



COMMUNITY DEVELOPMENT DEPARTMENT

Planning • Zoning • Building Safety • Construction Inspection Services • Public Health • Housing Inspections • Code Enforcement

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MEMORANDUM

To: City of Muscatine Planning and Zoning Commission
From: Andrew Fangman, Assistant Community Development Director
Date: January 12, 2021
Re: Proposed Amendment to the Urban Renewal Plan and Expansion of the Urban Renewal Area

INTRODUCTION: Amendments to the adopted Urban Renewal Plan including an expansion of the Consolidated Urban Renewal Plan are being proposed. Specifically, the following:

- Identifying new urban renewal projects to be undertaken in the Consolidated Urban Renewal Area.
 - *Colorado Senior Lofts Low and Moderate Income Housing Development Project*
 - *Grandview Senior Lofts Low and Moderate Income Housing Development Project*
 - *Steamboat Apartments Low and Moderate Income Housing Development Project*
- Adding property to the Consolidated Urban Renewal Area;
 - *Territory annexed into the City in February of 2020*
- Updating the description of certain projects previously approved by the City Council in prior amendments to the Plan;
 - *Small Business Forgivable Loan Program*
 - *Hershey Building Redevelopment Project*

BACKGROUND: Iowa law allows municipalities to establish urban renewal areas to finance public improvements such as streets, sewers, sidewalks, and other infrastructure related to residential, commercial, or industrial development; to redevelop slum or blighted areas; to fund private economic development; and to finance construction of low and moderate income housing.

The primary source of funding for urban renewal projects in Iowa is tax increment financing. Tax increment financing is a method whereby a portion of the property taxes levied by all taxing authorities within a tax increment financing district are reallocated to the city that is undertaking the urban renewal project. Tax increment financing may only be used in a city's designated urban renewal area, and may only be used on projects listed in the adopted urban renewal plan.

State law dictates that the first step in enlarging the Consolidated Urban Renewal Area and amending the Urban Renewal Plan is for the Planning and Zoning Commission review said proposed amendment and make a recommendation to City Council on its conformity with the adopted Comprehensive Plan.

A public hearing will be held by the City Council on February 4, 2021 on a proposed amendment to the urban renewal plan for the Consolidated Muscatine Urban Renewal Area.

RECOMMENDATION/RATIONALE

Staff recommends that the Planning and Zoning Commission make a positive recommendation on the conformity of the proposed expansion of the Consolidation Urban Renewal Area and the proposed amendment to the Urban Renewal Plan with the Comprehensive Plan, based on following rationale.

The City of Muscatine Comprehensive Plan was adopted on September 19, 2013 and contains 82 goals that encapsulate the community's vision of an ideal Muscatine. Following is staff analysis of which of the Comprehensive Plan goals, that the proposed expansion of the Consolidation Urban Renewal Area and the proposed amendments to the Urban Renewal Plan with the Comprehensive Plan, will help achieve.

Identifying new urban renewal projects to be undertaken in the Consolidated Urban Renewal Area and Adding property to the Consolidated Urban Renewal Area

1. Colorado Senior Lofts Low and Moderate Income Housing Development Project

Colorado Senior Lofts LLC (the "Developer") has proposed to undertake the development of a senior living complex (the "Colorado LMI Housing Project") on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Number 0930301002 (the "Colorado Housing Property"), 400 Colorado Street. It is intended that the units constructed in connection with the Colorado LMI Housing Project will be affordable for seniors of low and moderate income. Attached to this memo is a conceptual plan for this development and a rendering of the proposed building. On January 14, 2020 the Planning and Zoning Commission voted to recommend approval of the annexation and rezoning necessary for this specific proposed project, this rezoning and annexation request was subsequently approved by City Council.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Colorado Senior Lofts Low and Moderate Income Housing Development Project.

Because this property was just annexed into the City in February of 2020, it is not part of the Consolidated Urban Renewal Area which was last expanded in February of 2018, it is therefore necessary to bring this property within in the Consolidated Urban Renewal Area

This proposed project directly support the following goals of the adopted Comprehensive Plan.

- Goal ED.14: Incentives***

The City of Muscatine will effectively use incentives to promote economic development in a manner that is both consistent with the goals of the Comprehensive Plan, and financially sound.

- **Goal LU.3: Infill**
Increase new development (housing and commercial) on vacant lots in portions of the City already served by public infrastructure.
- **Goal H.7: Affordability**
Increase housing affordability without sacrificing long-term quality of life
- **Goal H.1: Housing Quality**
A high-quality living environment in all neighborhoods, the preservation of stable residential neighborhoods, and where necessary, improvement of the condition of existing housing stock in Muscatine.

2. Grandview Senior Lofts Low and Moderate Income Housing Development Project

Grandview Senior Lofts LLC (the “Developer”) has proposed to undertake the development of a senior living complex (the “Grandview LMI Housing Project”) on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Numbers 1309400024, 1310301018, 1310301025, 1310301026, 1310301027, 1309400026, 1310301015, 1310301028, 1310301014, and 1309400025 (the “Grandview Housing Property”), 1925 Grandview Avenue. It is intended that the units constructed in connection with the Grandview LMI Housing Project will be affordable for seniors of low and moderate income. Attached to this memo is a conceptual plan for this development and a rendering of the proposed building. On January 14, 2020 the Planning and Zoning Commission voted to recommend approval the rezoning necessary for this specific proposed project, this rezoning this rezoning request was subsequently approved by City Council.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Grandview Senior Lofts Low and Moderate Income Housing Development Project.

This proposed project directly support the following goals of the adopted Comprehensive Plan.

- **Goal ED.14: Incentives**
The City of Muscatine will effectively use incentives to promote economic development in a manner that is both consistent with the goals of the Comprehensive Plan, and financially sound.
- **Goal LU.3: Infill**
Increase new development (housing and commercial) on vacant lots in portions of the City already served by public infrastructure.
- **Goal H.7: Affordability**
Increase housing affordability without sacrificing long-term quality of life
- **Goal H.1: Housing Quality**
A high-quality living environment in all neighborhoods, the preservation of stable residential neighborhoods, and where necessary, improvement of the condition of existing housing stock in Muscatine.

3. Steamboat Apartments Low and Moderate Income Housing Development Project

JNB Family 1, LP (the “Owner”) and the Ales Foundation (the “Developer”) have proposed to undertake the development of a forty-two (42) unit apartment complex (the “Steamboat LMI Housing Project”) on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Number 0822351012 (the “Steamboat Housing Property”), the intersection of Steamboat Way and Dianna Queen Drive. It is intended that at least thirty-seven (37) units constructed in connection with the Steamboat LMI Housing Project will be affordable for families of low and moderate income. Attached to this memo is a conceptual plan for this development and a rendering of the proposed building.

