

PLANNING & DEVELOPMENT

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Item #4
3/6/18

Timothy Huey
Director

To: Mahesh Sharma, County Administrator

From: Scott County TIF Review Committee

Date: February 27, 2018

Re: **City of Riverdale's proposed amendment of an Urban Renewal Area Plan to allow Tax Increment Financing of an economic development incentive for an expansion of Arconic's manufacturing facilities and also to provide matching funds for a RISE grant to reconstruct a portion of South Bellingham Road.**

The City of Riverdale has notified Scott County of the proposed Amendment of its State Street Urban Renewal Area Plan. Notice of the Opportunity to Consult meeting scheduled for Thursday February 22nd was received by the Board of Supervisors on February 16th. Copies of the materials received from the City of Riverdale and the plan amendment are included with this memo. Staff has requested a copy of the development agreement referred to in the plan amendment but has not, as of yet, received it.

The TIF Review Committee presented several questions to the City of Riverdale at the Opportunity to Consult meeting. The City is required to respond to those questions and comments within seven (7) days. Staff will discuss the questions and the City's response at the Board's Committee of the Whole meeting.

The State Street Urban Renewal Area includes the entire Arconic Davenport Works Plant and most of the surrounding commercial and residential areas adjacent to State Street/US Hwy 67 section in the City of Riverdale. It does not include any of the residential areas up on the bluffs above the highway nor the Scott Community College or Pleasant Valley Community School District properties.

The proposed amendment of the State Street Urban Renewal Plan includes up to \$3.5M in TIF rebates to Arconic that will be generated by the \$41M of taxable improvements of a total capital investment of \$162M for plant expansion and equipment improvements.

The URA Plan amendment also includes providing \$350K in matching funds for a State RISE grant for the reconstruction of a portion of South Bellingham Road adjacent to the Arconic plant.

The TIF Review Committee has drafted a letter for the Board's consideration on how this plan amendment does and does not meet Scott County's adopted principles for TIF.

ITEM TO INCLUDE ON AGENDA

CITY OF RIVERDALE, IOWA

February 13, 2018

7:00 P.M.

State Street Urban Renewal Plan

- Resolution setting dates of a consultation and a public hearing on a proposed Amendment No. 1 to the State Street Urban Renewal Plan in the City of Riverdale, State of Iowa.

IMPORTANT INFORMATION

1. The above agenda items should be included, along with any other agenda items, in the meeting agenda. The agenda should be posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the body holding the meeting. If no such office exists, the notice must be posted at the building in which the meeting is to be held.
2. If you do not now have a bulletin board designated as above mentioned, designate one and establish a uniform policy of posting your notices of meeting and tentative agenda.
3. Notice and tentative agenda must be posted at least 24 hours prior to the commencement of the meeting.

**NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.**

February 13, 2018

The City Council of the City of Riverdale, State of Iowa, met in _____ session, in the Council Chambers, City Hall, 110 Manor Drive, Riverdale, Iowa, at 7:00 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

Absent: _____

Vacant: _____

* * * * *

Council Member _____ then introduced the following proposed Resolution entitled "RESOLUTION SETTING DATES OF A CONSULTATION AND A PUBLIC HEARING ON A PROPOSED AMENDMENT NO. 1 TO THE STATE STREET URBAN RENEWAL PLAN IN THE CITY OF RIVERDALE, STATE OF IOWA", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

NAYS: _____

Whereupon, the Mayor declared the Resolution duly adopted as follows:

RESOLUTION NO. _____

RESOLUTION SETTING DATES OF A CONSULTATION
AND A PUBLIC HEARING ON A PROPOSED AMENDMENT
NO. 1 TO THE STATE STREET URBAN RENEWAL PLAN IN
THE CITY OF RIVERDALE, STATE OF IOWA

