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City Administrator Report to Mayor & City Council

February 14, 2014, Edition No. 116

Weekly Update:

1. ATEs: See the attachment for information related to ATEs and other legislative issues.
2. TIF: The Iowa League has put together the attache TIF snapshot providing a review of TIF activities and Iowa cities.
3. Community Gardens: Please find attached, Notice of a Public Meeting for a proposal to have Community Gardens at Taylor Park.
4. Blue Zones: Please see the attached update.
5. Muscatine County: Please see the attached request for permitting and inspection services at the HON Geneva Plant.
6. Community Gardens: Please find attached, a Notice of a Public Meeting for a proposal to have Community Gardens at Taylor Park sent out by Iowa State University Extension & Outreach. The meeting will be held at the Franklin Elementary School gym.
7. Art Center: The Art Center's Board of Trustees participated in a strategic planning session on Saturday, February 8th. The group determined that it would like to apply to the Museum Assessment Program (MAP) through the American Alliance of Museums (AAM). The application requires a letter from the parent organization. I can draft this letter which is to officially document that the Art Center is a department of the City of Muscatine. The letter must be printed on letterhead and signed. It is due at the end of this week. This particular assessment reviews community engagement. We hope to identify community needs and develop steps to align the Art Center's programs and offerings to those needs. The value of this program, which includes a visit by a peer reviewer and access to various resources, is estimated at \$4,000. The Art Center's Support Foundation will cover the \$350 participation fee - the only cost to the Art Center.

Snapshot of Tax Increment Finance



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2014

Tax Increment Finance (TIF)



is an important and flexible tool used to help augment urban renewal efforts in Iowa communities. Its use promotes not only economic development growth but also addresses slum and blight.

In 2012, new reporting procedures were adopted by the Iowa Legislature. Data from this reporting has generated useful information about local government TIF use. The League created this report for our membership to help educate and share analysis from the available 2012 data.

■ *Appendix A highlights a handful of TIF projects and their successes.*

TIF Mechanics in Brief

Tax increment finance (TIF) is a method to promote urban renewal efforts in an area by directing the property tax revenues generated from property value increases within a designated TIF district to finance the costs of improvements made in the district.

In Iowa, local government authorities, including cities, counties and community colleges may establish TIF districts. Although the terms urban renewal areas and TIF are often used interchangeably, TIF districts are established within approved urban renewal areas. As such, urban renewal areas often contain a larger geographic area than the TIF district that is established. An urban renewal area (URA) can contain more than one TIF district.

When a TIF district is created, a “base” valuation of the property value is established. It accounts for assessed values prior to the TIF designation. The tax revenue from this base value remains with all taxing authorities. Increases in the assessed value over time over and above the base are called the “increment.” The TIF authority may access the tax revenue generated by the increment, or may choose to release some or all of this revenue back to the traditional taxing authorities. In fact, in fiscal year 2012, around 54 percent of total TIF increment was released. A city may not use more of the TIF increment than is tied to certified debt and other allowable costs according to *Code of Iowa*

Quick Stats: TIF in Cities



410 of 946 cities in Iowa use TIF. There are 1,011 urban renewal areas and 2,528 TIF districts among all local governments. Of these, 58 percent had a statutory end date reported. 496 had a slum or blight designation.



TIF increment (not discounting for increment returned) accounts for 6.2 percent of total taxable property valuation. 9.2 percent of city taxable property valuation is derived from TIF sources.



54 percent of TIF increment is returned to all tax authorities. This equates to about \$10-11B in valuation, or roughly \$400M in unused increment.

403.19. Debt levies, the school Physical Plant and Equipment Levy (PPEL), and beginning in fiscal year 2014, the Instructional Support Levy (ISL) are not included in the division of revenue.

Once a TIF area is designated a TIF authority may amend the geographic area of the TIF. An urban renewal area may have TIF districts with different designations, or even more than one designation per district. However, once designated, it cannot be re-determined through the duration of the district. Those districts designated for economic development purposes only are subject to 20 years' duration as of 1995. When an URA expires the base and the increment are released to all taxing authorities. Although TIF districts established for slum and blight or both slum and blight and economic development are not limited to the 20 year time-frame, some choose to voluntarily expire these districts.