No rezoning was necessary for this project, as the proposed development conforms to the adopted development plan for this location. Said development plan was approved by the Planning and Zoning Commission in 2001. A low to moderate income housing development on this specific parcel has been a part of the adopted urban renewal plan since 2014, this amendment changes the developer associated with this project, as it is now a different developer proposing to develop low and moderate income housing at this location.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts of the Developer and Owner to complete the Steamboat LMI Housing Project.

This proposed project directly support the following goals of the adopted Comprehensive Plan.

- **Goal ED.14: Incentives**
The City of Muscatine will effectively use incentives to promote economic development in a manner that is both consistent with the goals of the Comprehensive Plan, and financially sound.
- **Goal LU.3: Infill**
Increase new development (housing and commercial) on vacant lots in portions of the City already served by public infrastructure.
- **Goal H.7: Affordability**
Increase housing affordability without sacrificing long-term quality of life
- **Goal H.1: Housing Quality**
A high-quality living environment in all neighborhoods, the preservation of stable residential neighborhoods, and where necessary, improvement of the condition of existing housing stock in Muscatine.

Updating the description of certain projects previously approved by the City Council in prior amendments to the Plan

1. Small Business Forgivable Loan Program

The City acknowledges the importance of the success of local businesses to the promotion of economic development in the City. The Small Business Forgivable Loan Program is designed to provide public support to the development and improvement of local businesses in the Urban Renewal Area. The City will provide fiscal support to the Program through the provision of economic development forgivable loans (the “Forgivable Loans”) to small businesses situated in certain districts highlighted on the map attached as Exhibit A to the September, 2014 Amendment, and which are also attached to this memo.

The Forgivable Loans will be targeted to assist with the promotion of in-fill, redevelopment and facilities enhancement of qualifying small businesses. It is anticipated that the Forgivable Loans will continue to be made in each of the City’s 2019 through 2024 fiscal years. Over the course of these fiscal years, the City will consider making Forgivable Loans to eligible applicants in an aggregate amount not to exceed \$850,000 (increased from \$600,000 in the February, 2018 Amendment to the Plan). The City Staff will develop appropriate materials, including agreements and applications, for the administration of the Forgivable Loans.

It is anticipated that the City will fund the Forgivable Loans with borrowed funds and/or with the proceeds of an internal advance of City funds on-hand. In any case, the City’s obligation will be repaid with incremental property tax revenues. It is anticipated that the City’s use of incremental property tax revenues for the Forgivable Loans will not exceed \$850,000 (increased from \$600,000 in the February, 2018 Amendment to the Plan).

This proposed project directly support the following goals of the adopted Comprehensive Plan.

- ***Goal ED.14: Incentives***

The City of Muscatine will effectively use incentives to promote economic development in a manner that is both consistent with the goals of the Comprehensive Plan, and financially sound.

- ***Goal ED.6: Retention and Expansion of Existing Businesses***

Stimulate economic growth by supporting the retention and expansion of existing businesses with specific focus on retaining business headquarters.

- ***Goal ED.1: Low Unemployment***

Muscatine County’s (the smallest geographic level for which there are unemployment statistics) average annual unemployment rate will be declining and below that of the State of Iowa and the United States as a whole.

- **Goal ED.16: Development and/or revitalization of specifically targeted areas**
Seek development and/or revitalization of specifically targeted areas through partnerships with community stakeholders and by leveraging infrastructure improvements, aesthetic enhancements, incentives, and a review of land use regulations.
 - *Downtown*
 - *Grandview Avenue Corridor*
 - *Park Avenue Corridor*
- **Goal ED.7: Recruitment and Establishment of New Businesses and Entrepreneurship**
Stimulate economic growth by supporting the formation and recruitment of businesses and by creating an environment that fosters entrepreneurship.

2. **Update Description of the Hershey Building Redevelopment Project.**

Bush Construction (the “Developer”) has undertaken the redevelopment of the former Hershey Building situated at 216 Sycamore Street in the Urban Renewal Area (the “Hershey Redevelopment Property”) into a mixed-use building, including multiresidential units and commercial units (the “Hershey Redevelopment Project”).

The City intends to enter into a development agreement (the “Development Agreement”) with the Developer with respect to the Hershey Redevelopment Project and to provide economic development payments (the “Payments”) thereunder in a principal amount not to exceed \$700,000 (increased from \$500,000 in the April, 2019 Amendment to the Plan). The Payments will be funded with the incremental property tax revenues to be derived from the Hershey Redevelopment Property. It is anticipated that the Payments will be made subject to annual appropriation by the City Council.

This proposed project directly support the following goals of the adopted Comprehensive Plan.

- **Goal ED.14: Incentives**
The City of Muscatine will effectively use incentives to promote economic development in a manner that is both consistent with the goals of the Comprehensive Plan, and financially sound.
- **Goal LU.3: Infill**
Increase new development (housing and commercial) on vacant lots in portions of the City already served by public infrastructure.
- **Goal H.1: Housing Quality**
A high-quality living environment in all neighborhoods, the preservation of stable residential neighborhoods, and where necessary, improvement of the condition of existing housing stock in Muscatine.
- **Goal ED.16: Development and/or revitalization of specifically targeted areas**
Seek development and/or revitalization of specifically targeted areas through partnerships with community stakeholders and by leveraging infrastructure

improvements, aesthetic enhancements, incentives, and a review of land use regulations.

- *Downtown*
-

BACKUP INFORMATION:

1. *Colorado Senior Lofts Low and Moderate Income Housing Development Project concept plan and building renderings*
2. *Grandview Senior Lofts Low and Moderate Income Housing Development Project concept plan and building renderings*
3. *Steamboat Apartment Low and Moderate Income Housing Development Project concept plan and building renderings*
4. **Maps depicting eligibility areas for the Small Business Forgivable Loan Program**
5. **Proposed Amendment to the Urban Renewal Plan and Expansion of the Urban Renewal Area**



COLORADO SENIOR LOFTS

muscatine, ia

elevations

1.2.20

© 2019 MAH Development LLC

1/32" = 1'-0"

1/32" = 4'-0"

front elevation



1/32" = 1'-0"

