

May 19, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
**Subject: Set Public Hearing
Development Agreement – Gale W.
McKinney, dba Iowa Outdoors Store**



**ACTION: For Vote Tuesday, May 27, 2014, Set Public Hearing for Monday,
June 23, 2014**

Brief History

Owners of the Iowa Outdoors Store, located at 1597 3rd Avenue NW, are proposing to expand their current operations to include an 18-lane 3D archery range. They intend to invest over \$500,000 to remodel the existing building and to construct a 40' x 100' addition to house the archery range.

Analysis of Issue

This 35-yard indoor 3D archery range will be available to the general public for open shooting, lessons, leagues and tournaments. Current plans are to hold four tournaments per year, with each event attracting approximately 300 participants from throughout the Midwest. In addition, 3 annual trade show events are projected, potentially attracting 750 to 1000 visitors over a 3-day period.

There are 55,000 licensed archers in Iowa, plus an additional estimated 75,000 target and casual shooters in Iowa. Archery is the largest growing youth sport in Iowa, with 25% of Iowa schools offering Archery programs. The closest 3D ranges in Iowa are located in Carroll and Altoona, both of which are smaller than what the Iowa Outdoors Store is proposing.

Budget Impact

Based on the investment, incremental property taxes generated from this project are estimated at \$13,300 annually. Providing incentives from the increment produced for a period of 3 years is estimated at \$39,900.

Strategic Plan Impact

Policy C.1.6: City government shall be an active participant, facilitator and partner in the creation of large and small business and industrial development opportunities capitalizing upon the unique human and economic resources of the area.

Policy C.1.7: Economic development efforts shall protect, enhance and encourage a high quality of life, image and cultural amenities as critical factors in business retention, recruitment and economic growth.

Existing Plan Impact

Consistent with the City's Envision 2030 Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Staff recommends setting a public hearing for Monday, June 23, 2014 to consider a development agreement with Gale W. McKinney.

Alternatives

The only alternative would be to not set a public hearing, which would prohibit the City from providing incentives for the project.

Implementation and Accountability

If approved, following public hearing, the City Council will consider approving an agreement with Gale W. McKinney.

Signed



Vickie L. Reeck
Community Development Manager

Approved

David R. Fierke, City Manager

RESOLUTION NO. _____

Resolution setting a date of meeting at which it is proposed to approve a Development Agreement with Gale W. McKinney, including annual appropriation tax increment payments in an amount not to exceed \$40,000

WHEREAS, the City of Fort Dodge, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the Center City and Industrial Park Urban Renewal Areas (the “Urban Renewal Areas”); and

WHEREAS, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Areas pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Areas; and

WHEREAS, the City proposes to enter into a certain development agreement (the “Development Agreement”) with Gale W. McKinney (the “Developer”) in connection with the construction of an addition to the Iowa Outdoors Store retail facility situated at 1597 3rd Avenue NW in the Urban Renewal Areas, including the addition of a 3D archery range; and

WHEREAS, the Development Agreement would provide financial incentives to the Developer in the form of annual appropriation incremental property tax payments in an amount not to exceed \$40,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to Section 403.9 of the Code of Iowa;

NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Fort Dodge, Iowa, as follows:

Section 1. This City Council shall meet on June 23, 2014, at six o’clock p.m., at the Municipal Building, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement and to authorize the annual appropriation incremental property tax payments.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four days and not more than twenty days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT WITH
GALE W. MCKINNEY AND AUTHORIZATION OF ANNUAL APPROPRIATION TAX
INCREMENT PAYMENTS

The City Council of the City of Fort Dodge, Iowa, will meet at the Municipal Building on June 23, 2014, at six o'clock p.m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and Gale W. McKinney (the "Developer"), in connection with the construction of an addition to the Iowa Outdoors Store retail facility situated at 1597 3rd Avenue NW in the Center City and Industrial Park Urban Renewal Areas, which Agreement provides for certain financial incentives in the form of incremental property tax payments to the Developer in a total amount not exceeding \$40,000 as authorized by Section 403.9 of the Code of Iowa.

The Agreement to make incremental property tax payments to the Developer will not be a general obligation of the City, but will be payable solely and only from incremental property tax revenues generated within the Center City and Industrial Park Urban Renewal Areas. Some or all of the payments under the Development Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the Council may, at the meeting or at an adjournment thereof, take additional action to approve the Development Agreement or may abandon the proposal.

This notice is given by order of the City Council of Fort Dodge, Iowa, in accordance with Section 403.9 of the Code of Iowa.

Jeff Nemmers
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved May 27, 2014.

AYES: _____

NAYS: _____

OTHER: _____

City of Fort Dodge, Iowa

By: Matt Bemrich, Mayor

Attest:

Jeff Nemmers, City Clerk