WHEREAS, by Resolution No. 2014-21, adopted November 18, 2014, this Council found and determined that certain areas located within the City are eligible and should be designated as an urban renewal area under Iowa law, and approved and adopted the Urban Renewal Plan (the "Plan" or "Urban Renewal Plan") for the State Street Urban Renewal Area (the "Area" or "Urban Renewal Area") described therein, which Plan is on file in the office of the Recorder of Scott County; and

WHEREAS, this Urban Renewal Area currently includes and consists of:

ORIGINAL AREA

That part of the City of Riverdale, Scott County situated south and east of the following described line:

Beginning at the most northerly northwest corner of Scott County parcel 842617022, also being the property known as 4426 State Street in Riverdale, thence proceeding northeasterly along the northwesterly line of said parcel and the northwesterly line of Val-River Subdivision (parcel 8426011011) 457.84 feet to the most northerly southwest corner of parcel 842601007, also being the property known as 4602 State Street in Riverdale; thence northwesterly 384.19 feet, easterly 389.38 feet and southeasterly approximately 186 feet around the north end of parcel 842601007 to the most northerly northwest corner of parcel 842601001,; thence northeasterly 380.76 feet and southeasterly 355.3 feet along the northwest and northeast boundaries of said parcel 842601001 to the northwesterly right of way line of State Street; thence northeasterly along said right of way line approximately 1312 feet to the most southerly corner of Outlot A of Pleasant Hills First Addition (parcel 84235220A-1); thence northwesterly 492.46 feet and northeasterly 537.37 feet along the southwest and northwest lines of said Outlot A to the westerly right of way line of Manor Drive; thence on a straight line across Manor Drive 60 feet to the southwest corner of Lot 60 of Pleasant Hills Third Addition; thence southeasterly 252.5 feet along the south lines of said Lot 60 and Lot 61 to a bend in the south line of said Lot 61; thence northeasterly 367.0 feet along the southerly lines of said Lot 61 and Lot 62 to the southeasterly corner of said Lot 62; thence southeasterly 40 feet along the easterly boundary of Outlot A of said Pleasant Hills Third Subdivision to the northwesterly boundary of parcel 842353002, being the property known as 4900 State Street in Riverdale; thence northeasterly approximately 230 feet along said northwesterly boundary to the most northerly corner of said parcel 842353002; thence southeasterly 250 feet along the northeasterly boundary of said parcel 842353002 to the northwesterly right of way

line of State Street (US Highway 67); thence northeasterly approximately 1225 feet along said right of way line of State Street to the northwesterly right of way line of Valley Drive; thence northeasterly approximately 1180 feet along said right of way line to the corporate boundary in Fenno Road.

Excepting therefrom the following parcels:

1. Lots 1 through 22 of Havens Acres Subdivision
2. Lots 24 through 40 of Havens Acres Subdivision
3. All Railroad right of way in Havens Acres Subdivision
4. Sycamore Lane and Wisteria Lane right of way in Havens Acres Subdivision

WHEREAS, City staff has caused there to be prepared a form of Amendment No. 1 to the Plan ("Amendment No. 1" or "Amendment"), a copy of which has been placed on file for public inspection in the office of the City Clerk and which is incorporated herein by reference, the purpose of which is to add and/or confirm the list of proposed projects to be undertaken within the Area; and

WHEREAS, it is desirable that the area be redeveloped as part of the overall redevelopment covered by the Plan, as amended; and

WHEREAS, this proposed Amendment No. 1 adds no new land; and

WHEREAS, the Iowa statutes require the City Council to notify all affected taxing entities of the consideration being given to the proposed Amendment No. 1 and to hold a consultation with such taxing entities with respect thereto, and further provides that the designated representative of each affected taxing entity may attend the consultation and make written recommendations for modifications to the proposed division of revenue included as a part thereof, to which the City shall submit written responses as provided in Section 403.5, as amended; and