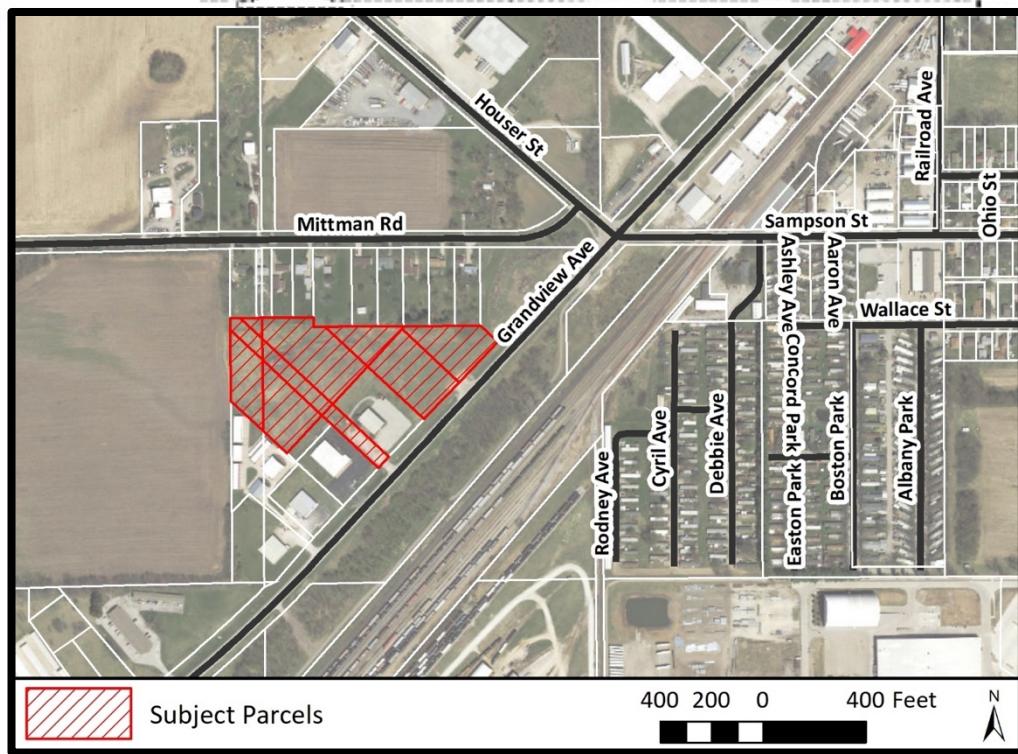
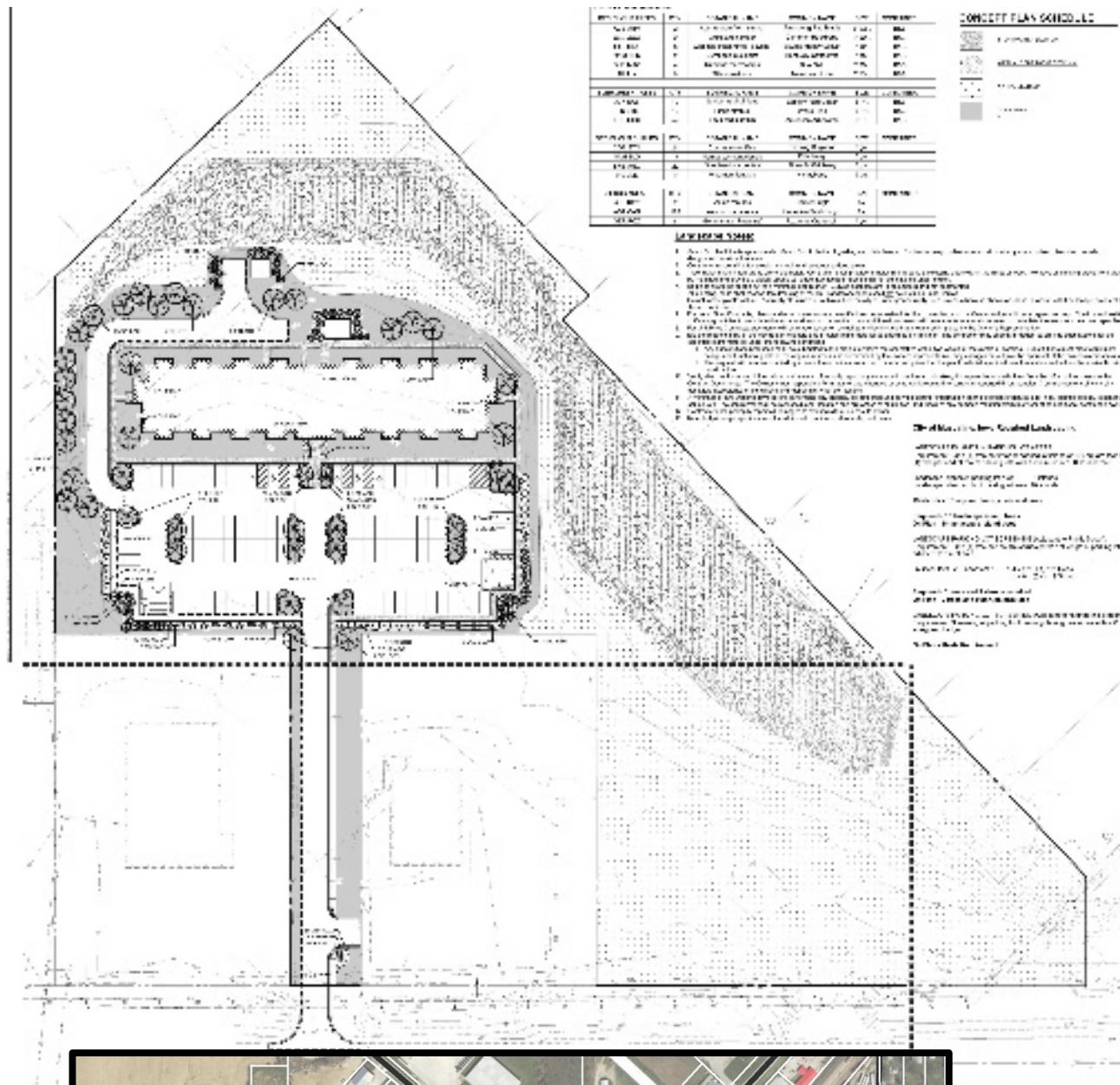
side elevation



rear elevation



EXTERIOR FINISH LEGEND	
FACE BRICK VENEER (FB-1)	
VINYL SIDING, LAP-STYLE (VS-1).	
VINYL SIDING, SHAKE-STYLE (VS-2).	
ROOFING, ARCHITECTURAL FIBERGLASS SHINGLES (AFS-1).	
ANTI-FUNGAL AND MIN. 30-YEAR WARRANTY	
SHEET METAL FLASHING AND TRIM, ALL PRE-FINISHED METAL GUTTER, DOWNSPOUTS, FASCIAS, ETC. TO BE BY DIMENSIONAL METALS INC. NOTE: REFER TO SPECS FOR EQUAL MANUFACTURERS ACCEPTABLE FOR USE	