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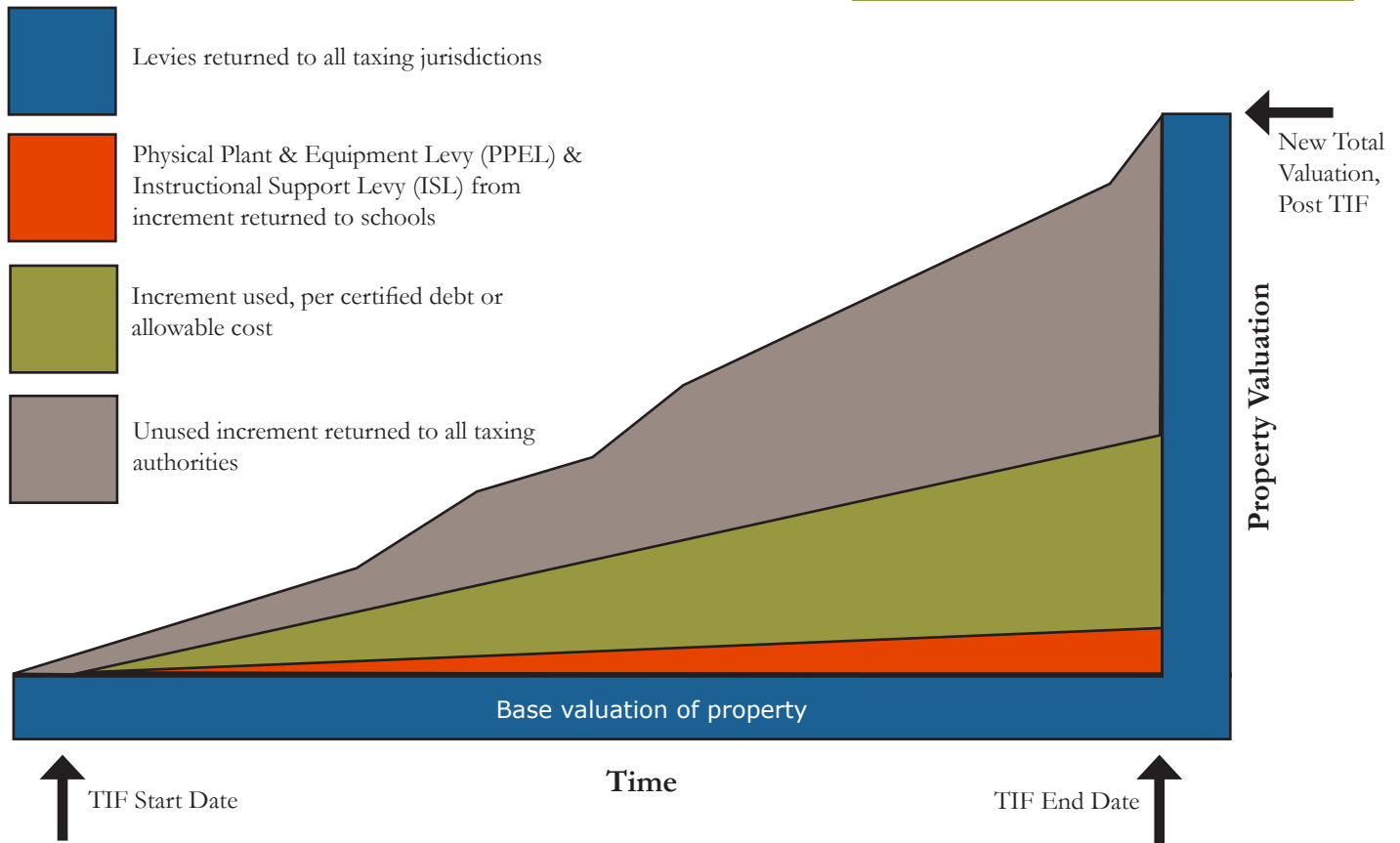


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Perception: The use of TIF by cities decreases county and school revenues.

Reality: Counties and schools continue to receive tax revenues calculated on the base value of the TIF property. When a TIF district expires, all incremental growth also benefits all traditional taxing authorities. The school PPEL and ISL levies are excluded from TIF increment. Unused TIF increment is also released to all taxing authorities, including school districts. Schools receive the same amount per the state school aid formula.

the project includes a potential public building, additional analysis is now required to be submitted of the alternative development options and funding and why they would be less feasible than the proposed urban renewal plan or project. Cities must also hold a public hearing on its urban renewal plan after proper newspaper notification has been made. Although there are several financing alternatives related to TIF, those TIF projects financed with general obligation bonds are typically subject to reverse referendum.

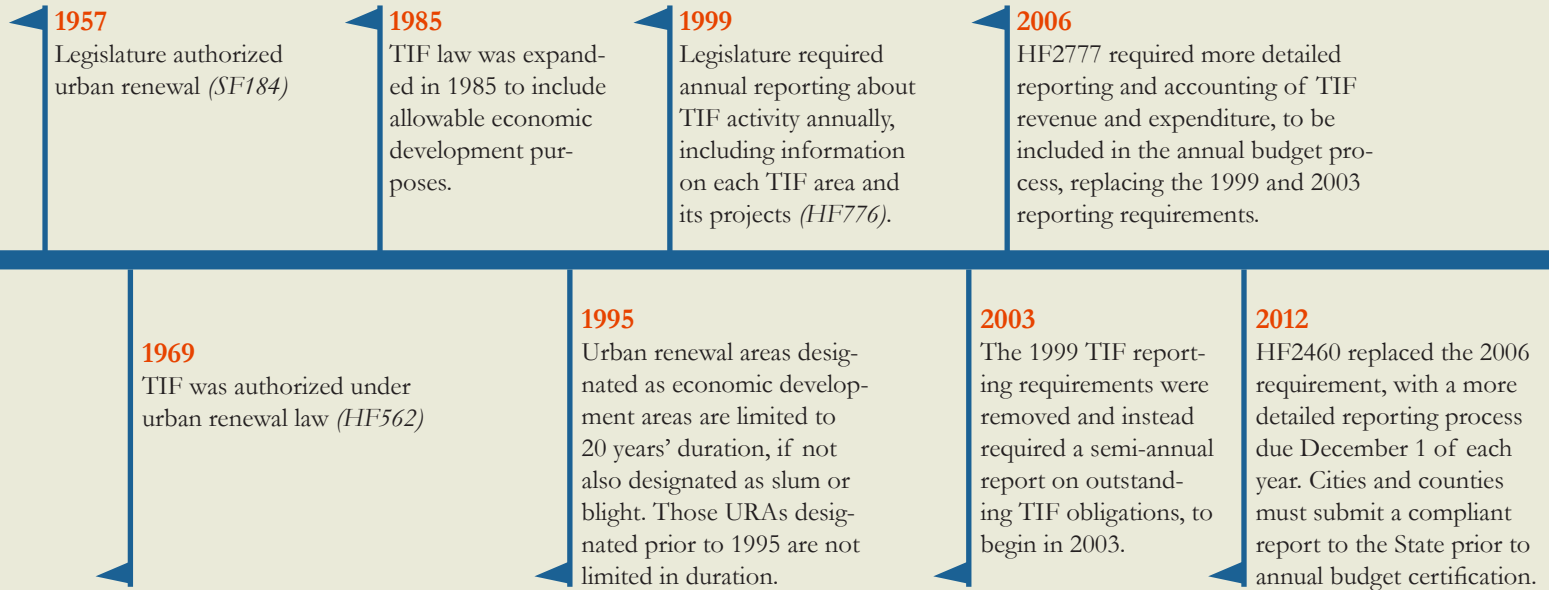
As also noted, on the next page, in the “TIF Timeline,” TIF authorities are also required to submit an annual TIF Report to the Iowa Department of Management (DOM) by December 1 of each year. It is imperative that cities comply with this requirement, because city budgets cannot be certified until this report is received and approved by DOM. The fiscal year 2012 annual urban renewal reports are available on the DOM Web site: <https://solr.legis.iowa.gov/tif/public>. Municipalities have also noted that the reporting lacks an opportunity to sufficiently input information to characterize measurable outcomes and benefits of TIF in their communities. At current, only 140 characters are allotted to help characterize slum and blight revitalizations, affordable housing development, economic development, job creation, growth and tax base expansion, and public improvement.

