

BOARD OF SUPERVISORS

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March 8, 2018

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 objections and concerns the Board stated in its letter to the City of Riverdale dated November 4, 2014 remain as stated in that letter.

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