WHEREAS, the Iowa statutes further require the City Council to hold a public hearing on the proposed Amendment No. 1 subsequent to notice thereof by publication in a newspaper having general circulation within the City, which notice shall describe the time, date, place and purpose of the hearing, shall generally identify the urban renewal area covered by the Amendment and shall outline the general scope of the urban renewal project under consideration, with a copy of the notice also being mailed to each affected taxing entity.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF RIVERDALE, STATE OF IOWA:

Section 1. That the consultation on the proposed Amendment No. 1 required by Section 403.5(2) of the Code of Iowa, as amended, shall be held on February 22, 2018, in the Council Chambers, City Hall, 110 Manor Drive, Riverdale, Iowa, at 10:00 A.M., and the City Administrator, or his delegate, is hereby appointed to serve as the designated representative of

the City for purposes of conducting the consultation, receiving any recommendations that may be made with respect thereto and responding to the same in accordance with Section 403.5(2).

Section 2. That the City Clerk is authorized and directed to cause a notice of such consultation to be sent by regular mail to all affected taxing entities, as defined in Section 403.17(1), along with a copy of this Resolution and the proposed Amendment No. 1, the notice to be in substantially the following form:

NOTICE OF A CONSULTATION TO BE HELD BETWEEN
THE CITY OF RIVERDALE, STATE OF IOWA AND ALL
AFFECTED TAXING ENTITIES CONCERNING THE
PROPOSED AMENDMENT NO. 1 TO THE STATE STREET
URBAN RENEWAL PLAN FOR THE CITY OF RIVERDALE,
STATE OF IOWA

The City of Riverdale, State of Iowa will hold a consultation with all affected taxing entities, as defined in Section 403.17(1) of the Code of Iowa, as amended, commencing at 10:00 A.M. on February 22, 2018, in the Council Chambers, City Hall, 110 Manor Drive, Riverdale, Iowa concerning a proposed Amendment No. 1 to the State Street Urban Renewal Plan, a copy of which is attached hereto.

Each affected taxing entity may appoint a representative to attend the consultation. The consultation may include a discussion of the estimated growth in valuation of taxable property included in the proposed Urban Renewal Area, the fiscal impact of the division of revenue on the affected taxing entities, the estimated impact on the provision of services by each of the affected taxing entities in the proposed Urban Renewal Area, and the duration of any bond issuance included in the Amendment.

The designated representative of any affected taxing entity may make written recommendations for modifications to the proposed division of revenue no later than seven days following the date of the consultation. The City Administrator, or his delegate, as the designated representative of the City of Riverdale, State of Iowa, shall submit a written response to the affected taxing entity, no later than seven days prior to the public hearing on the proposed Amendment No. 1 to the State Street Urban Renewal Plan, addressing any recommendations made by that entity for modification to the proposed division of revenue.

This notice is given by order of the City Council of the City of Riverdale, State of Iowa, as provided by Section 403.5 of the Code of Iowa, as amended.

Dated this _____ day of _____, 2018.

City Clerk, City of Riverdale, State of Iowa

(End of Notice)

Section 3. That a public hearing shall be held on the proposed Amendment No. 1 before the City Council at its meeting which commences at 7:00 P.M. on March 13, 2018, in the Council Chambers, City Hall, 110 Manor Drive, Riverdale, Iowa.

Section 4. That the City Clerk is authorized and directed to publish notice of this public hearing in the Quad City Times, once on a date not less than four (4) nor more than twenty (20) days before the date of the public hearing, and to mail a copy of the notice by ordinary mail to each affected taxing entity, such notice in each case to be in substantially the following form:

(One publication required)

NOTICE OF PUBLIC HEARING TO CONSIDER APPROVAL OF A
PROPOSED AMENDMENT NO. 1 TO THE STATE STREET URBAN
RENEWAL PLAN FOR AN URBAN RENEWAL AREA IN THE
CITY OF RIVERDALE, STATE OF IOWA