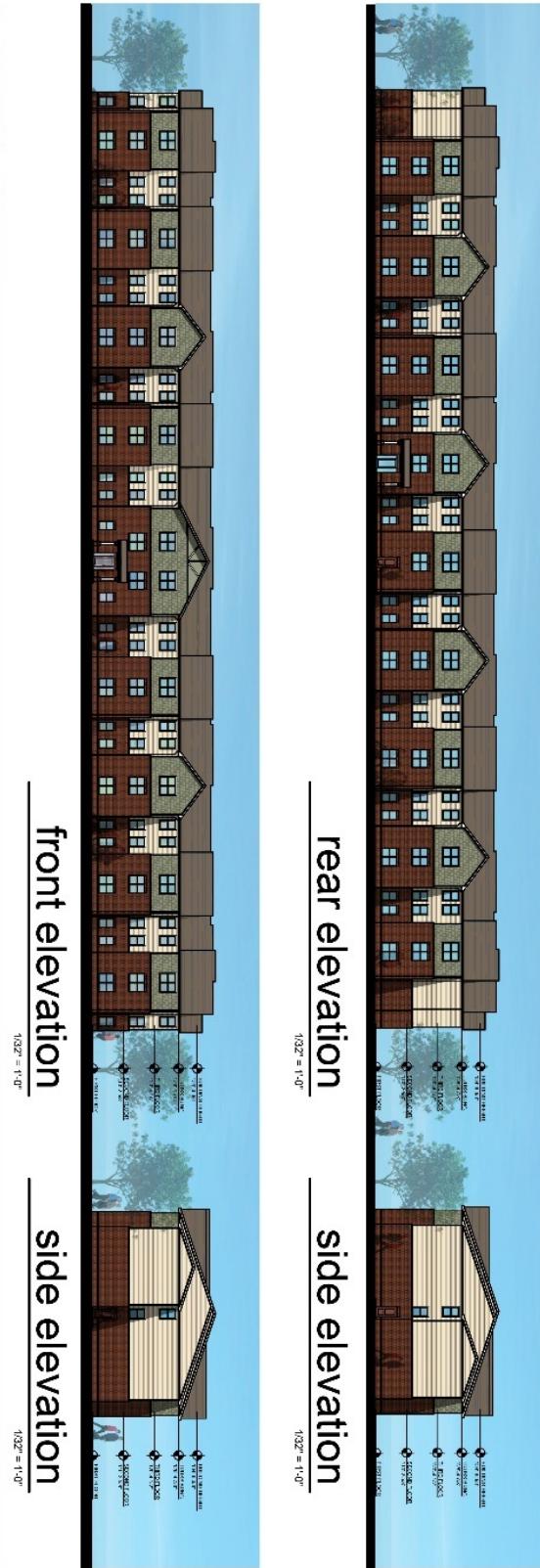


GRANDVIEW SENIOR LOFTS

muscatine, ia

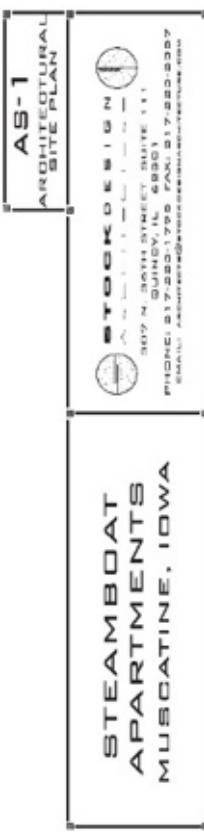
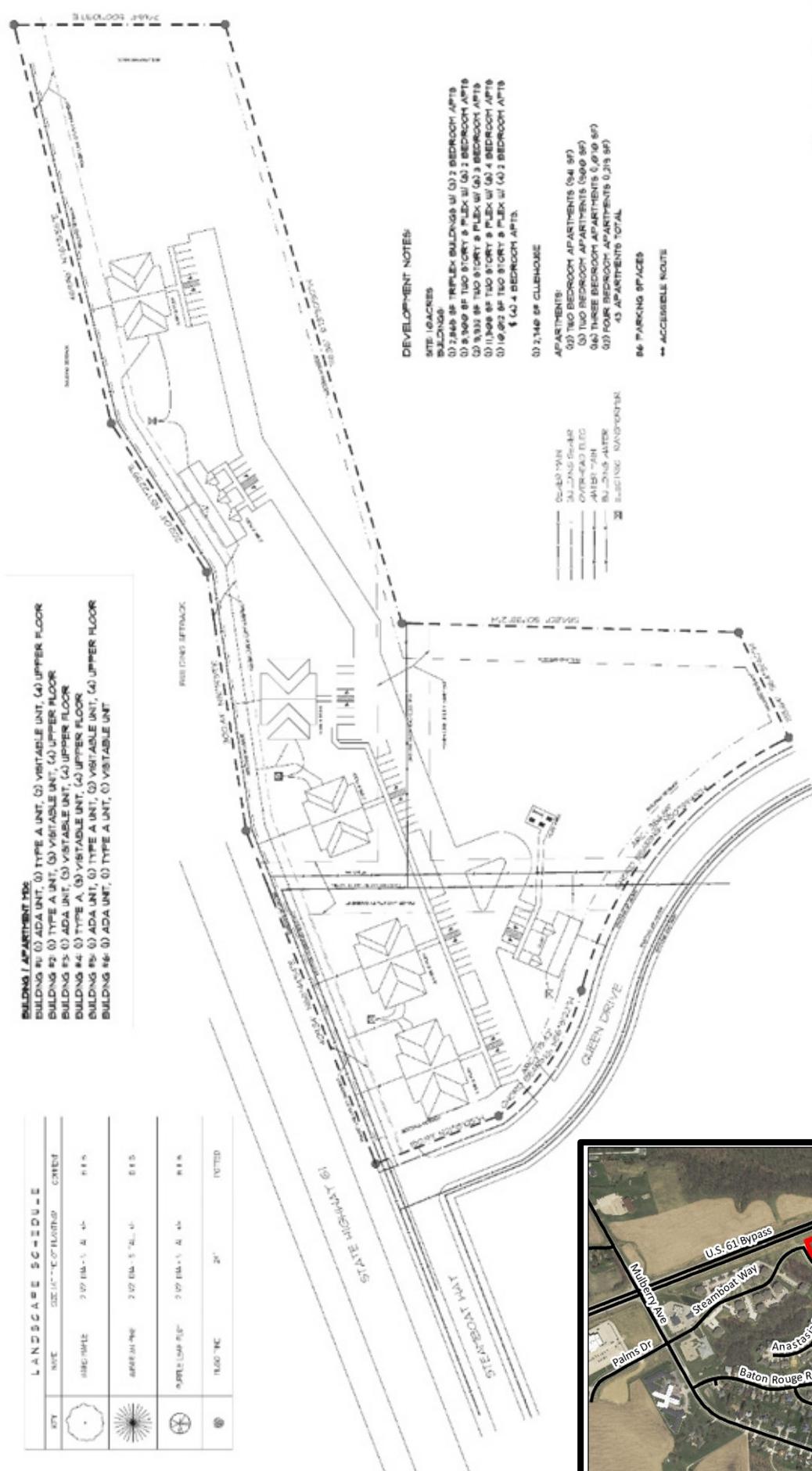
elevations

