



## City of Muscatine



### AGENDA ITEM SUMMARY

DATE: 10-9-20

City Council

#### STAFF

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Nancy A. Lueck, Finance Director

#### SUBJECT

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Annual Urban Renewal Report for Fiscal Year 2019/2020

#### EXECUTIVE SUMMARY

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The State legislature requires local governments to complete and submit an annual report showing all activity in each of their urban renewal areas during the preceding fiscal year. The Iowa Department of Management developed an on-line reporting system to facilitate completion and submission of this information. The attached report includes the updated information for fiscal year 2019/2020. For fiscal year 2019/2020 the City paid a total of \$1,785,945 in TIF rebates to twelve (12) businesses, made \$368,215 in debt payments on TIF revenue and general obligation bonds, and repaid \$758,457 on internal advances. These total to \$2,912,617 in TIF expenditures for the year.

#### STAFF RECOMMENDATION

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The City Council is requested to approve this report and authorize its submission to the State.

#### BACKGROUND/DISCUSSION

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The City of Muscatine had twelve active urban renewal (UR) areas in 2019/2020 including (1) Downtown, (2) Downtown SECO, (3) Southend, (4) Highway 38 Northeast including the amended Harrison/Colorado Street area, (5) the Heinz Industrial area, (6) the Fridley Theaters area, (7) the Iowa Reinvestment District area, (8) the North University district, (9) the WDS (White Distribution) area, (10) the Oak Park area, (11) the Arbor Commons area, and (12) the Hershey Building area. For each of these areas, the reporting system required the City's Urban Renewal Plan including amendments, urban renewal area map, and TIF ordinance to be uploaded into the system. For each of the UR areas, each project (public improvement, development agreement, internal loan, etc.) was required to be listed and all debt (including rebates, internal loans, and bond issues) was also entered into the system. Information was also required for each TIF rebate agreement – the date of the agreement, date of last

required payment, and estimated balance remaining on the agreement including the current year amounts.

For fiscal year 2019/2020, the City paid a total of \$1,785,945 in TIF rebates to twelve (12) businesses. Debt payments on TIF revenue and general obligation bonds totaled \$368,215. Payments on internal advances for administrative costs, the grant to the Chamber (GMCCI), the small business forgivable loan programs, and a portion of the engineering costs for the 2<sup>nd</sup> Street Streetscape project totaled \$758,457. TIF tax revenues for the year totaled \$2,472,102. The ending fund balances for each of the UR tax increment funds totaled \$791,034 and the computed net TIF debt outstanding as of June 30, 2020 totaled to \$22,012,874. This computed debt includes the balances remaining on TIF rebate agreements and principal and interest on TIF-related debt. Per the instructions for this report, the TIF debt outstanding includes the full amount of the TIF rebates, including those subject to annual appropriation.

#### CITY FINANCIAL IMPACT

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None

#### ATTACHMENTS

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Annual Urban Renewal Report for Fiscal Year 2019/2020