URBAN RENEWAL PLAN AMENDMENT

Notice Is Hereby Given: That at 7 o'clock p.m., at the City Council Chambers, 114 N. Mississippi Street, Blue Grass, Iowa, on the 20th day of February, 2018, the City Council of the City of Blue Grass, Iowa, will hold a public hearing on the question of amending the urban renewal plan for the Blue Grass Urban Renewal Area to facilitate the undertaking of a new urban renewal project therein consisting of using tax increment financing to pay the costs of certain sanitary sewer system and storm water management improvements in the Prairie Woods Estates 3rd Addition residential subdivision, including the provision of funds required for housing assistance to people of low and moderate income as required under Section 403.22 of the Code of Iowa.

A copy of the 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.

Ann Schmidt
City Clerk/Financial Officer

BOARD OF SUPERVISORS

600 West Fourth Street
Davenport, Iowa 52801-1030

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TONY KNOBBE, Chairman
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February 8, 2018

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

Mayor Larry Guy
Blue Grass City Council Members
Blue Grass City Hall
114 North Mississippi Street
Blue Grass, IA 52773

RE: City of Blue Grass's proposed amendment to its Urban Renewal Plan to allow Tax Increment Financing of residential infrastructure improvements in Prairie Woods Estates 3rd Addition

Dear Mayor Guy:

Thank you for the opportunity to comment on the proposed amendment to Blue Grass's Urban Renewal Plan. The Scott County Board of Supervisors has reviewed the information provided to our TIF Review Committee by your City Clerk Ann Schmidt. That information stated that the proposed amendment was to allow the use of Tax Increment Financing to pay the costs of sanitary sewer system and stormwater management improvements in the residential development known as Prairie Woods Estates 3rd Addition.

Over the last twenty years the Board of Supervisors has consistently opposed the use of TIF to cover the cost of infrastructure improvements in residential development. Those costs should be borne by the private developer who then recoups such costs in the sale of the individual lots. Providing TIF for such improvements gives an unfair advantage to such development when competing in the market place with other developments that bear the total cost of such development without TIF.

In September of 2017 the Board of Supervisors adopted a resolution establishing the principles under which it reviews TIF proposals when given the opportunity to comment as an affected taxing entity. Included in the resolution was the statement that "*Scott County adamantly opposes the use of tax increment financing to fund public and private infrastructure for single family residential development.*"

The Scott County Board of Supervisors appreciates the opportunity to comment on this URA Plan amendment and desires to continue a spirit of cooperation with the City of Blue Grass on municipal development projects but opposes the use of TIF for this residential development.

Sincerely,

Tony Knobbe, Chairman
Scott County Board of Supervisors

cc: Scott County Board of Supervisors
Mahesh Sharma, Scott County Administrator