ITEM 5

MUSCATINE

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MEMORANDUM

CITY ADMINISTRATOR

Date: 2014-09-09

To: Mayor and City Council

From: Gregg Mandsager, City Administrator

RE: Proposed TIF

The Following are the proposed terms for a new TIF agreement (Wal-View #2):

1. Minimum assessed value of $9 million,
2. 300,000 square foot warehouse facility adjacent to the current 577,000 square foot facility,
3. The original contract called for 25 jobs, but that number is closer to 45 as of today. The developer would agree to 12 additional jobs as part of this agreement,
4. No public infrastructure for this facility as compared to the previous agreement that included two public streets,
5. Ten year TIF agreement with a declining scale:
    a. 100%, 90, 80, 70, 60, 60, 50, 50, 40, 40
    b. Estimated rebate of $1,942,116

If there is a consensus to proceed, staff will prepare the TIF agreement and begin the legal process.

Proposed New TIF - If $9 Million Increment (Wal-View #2)
10 Year Proposal Options
9/3/14

Valuations

Estimated Value After Improvement		N/A
Frozen Base		N/A
Increment Estimate	$	9,000,000
Tax Rate for Increment (Per $1,000) (FY 15 Rate for Increment)		33.71730
		Option 4
Incremental Taxes (Total Annual Estimate)	$	303,455.70
Rebate Percentage (See Actuals Below)		100.00%
Rebate (At 100% - See Actuals Below)	$	303,455.70

	Year			
	1	$	303,455.70	100%
	2		273,110.13	90%
	3		242,764.56	80%
	4		212,418.99	70%
	5		182,073.42	60%
	6		182,073.42	60%
	7		151,727.85	50%
	8		151,727.85	50%
	9		121,382.28	40%
	10		121,382.28	40%
Estimated Total Value of 10 Year TIF		$	1,942,116.48	