The City Council of the City of Riverdale, State of Iowa, will hold a public hearing before itself at its meeting which commences at 7:00 P.M. on March 13, 2018 in the Council Chambers, City Hall, 110 Manor Drive, Riverdale, Iowa, to consider adoption of a proposed Amendment No. 1 to the State Street Urban Renewal Plan (the "Amendment") concerning an Urban Renewal Area in the City of Riverdale, State of Iowa, legally described as follows:

That part of the City of Riverdale, Scott County situated south and east of the following described line:

Beginning at the most northerly northwest corner of Scott County parcel 842617022, also being the property known as 4426 State Street in Riverdale, thence proceeding northeasterly along the northwesterly line of said parcel and the northwesterly line of Val-River Subdivision (parcel 8426011011) 457.84 feet to the most northerly southwest corner of parcel 842601007, also being the property known as 4602 State Street in Riverdale; thence northwesterly 384.19 feet, easterly 389.38 feet and southeasterly approximately 186 feet around the north end of parcel 842601007 to the most northerly northwest corner of parcel 842601001; thence northeasterly 380.76 feet and southeasterly 355.3 feet along the northwest and northeast boundaries of said parcel 842601001 to the northwesterly right of way line of State Street; thence northeasterly along said right of way line approximately 1312 feet to the most southerly corner of Outlot A of Pleasant Hills First Addition (parcel 84235220A-1); thence northwesterly 492.46 feet and northeasterly 537.37 feet along the southwest and northwest lines of said Outlot A to the westerly right of way line of Manor Drive; thence on a straight line across Manor Drive 60 feet to the southwest corner of Lot 60 of Pleasant Hills Third Addition; thence southeasterly 252.5 feet along the south lines of said Lot 60 and Lot 61 to a bend in the south line of said Lot 61; thence northeasterly 367.0 feet along the southerly lines of said Lot 61 and Lot 62 to the southeasterly corner of said Lot 62; thence southeasterly 40 feet along the easterly boundary of Outlot A of said Pleasant Hills Third Subdivision to the northwesterly boundary of parcel 842353002, being the property known as 4900 State Street in Riverdale; thence northeasterly approximately 230 feet along said northwesterly boundary to the most northerly corner of said parcel 842353002; thence southeasterly 250 feet along the northeasterly boundary of said parcel 842353002 to the northwesterly right of way line of State Street (US Highway 67); thence northeasterly approximately 1225 feet along said right of way line of State Street to the northwesterly right of way line of Valley Drive; thence northeasterly approximately 1180 feet along said right of way line to the corporate boundary in Fenno Road.

Excepting therefrom the following parcels:

5. Lots 1 through 22 of Havens Acres Subdivision
6. Lots 24 through 40 of Havens Acres Subdivision
7. All Railroad right of way in Havens Acres Subdivision
8. Sycamore Lane and Wisteria Lane right of way in Havens Acres Subdivision

A copy of the Amendment is on file for public inspection in the office of the City Clerk, City Hall, City of Riverdale, Iowa.

The City of Riverdale, State of Iowa is the local public agency which, if such Amendment is approved, shall undertake the urban renewal activities described in such Amendment.

The general scope of the urban renewal activities under consideration in the Amendment is to promote the growth and retention of qualified industries and businesses in the Urban Renewal Area through various public purpose and special financing activities outlined in the Amendment. To accomplish the objectives of the Amendment, and to encourage the further economic development of the Urban Renewal Area, the Amendment provides that such special financing activities may include, but not be limited to, the making of loans or grants of public funds to private entities under Chapter 15A of the Code of Iowa. The City also may reimburse or directly undertake the installation, construction and reconstruction of substantial public improvements, including, but not limited to, street, water, sanitary sewer, storm sewer or other public improvements. The Amendment provides that the City may issue bonds or use available funds for purposes allowed by the Plan, as amended, and that tax increment reimbursement of the costs of urban renewal projects may be sought if and to the extent incurred by the City. The Amendment initially proposes specific public infrastructure or site improvements to be undertaken by the City, and provides that the Amendment may be amended from time to time.