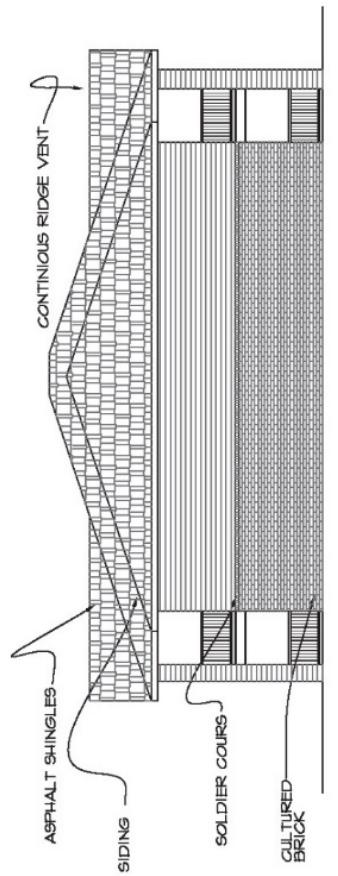
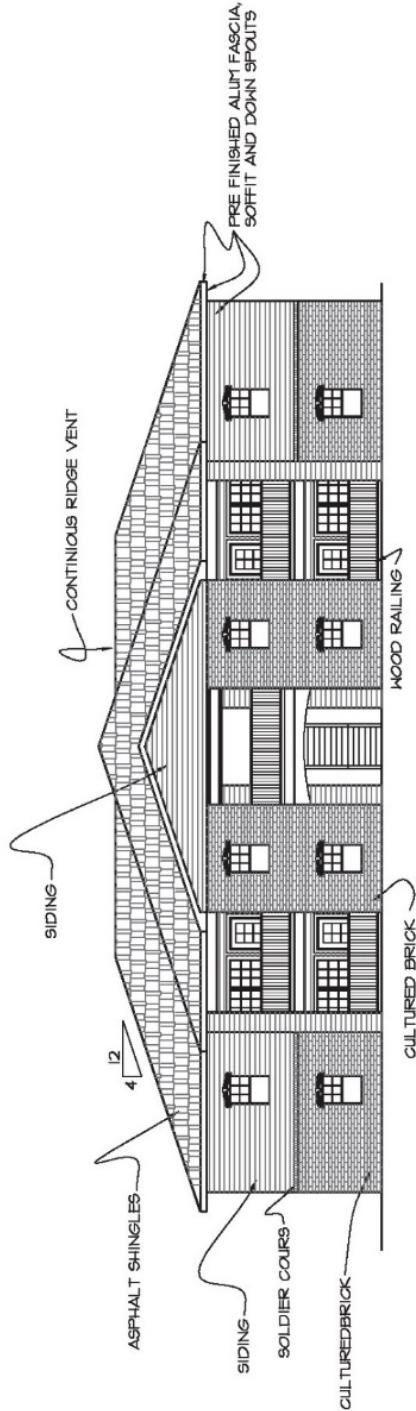
1.2.20



EXTERIOR FINISH LEGEND	
	FACE BRICK VENEER (FB-1)
	VINYL SIDING, LAP-STYLE (VS-1).
	VINYL SIDING, SHAKE-STYLE (VS-2).
	ROOFING, ARCHITECTURAL FIBERGLASS SHINGLES (AS-1).
	ANTI-FUNGAL AND MIN. 30-YEAR WARRANTY.
	SHEET METAL FLASHING AND TRIM, ALL PRE-FINISHED METAL GUTTER, DOWNSPOUTS, FASCIA, ETC. TO BE BY DIMENSIONAL METALS INC. NOTE: REFER TO SPEC'S FOR FOUAL MANUFACTURERS ACCEPTABLE FOR USE.

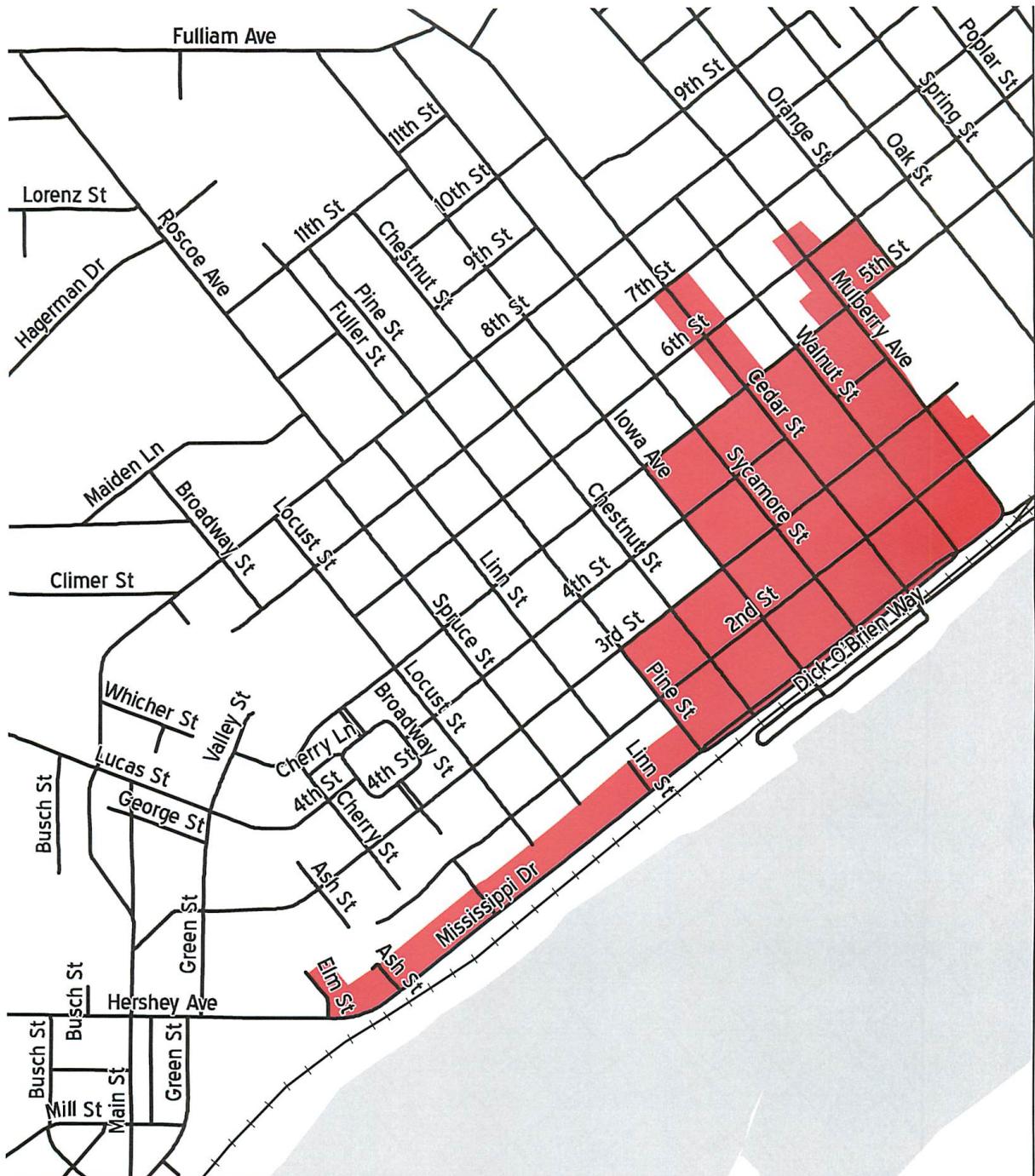
LANDSCAPE SCHEDULE					
STN	NAME	STATE (E. - C. - S. - W. - N. -)	CONT'D.	CONT'D.	CONT'D.
•	1000 ft. 444.42	2 1/2 E. 1/4 S. 1/4 E. 1/4 S.	8 1/2		
•	1000 ft. 444.42	2 1/2 E. 1/4 S. 1/4 E. 1/4 S.	8 1/2		
•	1000 ft. 444.42	2 1/2 E. 1/4 S. 1/4 E. 1/4 S.	8 1/2		
•	1000 ft. 444.42	2 1/2 E. 1/4 S. 1/4 E. 1/4 S.	8 1/2		