What is the Notification Process for a City to Designate an Urban Renewal Area (URA)?

Cities must have a city comprehensive planning and zoning plan in place prior to establishing an URA and must review it to be certain that an urban renewal plan will fit with its existing city plan. The local planning and zoning commission will review its conformity. Then the city may proceed with its hearing on the proposed urban renewal plan. Prior to formal approval, the city must provide notice and consultation with the other affecting taxing entities. If

Legislative Timeline

Urban renewal laws were first passed in 1969, several modifications and expansions from the Iowa Legislature have taken place since that time. A timeline of related legislative actions and the historic use of TIF is below, followed by more detail for the various TIF designation and legislative intent.



Policy Goals & TIF Designations

Code Section 403.2 provides the Declaration of Policy for TIF. Under this Declaration of Policy the purpose of TIF related to slum and blight as well as economic development areas are specifically addressed. Some projects can address both slum and blight, and economic development related issues.

The following definitions are offered for each type, followed by a breakdown by TIF designation.

Slum and Blight

The stated purpose, according to *Code* Section 403.2, for slum and blight projects is to address issues related to:

- the safety, health, and welfare of an area
- areas experiencing impaired growth
- housing challenges
- rapid spread of disease
- increasing criminal activity
- increased economic and social liability resulting in onerous municipal burdens, to include diminishing tax base and municipal revenues
- traffic problems or hazards

- juvenile delinquency
- consuming excessive state revenues due to public safety concerns

Slum area: URA is designed to eliminate conditions that meet the *Code* definition of slum.

“Slum area” shall mean an area in which there is a predominance of buildings or improvements, whether residential or non-residential, which: by reason of dilapidation, deterioration, age or obsolescence; by reason of inadequate provision for ventilation, light, air, sanitation, or open spaces; by reason of high density of population and overcrowding; by reason of the existence of conditions which endanger life or property by fire and other causes; or which by any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and which is detrimental to the public health, safety, morals, or welfare. “Slum area” does not include real property assessed as agricultural property for purposes of property taxation.

Blight area: URA is designed to eliminate conditions that meet the *Code* definition of blight.

“Blighted area” means an area of a municipality within which the local governing body of the municipality determines that the presence of a substantial number of slum, deteriorated, or deteriorating structures; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness; insanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; or the existence of conditions which endanger life or property by fire and other causes; or any combination of these factors; substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, or welfare in its present condition and use. A disaster area referred to in section 403.5, subsection 7, constitutes a “blighted area”. “Blighted area” does not include real property assessed as agricultural property for purposes of property taxation.

The anticipated measurable performance of a slum or blight TIF district can be very different than those of an economic development TIF. An example of a goal of a slum or blight TIF may be to remediate dangers to public health and safety, and prevent further deterioration of physical and economic conditions.

■ See Appendix A for an example of a slum and blight TIF area that has accomplished this purpose.

Economic Development

The stated purpose, according to *Code* Section 403.2, for economic development projects is to address the need for TIF in:

- creating economic development partnerships
- strengthening and revitalizing the economy of the state and municipalities
- providing jobs and housing (including low and moderate income (LMI))
- improving or constructing necessary infrastructure

- competing with other states who use TIF (all except Arizona)
- assisting industrial and commercial enterprises in locating, purchasing, constructing, reconstructing and modernizing, improving, maintaining, repairing, furnishing, equipping and expanding in Iowa

■ See Appendix A for examples of economic development TIF areas that have accomplished this purpose.