The proposed Amendment would add and/or confirm the list of proposed projects to be undertaken within the Area. The proposed Amendment adds no new land. Other provisions of the Plan not affected by the Amendment would remain in full force and effect.

Any person or organization desiring to be heard shall be afforded an opportunity to be heard at such hearing.

This notice is given by order of the City Council of the City of Riverdale, State of Iowa, as provided by Section 403.5 of the Code of Iowa.

Dated this _____ day of _____, 2018.

City Clerk, City of Riverdale, State of Iowa

(End of Notice)

Section 5. That the proposed Amendment No. 1, attached hereto as Exhibit 1, for the proposed Urban Renewal Area described therein is hereby officially declared to be the proposed Amendment No. 1 referred to in the notices for purposes of such consultation and hearing and that a copy of the Amendment shall be placed on file in the office of the City Clerk.

PASSED AND APPROVED this 13th day of February, 2018.

Mayor

ATTEST:

City Clerk

Label the Amendment as Exhibit 1 (with all exhibits) and attach it to this Resolution.

ATTACH THE AMENDMENT
LABELED AS EXHIBIT 1 HERE

CERTIFICATE

STATE OF IOWA

)

) SS

COUNTY OF SCOTT

)

I, the undersigned City Clerk of the City of Riverdale, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2018.

City Clerk, City of Riverdale, State of Iowa

(SEAL)

AMENDMENT NO. 1

TO THE

URBAN RENEWAL PLAN

FOR THE

STATE STREET URBAN RENEWAL AREA

CITY OF RIVERDALE, IOWA

Original Plan Adopted – November 2014
Amendment No. 1 Adopted – _____ 2018

**AMENDMENT NO. 1
TO THE
URBAN RENEWAL PLAN
FOR THE
STATE STREET URBAN RENEWAL AREA

CITY OF RIVERDALE, IOWA**

INTRODUCTION

The Urban Renewal Plan (“Plan”) for the State Street Urban Renewal Area (“Area”), adopted in 2014, is being amended to add and/or confirm the list of proposed projects to be undertaken within the Area by this Amendment No. 1 (“Amendment No. 1”). No land is being added to the Area by this Amendment No. 1.

The material changes by this Amendment No. 1 include the following:

1. Addition of Eligible Urban Renewal Projects. See Pages 3 - 4.
2. Updating Financial Data. See Pages 4 - 5.

Except as modified by this Amendment No.1, the provisions of the Plan are hereby ratified, confirmed, and approved and shall remain in full force and effect as provided herein. In case of any conflict or uncertainty, the terms of this Amendment No. 1 shall control. Any subsections not mentioned in this Amendment No. 1 shall continue to apply to the Plan.

DESCRIPTION OF AREA

Even though no land is being added by this Amendment No. 1, for convenience the legal description of the Area is set out in Exhibit A and a depiction of the Area is set out in Exhibit B.

BASE VALUE

No change is being made to the boundary of the Area by this Amendment No. 1. The Area has a frozen base value that has already been established and that is not being changed by this Amendment No. 1.

AREA DESIGNATION

The Area was originally designated as appropriate for the promotion of economic development (commercial and industrial). The Area continues to be appropriate for the promotion of economic development (commercial and industrial). No change is made to the area designation by this Amendment No. 1.

PROJECT OBJECTIVES

No changes are being made to the Project Objectives by this Amendment No. 1.

TYPES OF RENEWAL ACTIVITIES

No changes are being made to the Types of Renewal Activities by this Amendment No. 1.

PREVIOUSLY APPROVED URBAN RENEWAL PROJECTS

Numerous urban renewal projects were authorized prior to the date of this Amendment No. 1 and are continuing. Such projects are not listed in this Amendment No. 1 but consist of a variety of urban renewal projects.