**EXTERIOR ELEVATIONS
BUILDING TYPE "C"**

SCALE: 3/16" = 1'-0" - 0"



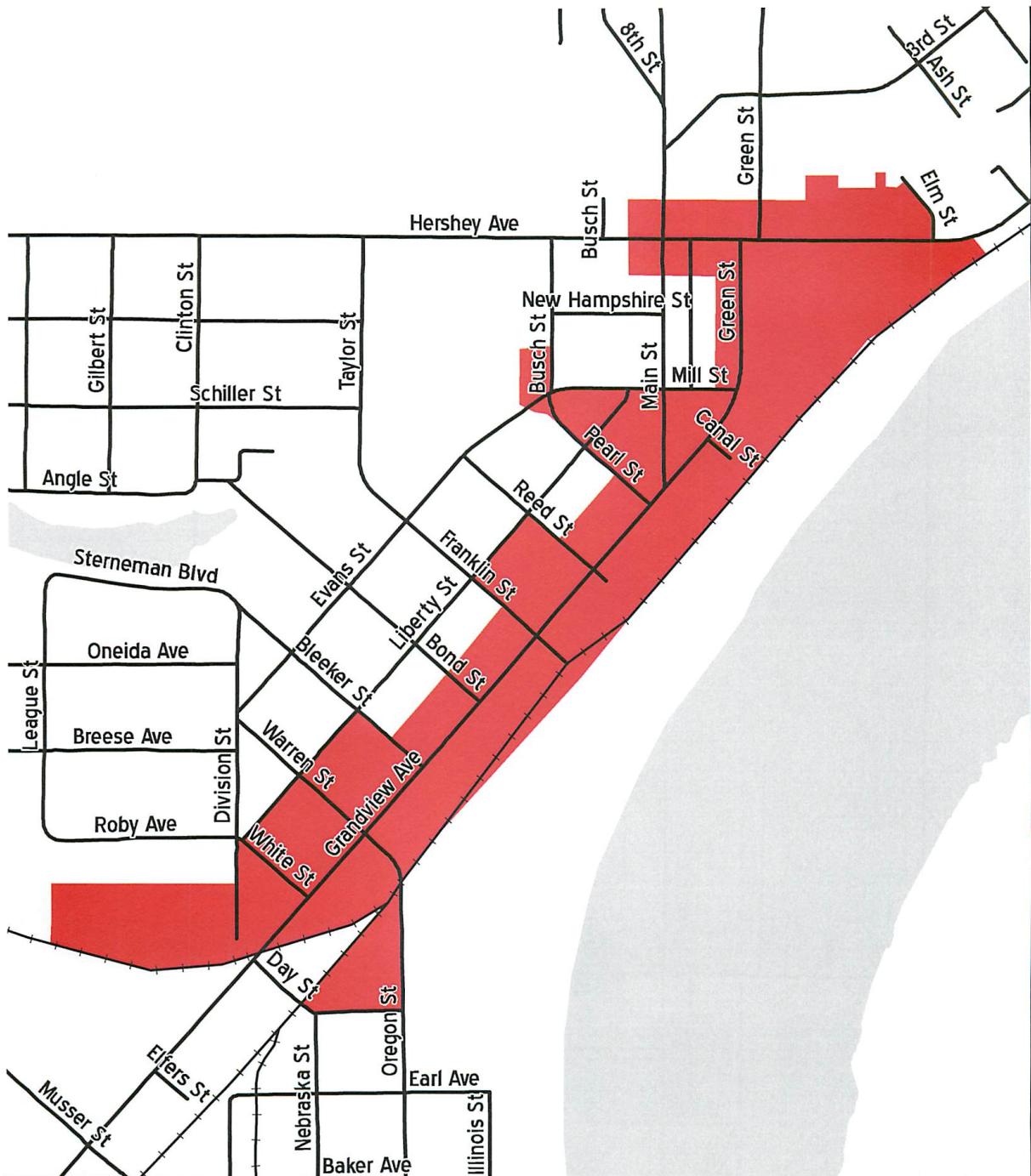


Downtown Small Business TIF District

Date Source: Muscatine Area Geographic Information Consortium, City of Muscatine
Prepared by: Andrew Fangman, City Planner
Date: August 13, 2014