Other Historic Uses of TIF:

- Rural Improvement Zones (RIZ) are an area designated by a county around a private development lake. TIF may be connected and utilized for development projects within the zone.
- Community College Job Training – allows a community college, in conjunction with an employer, to utilize income tax withholding to finance job training for the employer.
- Local Option Sales Tax TIF (LOST-TIF) – allows some cities to utilize income tax withholding from qualified jobs within an URA to finance development activities.

The following is a breakdown of the various types of TIF by count and percentage (data from DOM):

Designation	Count	Percentage
No Designation Reported	78	3%
Slum or Blight, but not Economic Development (ED)	186	7%
Slum or Blight, with or without ED	496	20%
ED, with or without Slum or Blight	2265	90%
ED only	1956	77%
Slum or Blight AND ED	310	12%
Total Districts Reported = 2528		

Perception: TIF districts have unlimited duration.

Reality: While some TIF districts are unlimited in duration, TIF districts established after 1995 and designated for economic development are limited to a 20-year life span. Most are shorter in duration. Upon expiration of the district, all taxing authorities enjoy the benefit of the increased valuation generated by the district. The chart below shows a summary of current reported TIF districts statutory end dates.

→ *There were 2,528 total TIF districts reported to DOM for 2012.*

- Of these, 1,478, or 58 percent, had a statutory end date reported.
- 496 had a slum or blight designation

→ *1,530 TIF districts, or 61 percent, had a base year after 1995.*

- Of these, 1,112, or 73 percent, had a statutory end date reported.
- Of these, 418, or 27 percent, had no reported statutory end date.

Non-revenue Producing Projects

48 percent of projects are non-revenue producing, 80 percent of these are in the category of road and bridge infrastructure improvement.

Public buildings can lead to economic growth or stabilization in a slum or blight area. An example of a public building that receives TIF funds is a building for public safety that will serve a TIF area.

Partnering with IEDA

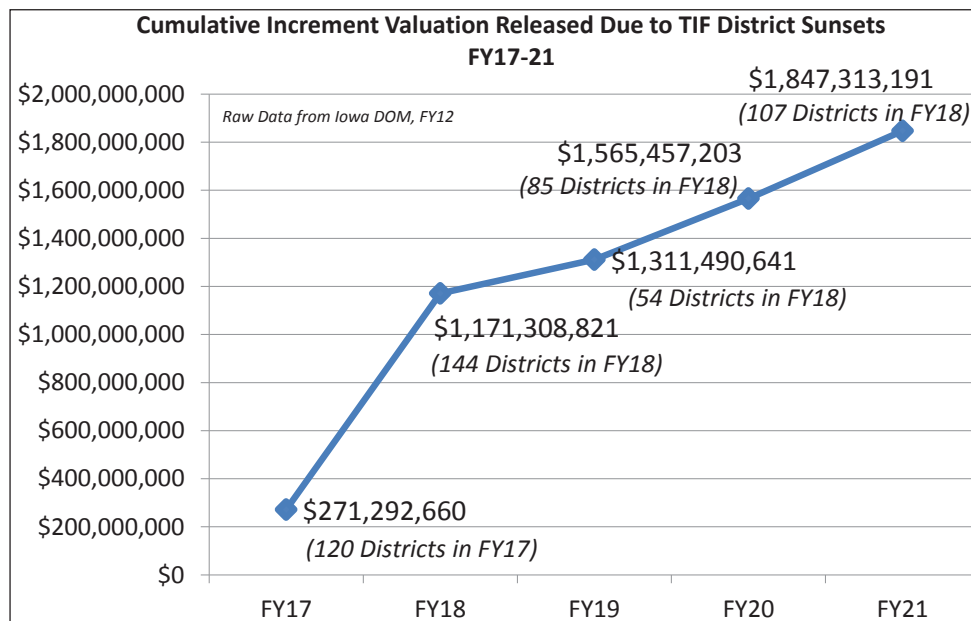
Local governments have partnered with the Iowa Economic Development Authority (IEDA) to promote business development projects in their communities.

From January 2011 through December 2013 IEDA awarded direct financial assistance and/or state tax incentives to 189 projects that are expected to result in \$7.5 billion in capital investment. Of the 189 projects 64.6 percent also received either TIFs, tax abatements, or tax exemptions from the local communities in which they are planning to locate. TIF, tax abatements and tax exemptions are often used to provide “local match” and are essential economic development tools for Iowa’s communities, helping them to attract job creation projects to their area.

Data provided by IEDA

Sunsetting TIF Districts: Increment Valuation Returned to All Tax Authorities

Many TIF districts will be expiring over the coming years, and valuations will return to all tax authorities. Of those established after 1995, 73 percent reported a statutory end date. The chart shows this trend over the next 10 years:



TIF Sources /Debt Types

There several general categories of TIF debt sources:

- **Rebates:** debt owed as a part of a property tax rebate or development agreement between the municipality and the property owners. This type of agreement gives more responsibility to the developer to make improvements, because the city agrees to annually return a portion of the increment attributable to the improvements.
- **Internal Loans:** an option that allows the municipality to advance funds toward an urban renewal project and then pay back the original funding source debt with TIF reimbursement. The *Code* also allows for general fund loans, with restrictions.
- **General Obligation (GO) Bonds:** bonds issued and backed by the municipality. For GO bonds reverse referendum rules apply.
- **TIF Revenue Bonds:** bonds backed by the local government but that can only be paid from the specific TIF revenue pledged to the bonds. The debt may not be fully repaid if the specific TIF revenue does not fund the debt.
- **“Other” Debt:** bank loans or other non-bond debt owed privately may be used as TIF debt. The *Code* also allows cites and counties to acquire improvements and property through a lease-purchase process, with restrictions.