ELIGIBLE URBAN RENEWAL PROJECT(S) (Amendment No. 1)

Although certain project activities may occur over a period of years, in addition to the projects previously proposed in the Plan, as previously amended, the Eligible Urban Renewal Projects under this Amendment No. 1 include:

1. Public Improvements

Urban Renewal Project Description	Estimated Time Period	Estimated Cost to be reimbursed by tax increment financing	Rationale
Reconstruction of South Bellingham Street from its intersection with State St. to the south approximately 1450 linear feet	2018 - 2020	\$250,000 - \$300,000	Improvements are expected to aid in the flow of heavy truck traffic serving major commercial and industrial businesses and are expected to encourage expansion within the Area. The total project is expected to cost approximately \$1,344,000 of which approximately 80% is expected from RISE grant funding with an approximately 20% match to be reimbursed from tax increment financing.
Total		Not to exceed \$250,000 to \$300,000	

Note: It may be that the above costs will be reduced by the application of state and/or federal grants or programs; cost-sharing agreements with other entities; or other available sources of funds.

2. Tax Rebate or other Development Agreements

- A.** Arconic Inc. (or a related entity): It is anticipated that the proposed project will involve the construction and remodeling of buildings to facilitate the installation of a Horizontal Heat Treat Furnace and supporting equipment. In addition the developer is expected to replace much of its IT architecture, rebuilding a metal casting complex, replacing switchgear, and power conversion equipment in the hot rolling area and completing an automation project in cold rolling. It is expected that the project will create and/or retain jobs. Construction on the project is expected to occur in 2018-2020. The developer for this project is Arconic Inc. (or a related entity) and it is estimated that their capital investment will be approximately \$162,560,000 with approximately \$41,380,000 of that amount being directly related to the construction and remodeling of buildings in the Area. The City expects to provide incentives in the form of incremental tax rebates not to exceed \$3,500,000 of the incremental property taxes generated by the increased assessed value of the new and remodeled buildings. All incentives will be subject to the terms and conditions of a development agreement between the City and the developer. These rebates will not be general obligations of the City, but will be payable solely from the incremental taxes generated by the project.

3. Planning, engineering fees (for urban renewal plans), attorney fees, other related costs to support urban renewal projects and planning

Project	Date	Estimated cost
Fees and costs	Undetermined	Not to exceed \$50,000

FINANCIAL DATA

1.	Current constitutional debt limit:	\$3,607,673
2.	Current outstanding general obligation debt:	\$1,240,000
3.	Proposed amount of indebtedness to be incurred: A specific amount of debt to be incurred for the Eligible Urban Renewal Projects (Amendment No. 1) has not yet been determined. This document is for planning purposes only. The estimated project costs in this Amendment No. 1 are estimates only and will be incurred and spent over a number of years. In no event will the City's constitutional debt limit be exceeded. The City Council will consider each project proposal on a case-by-case basis to determine if it is in the City's best interest to participate before approving an urban renewal project or expense. It is further expected that such indebtedness, including interest on the same, may be financed in whole or in part with tax increment revenues	\$3,800,000 - \$3,850,000 This total does not include financing costs related to debt issuance, which will be incurred over the life of the Area.

	from the Area. Subject to the foregoing, it is estimated that the cost of the Eligible Urban Renewal Projects as described above will be approximately as stated in the next column:	
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DEVELOPMENT PLAN/ZONING

The City of Riverdale has a general plan for the physical development of the City as a whole outlined in the 2012-2032 Comprehensive Plan, adopted by the City in November 2012. The goals and objectives of this Plan, including the urban renewal projects, are in conformity with the 2012-2032 Comprehensive Plan.

This Plan does not in any way replace or modify the City's current land use planning or zoning regulation process.

Any urban renewal projects related to the need for improved traffic, public transportation, public utilities, recreational and community facilities, or other public improvements within the Area are set forth in this Plan, as amended. As the Area develops, the need for public infrastructure extensions and upgrades will be evaluated and planned for by the City.