Downtown Small Business TIF

0 500 1,000 2,000 Feet



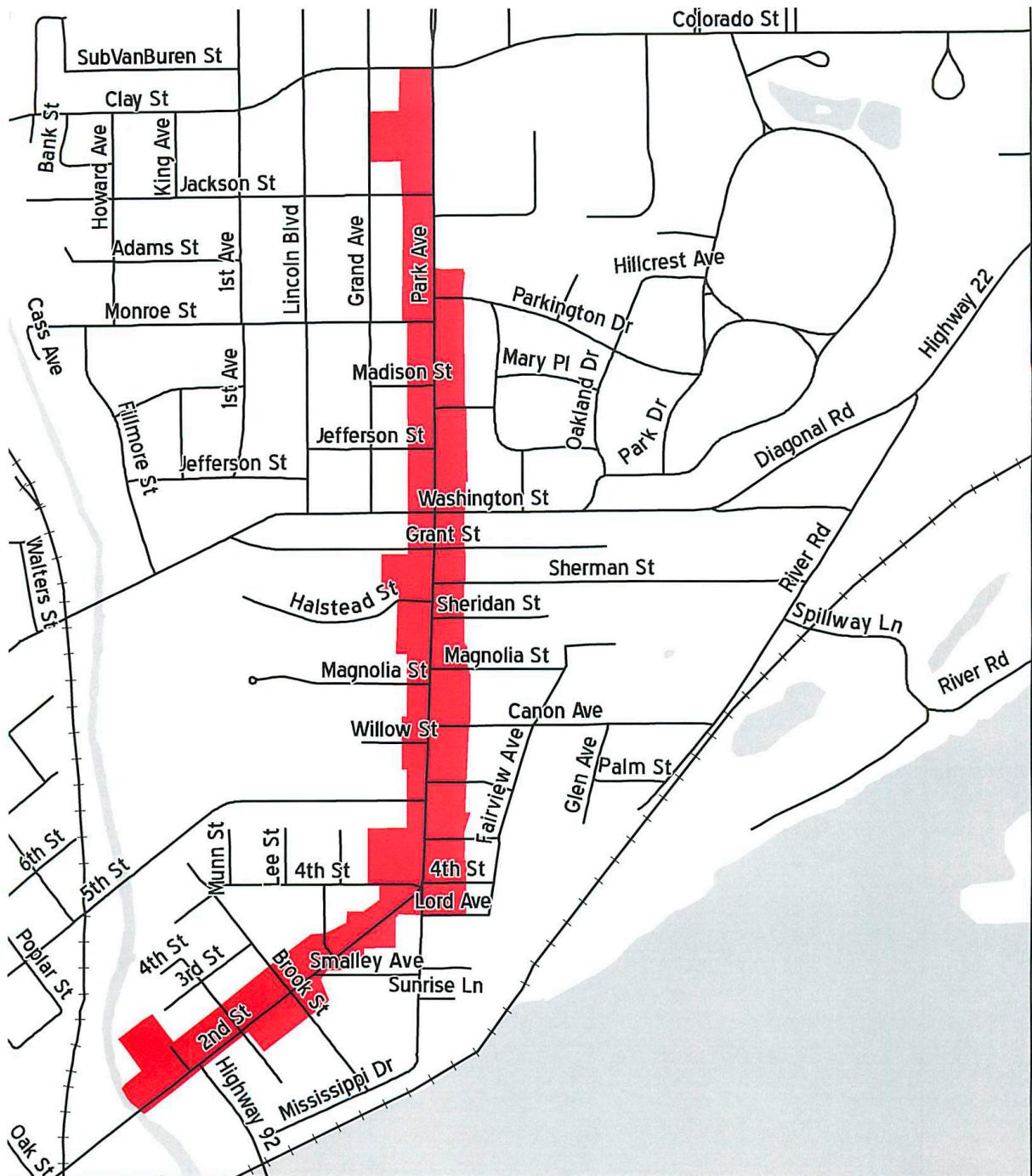
Grandview Avenue Small Business TIF District

Date Source: Muscatine Area Geographic Information Consortium, City of Muscatine
Prepared by: Andrew Fangman, City Planner
Date: August 14, 2014

 Grandview Avenue Small Business TIF

0 370 740 1,480 Feet





Park Avenue Small Business TIF District



Park Avenue Small Business TIF District

Date Source: Muscatine Area Geographic
Information Consortium, City of Muscatine
Prepared by: Andrew Fangman, City Planner
Date: August 13, 2014

0 500 1,000 2,000 Feet

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CITY OF MUSCATINE, IOWA

URBAN RENEWAL PLAN AMENDMENT
CONSOLIDATED MUSCATINE URBAN RENEWAL AREA

February, 2021

The Urban Renewal Plan (the "Plan") for the Consolidated Muscatine Urban Renewal Area (the "Urban Renewal Area") is being amended for the purpose of (1) adding property to the Urban Renewal Area; (2) updating the description of certain projects previously approved by the City Council in prior amendments to the Plan; and (3) identifying new urban renewal projects to be undertaken in the Urban Renewal Area.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the February, 2021 Addition to the Urban Renewal Area. With the adoption of this Amendment, the City will designate the Property as an economic development area. The Property will become subject to the provisions of the Plan for the Urban Renewal Area. It is anticipated that the City will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

2) Update Description of the City's Small Business Forgivable Loan Program. The City approved the Small Business Forgivable Loan Program in the September, 2014 Amendment to the Plan. It is now necessary to update the description of the Small Business Forgivable Loan Program, as follows:

Name of Project: Small Business Forgivable Loan Program

Name of Urban Renewal Area: Consolidated Muscatine Urban Renewal Area

Date of Council Approval of Project: September 4, 2014, and updated October 20, 2016; February 15, 2018; and February 4, 2021.

Description of Small Business Forgivable Loan Program: The City acknowledges the importance of the success of local businesses to the promotion of economic development in the City. The Small Business Forgivable Loan Program is designed to provide public support to the development and improvement of local businesses in the Urban Renewal Area. The City will provide fiscal support to the Program through the provision of economic development forgivable loans (the "Forgivable Loans") to small businesses situated in certain districts highlighted on the map attached as Exhibit A to the September, 2014 Amendment.

The Forgivable Loans will be targeted to assist with the promotion of in-fill, redevelopment and facilities enhancement of qualifying small businesses. It is anticipated that the Forgivable Loans will continue to be made in each of the City's 2019 through 2024 fiscal years. Over the course of these fiscal years, the City will consider making Forgivable Loans to eligible applicants in an aggregate amount not to exceed \$850,000 (increased from

\$600,000 in the February, 2018 Amendment to the Plan). The City Staff will develop appropriate materials, including agreements and applications, for the administration of the Forgivable Loans.

Description of Use of TIF for the Program: It is anticipated that the City will fund the Forgivable Loans with borrowed funds and/or with the proceeds of an internal advance of City funds on-hand. In any case, the City's obligation will be repaid with incremental property tax revenues. It is anticipated that the City's use of incremental property tax revenues for the Forgivable Loans will not exceed \$850,000 (increased from \$600,000 in the February, 2018 Amendment to the Plan).

The City's use of incremental property tax revenues for the Forgivable Loans in the City's 2018 fiscal year was governed by the September, 2014 Amendment.

3) Update Description of the Hershey Building Redevelopment Project. The City approved the Hershey Building Redevelopment Project in the April 18, 2019 Amendment to the Plan. It is now necessary to update the description of the Hershey Building Redevelopment Project, as follows:

Name of Project: Hershey Building Redevelopment Project (the "Admin Program")

Name of Urban Renewal Area: Muscatine Consolidated Urban Renewal Area

Date of Council Approval of Admin Program: April 18, 2019 and updated February 4, 2021.

Description of Project and Project Site: Bush Construction (the "Developer") has proposed to undertake the redevelopment of the former Hershey Building situated at 216 Sycamore Street in the Urban Renewal Area (the "Hershey Redevelopment Property") into a mixed-use building, including multiresidential units and commercial units (the "Hershey Redevelopment Project").