The chart below shows the type of breakdown debt for all TIF projects that reported for FY2012. Note that in most cases, TIF debt counts against a municipality’s debt limit. The constitutional debt limit is the amount of debt that can be incurred by a municipality. Most obligations count against the limit, with a few exceptions. The limit is calculated by taking the 100 percent valuation for the local government (before rollback but after military exemption) and multiplying it times .05.

Debt Type	# of Projects
Rebates	915
Internal Loans	559
General Obligation Bonds	1001
TIF Revenue Bonds/Notes	120
Other	195

Those agreements structured to be subject to annual appropriation may not count against this limit (check with bond attorneys for more detail). According to DOM data for FY2012 as of March 2013, about 29 percent of agreements are configured with annual appropriation. This is about 35 percent of TIF debt statewide (by dollars).

Cities may elect to use TIF to bolster community betterment. The data and analysis available from the recent requirement adopted in 2012 by the Iowa Legislature illustrate some of the benefits of TIF use in recent years. There are important TIF stories to tell beyond what can be collected in raw form in the new report, however. Cities are encouraged to share with their legislators some of the highlights and positive TIF stories in their communities. The examples in the following Appendix highlight a few.

For more information, contact Erin Mullenix, Research and Fiscal Analyst at the League, at 515-244-7282.



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Ankeny

→ According to the 2010 census

- population was 45,582
- 68% increase in population from 2000

Manufacturing / Biosciences Firm / Lauridsen Group

The Lauridsen Group is a biosciences firm in Ankeny.

- TIF used in the form of 7-year property tax rebate and industrial property tax exemption
- Will support a \$4.1M expansion investment at the world-wide headquarters in Ankeny (office building anticipated to be valued around \$1.5M)
- Project will include a 21k square foot office building expansion
- Project to create 40 (high paying) jobs within 3 years
- The total estimated property tax on the improvement is around \$65,000 annually, and the average of the total incentives over the 7-year period is around \$54,000 annually. After the 7-year period of incentives, the total of increased property tax revenues would flow to all traditional tax authorities.

Manufacturing / NorthStar Power

NorthStar Power is an engine and equipment manufacturing and distribution firm in Ankeny.

- TIF used in form of 5-year graduated property tax exemption, and 6-year conditional property tax rebate
- Will support a \$5.2M investment, including a 85k square foot office/manufacturing/warehouse facility
- This is the third expansion in the past 20 years, all within Ankeny
- The total estimated property tax on the improvement is around \$190,000 annually, and the average of the total incentives over the 6-year period is around \$162,000 annually. After the 6-year period of incentives, the total of increased property tax revenues would flow to all traditional tax authorities.

Ankeny

Des Moines

→ According to the 2010 census

- population was 203,433
- 2.4% increase in population from 2000
- Des Moines returned approx. 50% of TIF increment to all taxing authorities in FY12

Nationwide Home Office Project Before



Nationwide Home Office Project After



Slum & Blight and Economic Development / Western Gateway Area Office Developments

Some examples of TIF projects included in this area are:

Project	Private Investment	New Building Sq. Ft.	Number of Jobs
Equitable/ING	\$21.5M	224,000	1,000
Meredith Publishing	\$25M	187,700	400
Nationwide/Allied I	\$137M	500,000	1,650
Nationwide/Allied II	\$141M	600,000	1,570
Wells Fargo Financial I	\$75M	336,000	1,110
Wells Fargo Financial II	\$60M	360,000	1,000
Wellmark	\$194M	500,000	1,500

**All except the Wellmark project had minimum assessment agreements to 'guarantee' tax revenues*

***Total maximum value of incentives if all requirements (including jobs agreements and incentives, and LEED incentive for Wellmark) is about \$73.5M for all projects listed above.*

More detailed example of one of the above projects:

Retention and Growth / Nationwide/Allied Project

The Nationwide Home Office Project included:

- 500,000 square foot office, with 2,500 space parking garage available to the public after work hours
- Would employ 1,250 at occupancy, and 400 within one year of occupancy
- Executes a minimum assessment agreement of \$66M
- Economic development grants paid solely from TIF revenues generated by the project
- Included a possible Phase II, which was executed
- Incentive package included:
 - City of Des Moines Economic Development Grant of \$26M over 20 years (NPV \$14.9)
 - City of Des Moines Land Acquisition Buydown of \$6M
 - Polk County Economic Development Grant of \$10M
 - State of Iowa Enterprise Zone Benefits of \$10.8M
 - State of Iowa Economic Development Grant of \$1M
 - Equivalent of 10-year 100 percent tax abatement on the parking garage

Des Moines

Garner

→ *According to the 2010 census*

- population was 3,129
- 7% increase in population from 2000



Economic Development/Hotel

Garner Inn & Suites

Garner Inn & Suites was built in 2012, and received a 10-year property tax rebate on a \$1.8M investment. The rebate reimbursement will be around \$24,000 per year for the 10-year period (total around \$240,000). After the 10-year rebate period, the hotel valuation will return to all tax authorities.