URBAN RENEWAL FINANCING

The City intends to utilize various financing tools such as those described below to successfully undertake the proposed urban renewal actions. The City has the statutory authority to use a variety of tools to finance physical improvements within the Area. These include:

A. Tax Increment Financing

Under Section 403.19 of the Iowa Code, urban renewal areas may utilize the tax increment financing mechanism to finance the costs of public improvements or economic development incentives associated with redevelopment projects. Upon creation of a tax increment district within the Area, by ordinance, the assessment base is frozen and the amount of tax revenue available from taxes paid on the difference between the frozen base and the increased value, if any, is segregated into a separate fund for the use by the City to pay costs of the eligible urban renewal projects. Certain increased taxes generated by any new development, above the base value, are distributed to the taxing entities, if not requested by the City.

B. General Obligation Bonds

Under Division III of Chapter 384 and Chapter 403 of the Iowa Code, the City has the authority to issue and sell general obligation bonds for specified essential and general corporate purposes, including the acquisition and construction of certain public improvements within the Area or incentives for development consistent with the Plan. Such bonds are payable from the levy of unlimited ad valorem taxes on

all the taxable property within the City. It may be the City will elect to abate some or all of the debt service on these bonds with incremental taxes from this Area.

The City may also determine to use tax increment financing to provide incentives such as cash grants, loans, tax rebates or other incentives to developers in connection with urban renewal projects for commercial or industrial development or other urban renewal projects. In addition, the City may determine to issue general obligation bonds, tax increment revenue bonds or such other obligations, or loan agreements for the purpose of making loans or grants of public funds to private businesses located in the Area for urban renewal projects. Alternatively, the City may determine to use available funds for making such loans or grants for urban renewal projects. In any event, the City may determine to use tax increment financing to reimburse the City for any obligations or advances.

Nothing herein shall be construed as a limitation on the power of the City to exercise any lawful power granted to the City under Chapter 15, Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of the Plan, as amended.

PROPERTY ACQUISITION/DISPOSITION

Notwithstanding prior plan provisions, the City will follow any and all applicable requirements for the acquisition and disposition of property upon terms and conditions in the discretion of the City Council.

RELOCATION

The City does not expect there to be any relocation required as part of the eligible urban renewal projects; however, if any relocation is necessary, the City will follow all applicable relocation requirements.

URBAN RENEWAL PLAN AMENDMENTS

The Plan may be amended from time to time for a variety of reasons, including but not limited to, change in the Area, to add or change land use controls and regulations, to modify goals or types of renewal activities, to add or change urban renewal projects, or to amend property acquisition and disposition provisions. The City Council may amend the Plan in accordance with applicable state law.

EFFECTIVE PERIOD

This Amendment No. 1 to the Urban Renewal Plan for the State Street Urban Renewal Area will become effective upon its adoption by the City Council. Notwithstanding anything to the contrary in the Plan, any prior amendment, resolution, or document the Plan shall remain in effect until terminated by the City Council, and the use of incremental property tax revenues, or the “division

of revenue,” as those words are used in Chapter 403 of the Code of Iowa, will be consistent with Chapter 403 of the Iowa Code. The division of revenues shall continue on the Area, including all amendment areas, for the maximum period allowed by law.

The original Area was first certified in 2014; therefore, fiscal year 2034-2035 is the last year that Tax Increment can be collected on the original Area.

REPEALER AND SEVERABILITY CLAUSE

Any parts of the Plan, as amended, in conflict with this Amendment No. 1 are hereby repealed. If any part of this Amendment No. 1 is determined to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity of the previously adopted Plan as a whole or the previous amendments to the Plan, if any, or any part of the Plan not determined to be invalid or unconstitutional.