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Hershey Redevelopment Project. The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$8,500.

The Hershey Redevelopment Project will facilitate economic development in the Urban Renewal Area and help alleviate the blighted conditions in the Urban Renewal Area.

Description of Public Infrastructure: It is not anticipated that the City will install public infrastructure in connection with the Hershey Redevelopment Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire real property in connection with the Hershey Redevelopment Project.

Description of Use of TIF for Project: The City intends to enter into a development agreement (the “Development Agreement”) with the Developer with respect to the Hershey Redevelopment Project and to provide economic development payments (the “Payments”) thereunder in a principal amount not to exceed \$700,000 (increased from \$500,000 in the April, 2019 Amendment to the Plan). The Payments will be funded with the incremental property tax revenues to be derived from the Hershey Redevelopment Property. It is anticipated that the Payments will be made subject to annual appropriation by the City Council.

4) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plan is hereby amended to include the following project descriptions:

A.

Name of Project: Colorado Senior Lofts Low and Moderate Income Housing Development Project

Name of Urban Renewal Area: Consolidated Muscatine Urban Renewal Area

Date of Council Approval of Project: February 4, 2021

Description of the Project and Project Site: Colorado Senior Lofts LLC (the “Developer”) has proposed to undertake the development of a senior living complex (the “Colorado LMI Housing Project”) on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Number 0930301002 (the “Colorado Housing Property”). It is intended that the units constructed in connection with the Colorado LMI Housing Project will be affordable for seniors of low and moderate income.

The addition of new affordable housing in the City will enhance the quality of life in the City thereby resulting in commercial and residential growth in the City.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Colorado LMI Housing Project.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$7,500.

Description of Public Infrastructure: It is not anticipated that the City will install public infrastructure in connection with the Colorado LMI Housing Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire real property in connection with the Colorado LMI Housing Project.

Description of Use of TIF for the Project: The City intends to enter into a development agreement (the “Development Agreement”) with the Developer with respect to the Colorado LMI Housing Project and to provide economic development payments (the “Payments”) to the Developer thereunder. The Payments will be funded with the incremental property tax revenues to be derived from the Colorado Housing Property. It is anticipated that the Payments will be made subject to annual appropriation by the City Council. It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Colorado LMI Housing Project will not exceed \$460,000, plus the Admin Fees.

B.

Name of Project: Grandview Senior Lofts Low and Moderate Income Housing Development Project

Name of Urban Renewal Area: Consolidated Muscatine Urban Renewal Area

Date of Council Approval of Project: February 4, 2021

Description of the Project and Project Site: Grandview Senior Lofts LLC (the “Developer”) has proposed to undertake the development of a senior living complex (the “Grandview LMI Housing Project”) on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Numbers 1309400024, 1310301018, 1310301025, 1310301026, 1310301027, 1309400026, 1310301015, 1310301028, 1310301014, and 1309400025 (the “Grandview Housing Property”). It is intended that the units constructed in connection with the Grandview LMI Housing Project will be affordable for seniors of low and moderate income.

The addition of new affordable housing in the City will enhance the quality of life in the City thereby resulting in commercial and residential growth in the City.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Grandview LMI Housing Project.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$7,500.

Description of Public Infrastructure: It is not anticipated that the City will install public infrastructure in connection with the Grandview LMI Housing Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire real property in connection with the Grandview LMI Housing Project.

Description of Use of TIF for the Project: The City intends to enter into a development agreement (the “Development Agreement”) with the Developer with respect to the

Grandview LMI Housing Project and to provide economic development payments (the “Payments”) to the Developer thereunder. The Payments will be funded with the incremental property tax revenues to be derived from the Grandview Housing Property. It is anticipated that the Payments will be made subject to annual appropriation by the City Council. It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Grandview LMI Housing Project will not exceed \$460,000, plus the Admin Fees.

C.

Name of Project: Steamboat Apartments Low and Moderate Income Housing Development Project

Name of Urban Renewal Area: Consolidated Muscatine Urban Renewal Area

Date of Council Approval of Project: February 4, 2021

Description of the Project and Project Site: JNB Family 1, LP (the “Owner”) and the Ales Foundation (the “Developer”) have proposed to undertake the development of a forty-two (42) unit apartment complex (the “Steamboat LMI Housing Project”) on certain real property situated in the Urban Renewal Area and bearing Muscatine County Property Tax Parcel Identification Number 0822351012 (the “Steamboat Housing Property”). It is intended that at least thirty-seven (37) units constructed in connection with the Steamboat LMI Housing Project will be affordable for families of low and moderate income.

The addition of new affordable housing in the City will enhance the quality of life in the City thereby resulting in commercial and residential growth in the City.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts of the Developer and Owner to complete the Steamboat LMI Housing Project.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$10,000.

Description of Public Infrastructure: It is not anticipated that the City will install public infrastructure in connection with the Steamboat LMI Housing Project.

Description of Properties to be Acquired in Connection with Project: It is not anticipated that the City will acquire real property in connection with the Steamboat LMI Housing Project.

Description of Use of TIF for the Project: The City intends to enter into a development agreement (the “Development Agreement”) with the Developer and the Owner with respect to the Steamboat LMI Housing Project and to provide economic development payments (the “Payments”) to the Developer thereunder. The Payments will be funded with the

incremental property tax revenues to be derived from the Steamboat Housing Property. It is anticipated that the Payments will be made subject to annual appropriation by the City Council. It is anticipated that the City's total commitment of incremental property tax revenues with respect to the Steamboat LMI Housing Project will not exceed \$460,000, plus the Admin Fees.

5) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City: \$73,548,370

Outstanding general obligation debt of the City: \$

Proposed debt to be incurred under the February, 2021
Amendment*: \$1,830,000

*It is anticipated that some or all of the debt incurred hereunder will be subject to annual appropriation by the City Council.

EXHIBIT A
Legal Description
Expanded Consolidated Muscatine Urban Renewal Area
(February, 2021 Addition)

Certain real property situated in the City of Muscatine, Muscatine County, State of Iowa more particularly described as:

Commencing at the northeast corner of Lot 2 of Kleindolph Subdivision, as recorded in Plat Book 7, Page 62, Muscatine County Recorders' Office; thence north to the northerly right of way line of Colorado Street; thence westerly along said right of way line to intersection with an extension of the westerly line of said Lot 2; thence southerly along the extension of the westerly line of said Lot to the northwest corner of said Lot 2; thence southerly along the westerly line of said Lot to an intersection with the southerly line of said Lot 2; thence easterly along the southerly line of said Lot 2 to an intersection with the easterly line of said Lot ; thence northerly along the easterly line of said Lot 2 to the point of beginning. All located in the Southwest $\frac{1}{4}$ of Section 30, Township 77 North, Range 1 West of the 5th principal meri