Garner

New Hampton

→ *According to the 2010 census*

- population was 3,571

- For more than 20 years TIFs in New Hampton have typically been limited as 10-year rebates
- A rough estimate of 56 projects have released more than \$425k in tax revenue back to all taxing authorities in 2014.
- From 2015-2025, an additional \$432k is estimated to return to all taxing authorities as their TIF project rebates expire.
- The rebate agreements made in recent years range from \$500 per year to about \$45k per year.

New Hampton

Parkersburg

→ According to the 2010 census

- population was 1,870

City circumstances: A devastating tornado hit the city of Parkersburg in May 2008, destroying, among other things, 288 homes and 22 businesses in this small community.



In front of Parkersburg City Hall after Tornado.

Recovery Assisted by TIF

- In addition to the damage and tragic losses, the city and surrounding local government authorities would lose taxable valuation unless recovery and rebuilding processes were begun.
- More than 234 homes were rebuilt, and more than 20 new businesses have since started up or moved their operations to Parkersburg since the tornado.
- The community and its valuation are growing. In fact, the total 100 percent assessed valuations of property in Parkersburg today exceeds the previous valuations of residential, commercial and industrial, and agricultural property before the tornado by more than \$26M.
- Most of the businesses that rebuilt are within Parkersburg's URA that was established prior to the storm.
- Some of the businesses assisted in recovery or built since the tornado with the use of TIF include:
 - Brother's Market – the town and surrounding area's only grocery store
 - Parkersburg Dental
 - Taylor Physical Therapy
 - US Cellular
 - Hansel Construction
 - New Directions Counseling
 - Highway 57 Auto
 - Channel Seeds
 - Monsanto
 - Parkersburg Tire & Alignment

"Using TIF dollars to assist these businesses was the only economic development tool at Parkersburg's disposal, especially when considering the devastation that occurred here in Parkersburg and throughout Butler County and Iowa in 2008. It was a tool used not only to encourage business owners to rebuild or start up, but to encourage them to rebuild more quickly, larger, with more energy efficient building standards, and of much better quality. As a direct result, the valuations of the properties increased resulting in a win-win situation for the business owners and their customers, the city of Parkersburg, the Aplington-Parkersburg School District, Butler County and the State of Iowa. Today, Parkersburg is one of the fastest growing cities our size in the State of Iowa according to the U.S. Census Bureau. TIF has been one of the main factors that have allowed us to be successful."

- Chris Luhring, Parkersburg City Administrator, and
Janice Johnson, Parkersburg Economic Development

Parkersburg

Sheldon

→ According to the 2010 census

- population was 5,188
- 68% increase in population from 2000

Housing / Schemper & Sunshine Additions

The Schemper Addition and the Sunshine Additions were two residential developments in Sheldon that applied TIF.

- The city of Sheldon purchased about 70 acres of ground for two residential developments in 2000. The Schemper Addition was about 50 acres, and the Sunshine Addition was about 20 acres, in two separate locations in Sheldon. Smaller and more affordable homes were included in this project.
- The city used TIF to put in the infrastructure, and developed in phases with strong demand.
- 95 lots have been sold, and 6 remain for sale currently.
- In 2010 the TIF area was retired, and more than \$11M in taxable revenue was released to all tax authorities.
 - This included a 56-room assisted living facility which is now working on a \$3.5M addition to the existing facility. This will also add to the taxable valuation.
- This project was kept to 10-years, and now the city, as well as the Sheldon Community School District, O'Brien County and Northwest Iowa Community College, will benefit from the tax growth.

Sheldon

St. Ansgar

→ According to the 2010 census

- population was 1,107
- 7% increase in population from 2000



Housing/Seasons Development

“Seasons” Development: 3-phase housing development

Currently, the last home in phase 3 is under construction. All homes in the first and second addition are sold and occupied. Around half of the third additions are sold. The Seasons projects included LMI requirements and several also participated in the First Time Homebuyer Assistance Program.

2013 Assessed Value of buildings only are:

1st addition	\$2.1M
2nd addition	\$1.6M
3rd addition	(under development, assessments pending)

Manufacturing/Oatmeal Producer

The original TIF in St. Ansgar was to support a new factory that began as a provider of race horse feed. This project started after the local elevator burned to the ground. Over the years it has developed into one of, if not the largest, U.S. producer of oatmeal (Grain Millers). The value of buildings is in excess of \$10M, and the company employs more than 200 people.

Manufacturing/Wheel Rim & Welding Producer

A local business that also received TIF started as a filling station, but turned into manufacturing for a specialty welded wheel rim for farmers (Wold Rim & Wheel). They employ 40 to 50 people, and the company will have buildings valued in the \$2M range on the next assessment.

St. Ansgar

Stacyville

→ *According to the 2010 census*

- population was 494
- 5% increase in population from 2000



Manufacturing/Fertilizer Plant – Northern Country Cooperative

Stacyville is using TIF to assist in constructing a new fertilizer plant project built in late 2013, with a preliminary taxable valuation at \$1.5M. This equates to about 12 percent of the total city taxable valuation. It created about 2 jobs in the community. It will replace other aging fertilizer plants in Minnesota that were in need of extensive repairs and will be used for storage. The new facility will be mostly automated.