EXHIBIT A
Legal Description of the Area

That part of the City of Riverdale, Scott County situated south and east of the following described line:

Beginning at the most northerly northwest corner of Scott County parcel 842617022, also being the property known as 4426 State Street in Riverdale, thence proceeding northeasterly along the northwesterly line of said parcel and the northwesterly line of Val-River Subdivision (parcel 8426011011) 457.84 feet to the most northerly southwest corner of parcel 842601007, also being the property known as 4602 State Street in Riverdale; thence northwesterly 384.19 feet, easterly 389.38 feet and southeasterly approximately 186 feet around the north end of parcel 842601007 to the most northerly northwest corner of parcel 842601001; thence northeasterly 380.76 feet and southeasterly 355.3 feet along the northwest and northeast boundaries of said parcel 842601001 to the northwesterly right of way line of State Street; thence northeasterly along said right of way line approximately 1312 feet to the most southerly corner of Outlot A of Pleasant Hills First Addition (parcel 84235220A-1); thence northwesterly 492.46 feet and northeasterly 537.37 feet along the southwest and northwest lines of said Outlot A to the westerly right of way line of Manor Drive; thence on a straight line across Manor Drive 60 feet to the southwest corner of Lot 60 of Pleasant Hills Third Addition; thence southeasterly 252.5 feet along the south lines of said Lot 60 and Lot 61 to a bend in the south line of said Lot 61; thence northeasterly 367.0 feet along the southerly lines of said Lot 61 and Lot 62 to the southeasterly corner of said Lot 62; thence southeasterly 40 feet along the easterly boundary of Outlot A of said Pleasant Hills Third Subdivision to the northwesterly boundary of parcel 842353002, being the property known as 4900 State Street in Riverdale; thence northeasterly approximately 230 feet along said northwesterly boundary to the most northerly corner of said parcel 842353002; thence southeasterly 250 feet along the northeasterly boundary of said parcel 842353002 to the northwesterly right of way line of State Street (US Highway 67); thence northeasterly approximately 1225 feet along said right of way line of State Street to the northwesterly right of way line of Valley Drive; thence northeasterly approximately 1180 feet along said right of way line to the corporate boundary in Fenno Road.

Excepting therefrom the following parcels:

1. Lots 1 through 22 of Havens Acres Subdivision
2. Lots 24 through 40 of Havens Acres Subdivision
3. *All Railroad right of way in Havens Acres Subdivision*
4. *Sycamore Lane and Wisteria Lane right of way in Havens Acres Subdivision.*

EXHIBIT B Map of the Area



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BOARD OF SUPERVISORS

600 West Fourth Street
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TONY KNOBBE, Chairman
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March 6, 2018 DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

Mayor Michael Bawden
Riverdale City Council Members
Riverdale City Hall
110 Manor Drive
Riverdale, IA 52722

RE: City of Riverdale's proposed amendment of the State Street Urban Renewal Area Plan

Dear Mayor Bawden and Council Members:

Thank you for the opportunity to comment on the proposed amendment of the State Street Urban Renewal Area Plan by the City of Riverdale. It is the Board of Supervisor's understanding from the information provided, that the City proposes to offer Arconic up to \$3.5M of Tax Increment Financed rebate as an economic development incentive for the proposed expansion and upgrade to Arconic's manufacturing facilities. The Plan amendment also includes a proposal to use \$350K in TIF revenue to provide the required local match for a State RISE grant for the reconstruction of South Bellingham Road adjacent to the Arconic plant and also to cover the administrative costs associated with this plan amendment.

The Board supports the use of Tax Increment Financing when it is used as an economic development incentive for a valued significant business, such as Arconic, that is retaining and adding primary jobs and other improvements that strengthen the local and regional economy. The Board does not support the use of TIF for funding municipal infrastructure improvements, such as the local match for the State RISE grant. Rather such a match should only come from city revenue sources and not the County levy generated portion of a TIF fund. The Board also opposes the use of TIF to reimburse City's for administrative and legal fees associated with TIF plans.

The Board of Supervisors recommends that all tax increment financing projects be for the minimum dollar amount to make the industrial project feasible and also be of the shortest possible duration.

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

Sincerely,

Tony Knobbe, Chairman
Scott County Board of Supervisors

cc: Scott County Board of Supervisors
Mahesh Sharma, Scott County Administrator
Tim Long, Riverdale City Administrator