Stacyville

West Des Moines

→ According to the 2010 census

- population was 56,609
- 22% increase in population from 2000
- 5.9% of valuation is captured by an active TIF
- 11.8% of city area is in an active TIF district

Economic Development, Road Infrastructure and Public Building / Westown Parkway Urban Renewal Areas

- The Westown Parkway I District was formed in 1991 due to limited fire protection and emergency services coverage in a rapidly-developing area of the City located roughly north and west of the Interstate 80 & 35 mixmaster.
- The City issued TIF Revenue Bonds in November 1992 to pay for the City's share of constructing a new fire station to serve this area – a station which continues to be jointly owned-and-operated by the Cities of West Des Moines and Clive as Station #22.
- Due to anticipated rapid growth in valuation, these TIF bonds were sold as five year bonds – however due to the growth in valuation, the City was able to retire them on June 1, 1995.
- Subsequent amendments to the Westown Parkway URA and creation of four additional districts in the Westown Parkway area allowed for numerous improvements in roadways, trails, traffic signals, and most notably construction of the Westown Parkway bridge over Interstate 80/35. Two series of bonds were issued for construction of this bridge (in 1995 and 1997), and the City was also able to retire these bonds early (in 1999).

Economic Development, Road Infrastructure and Public Building / Mills Civic Urban Renewal Area

- The Mills Parkway District was formed in July 1999 due to limited fire protection and emergency services coverage in another rapidly-developing area of the City roughly along the I-35 corridor south of the Interstate 80 & 35 mixmaster. The area also was created to rectify inadequacies of the infrastructure system in the area and promote optimal growth of the tax base. Construction of a new interchange on I-35 at Mills Parkway was major objective of this district, as well as widening and improving the Mills Civic Parkway corridor from EP True Parkway to South 60th Street.
- The City issued TIF Revenue Bonds in June 2002 to finance construction of a new fire station #18, the interchange, and the Mills Parkway improvements.
- Construction of these improvements has led to significant retail, office, hotel, and restaurant development in and around the Mills corridor and the district will be allowed to expire on schedule in 2014. Incremental valuation of \$507 million was created within the original Mills Parkway District over its existence. Upon its expiration at the end of FY 2014, all of the resulting tax revenue will be allocated to each of the respective taxing bodies. It should also be noted that a majority of the increment was in fact returned to these entities throughout the life of the district – for example, by FY 13-14 the City was only capturing incremental valuation of \$160 million, the amount needed to pay the underlying bond obligations.

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West Des Moines

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Mills Parkway Amendment

- The Mills Parkway District was amended in 2003 to address additional inadequate infrastructure within the district. The amendment created several sub-district areas which, among other purposes, allowed for the construction of street and other infrastructure improvements around the corporate campuses of Wells Fargo Home Mortgage, Aviva, and Microsoft.
- Incremental revenues from each area are also being used to pay economic incentives to these respective companies. In return, Wells Fargo was obligated to create a minimum of 3,300 jobs and agree to a minimum assessed value of \$118 million, Aviva was obligated to create a minimum of 600 additional jobs and agreed to a minimum assessed value of \$55 million, and Microsoft agreed to a minimum assessed value of \$18 million for the first phase of its data center property.
- It is worth noting that in 2013 Wells Fargo Home Mortgage began construction of a \$100 million addition to its Mills Parkway campus, for which they did not request any additional state or local assistance.

Economic Development / Fuller Road Urban Renewal Area

- The Fuller Road District was created in 2010 with a sole purpose of promoting economic development and growth by providing tax rebates to property owners with new taxable growth attributable to new construction.
- In January 2011 the City entered into a development agreement with Chow, Inc. (dba Chow's Gymnastics) to allow for rebates to the developer of a portion of incremental tax revenues generated by construction of a new gymnasium facility in the district.
- While this is a smaller project in scope and incremental tax revenue generated, the City believed it was very important to use TIF in order to retain Chow's Gymnastics in the State of Iowa following Coach Chow's tremendous Olympic success.



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COMMUNITY DEVELOPMENT

Planning,

Zoning,

Building Safety,

Construction Inspection Services,

February 6, 2014

Notice of Community Meeting

Proposed Taylor Park Community Gardens

There will be a community meeting to discuss placing community gardens at Taylor Park. The proposed gardens site is located in the south east area of the park and will not affect the ball diamond, playground or shelter. The proposed project is a Leadership Muscatine effort in conjunction with the Muscatine Blue Zones project. Everyone who is interested in getting more information on the proposed community garden is invited to attend.

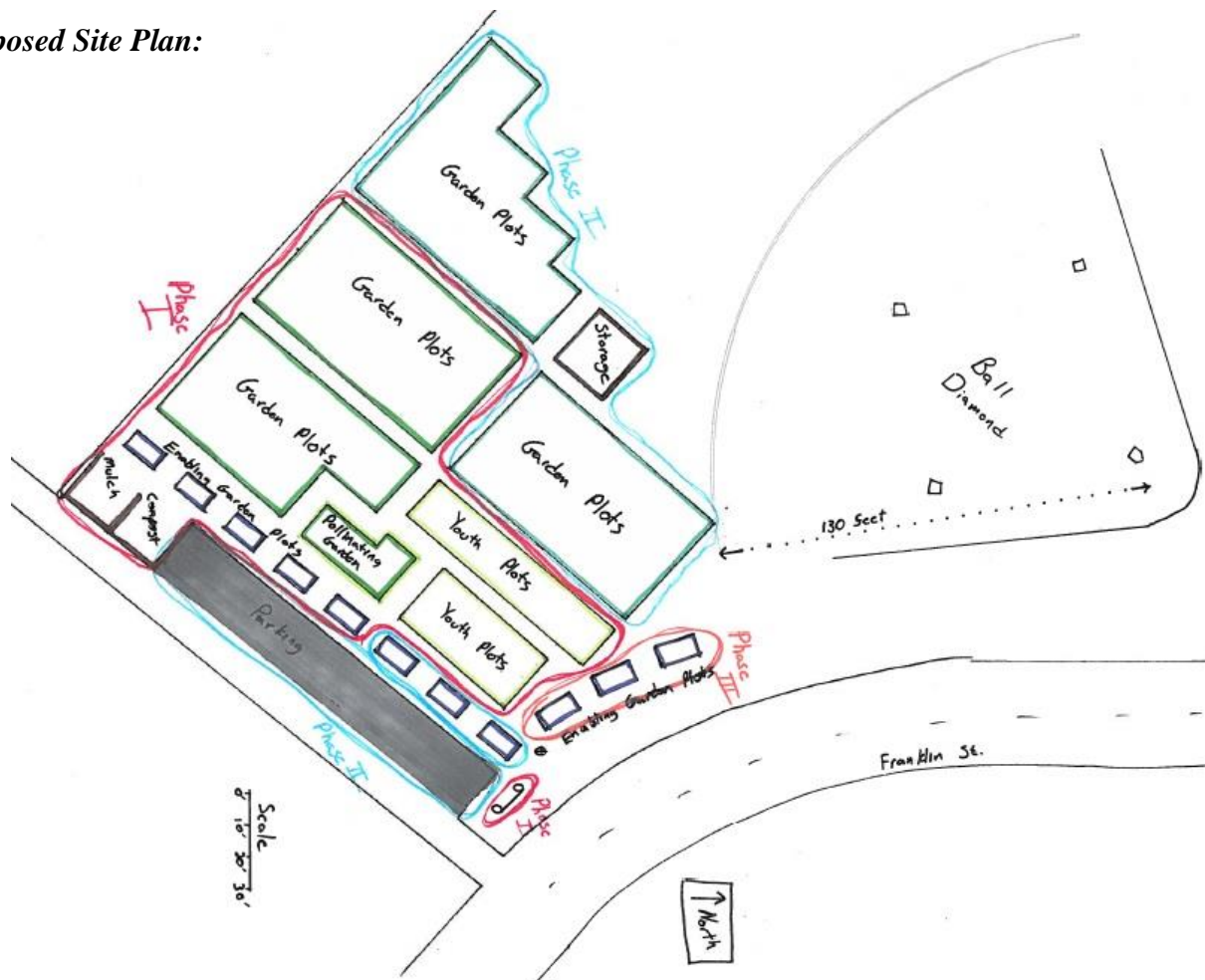
Where: Franklin Elementary School Gym

When: Tuesday February 18th, 2014

5:30pm

If you have any questions or are unable to attend and would like to submit comments, please contact Adam Thompson, 563-262-4141 or athompson@muscatineiowa.gov.

Proposed Site Plan:



BLUE ZONES PROJECT COMMUNITY POLICY COMMITTEE

REPORT TO MUSCATINE CITY COUNCIL, MAYOR AND STAFF

February 4, 2014

City Pledges and Progress

- Award Winning Complete Streets Policy
- City Becomes Blue Zones Project Designated Worksite
- Cedar Street Project Bids Let
- Outdoor Dining Pilot Project Moving Along
- Community Gardens Leaders and Volunteers Planning for Spring Launch of Multiple Gardens
- Working on Healthy Choices for City's Vending
- Over 50% of City's Actions are Complete

Progress in the Community

- Nine Worksites Designated or Cleared
- Two Grocery Stores Designated; One More Cleared
- Restaurant Committee Working with Six Restaurants on Validation
- Walking Groups Completed Ten Weeks and New Ones Move Indoors with Parks and Rec
- Cooking Classes and Cooking Groups Forming
- 2205/3564 Pledges with Actions
- Speakers Bureau Formed and Trained

MUSCATINE COUNTY ADMINISTRATION OFFICE

414 E. 3rd Street, Suite 101, Muscatine, IA 52761-4142

Phone: 563-263-5317 Fax: 563-288-4235

Nancy Schreiber, Director, Administrative Services
Sherry Seright, Budget Coordinator
Sarah Downey, Administrative Secretary

e-mail: nschreiber@co.muscatine.ia.us

e-mail: sseright@co.muscatine.ia.us

e-mail: sdowney@co.muscatine.ia.us

February 11, 2014

RECEIVED

FEB 13 2014

Steve Boka
Director of Community Development
City of Muscatine
215 Sycamore Street
Muscatine, Iowa 52761

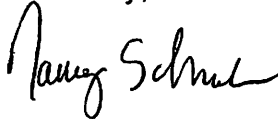
BY: SB

Dear Mr. Boka:

Following discussion with Zoning Administrator Jodee Stepleton at yesterday's Board of Supervisors meeting, Muscatine County would like to transfer authority for the provision of permitting and inspection services for the upcoming Hon Geneva storm shelter construction project in rural Muscatine County to the City of Muscatine.

Please do not hesitate to contact me if you require additional information.

Sincerely,



Nancy Schreiber
Director, Administrative Services

c: Jodee Stepleton, Muscatine County Zoning Administrator