#11c

WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) REQUEST FORM

Date: March 20, 2018

Weekly Agenda Date: March 27, 2018

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: Supervisor Jeremy Taylor

WORDING FOR AGENDA ITEM: Proposal for Funding of the Ag Expo Center with an Upfront Cost and a Cost-Sharing Agreement on Interest Between Woodbury County and the City of Sioux City

ACTION REQUIRED:

Approve Ordinance ☐	Approve Resolution ☐	Approve Motion ☒
Give Direction ☐	Other: Informational ☐	Attachments ☒

EXECUTIVE SUMMARY: City Budget Director Donna Forker in working with County Budget Analyst Dennis Butler has been putting together the financials for the Ag Expo Center and the Reinvestment District, of which the county is a key participant according to IEDA.

BACKGROUND: (See attached backup materials as passed by the Board). Woodbury County agreed to participate at $150,000 annually for 10 years. In discussing financing, the City believes it preferable in putting together a funding package to have $1.5 million initially. The County has protected itself from operational losses and management risk. Borrowing this money with such a low debt service is certainly within good stewardship as the money contributed stands to leverage significant investment, $13.9 million on a $72 million district acting as a transformational initiative for the capture of sales tax, e.g. a sales-tax TIF.

The attached schedules give a 4% and a 3% interest schedule (most recent).

FINANCIAL IMPACT: $123,750 over a period of 10 years or approximately $12,375 annually from Local Option Sales Tax, Gaming Revenue, or other non property tax sources to be reimbursed by the funding mechanism originally designated by the Woodbury BOS.

IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?

Yes ☐ No ☒

RECOMMENDATION: Pass the proposed motion.

ACTION REQUIRED / PROPOSED MOTION: Approve the offer to the City of Sioux City to fully fund $1.5 million with a proposal to 50/50 split the subsequent interest in order to move forward on the project.

#8a

WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) REQ

Date: 6/22/2016 Weekly Agenda Date: 6/28/16

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: Supervisor Taylor

WORDING FOR AGENDA ITEM:

Funding Commitment for the Ag Expo Center

ACTION REQUIRED:

Approve Ordinance ☐	Approve Resolution ☐	Approve Motion ☑
Give Direction ☐	Other: Informational ☐	Attachments ☑

EXECUTIVE SUMMARY:

This would signal the intention of the Woodbury County Board of Supervisors to participate in the funding of the Ag Expo Center should certain requirements be met.

BACKGROUND:

Over the last several weeks, there has been a unique and positive synergy with all stakeholders involved--the City of Sioux City, Woodbury County, The Siouxland Chamber, Western Iowa Tech, and the Ag Expo Board--to leverage a possible $13.9 million from the State of Iowa in a $70-72 million Reinvestment District that could have a transformational economic development impact upon the City of Sioux City and Woodbury County. The level of cooperation and communication is indicative of a healthy and unique opportunity

The backup materials included here tonight represent what was previously presented publicly on June 21 so that the public can continue to look at support materials. The materials represent the hard (and good) work of the Ag Expo Board and City of Sioux City Economic Development department. Furthermore, engaging in deliberative discussions has ensured that County participation can take place should certain conditions outlined in the Letter of Intent along with the Memorandum of Understanding be met.

The only change to the Memorandum of Understanding is the striking of the words "between all parties" as relates to the 28E agreement as the County has signaled that it does not wish to participate further than having the assurance of due diligence to protect taxpayers on this economic development endeavor. Therefore, we would anticipate that a 28E agreement ultimately will be drafted by those wishing to enter into such an agreement, e.g. Ag Expo Board, City of Sioux City, WITCC, etc.

FINANCIAL IMPACT:

The County is pleased to offer a direct contribution of $1.5 million either from a schedule over a period of 10 years or through the use in coordination with both parties legal counsel of tax increment financing. In order to not tax for this amount and to mitigate risk to taxpayers, the County's contribution is contingent upon the following parameters:

The County will not own operational or managerial responsibility.
Losses in future years will encumber no obligation to the County or its taxpayers.
Allocation would be subject to $250,000 WITCC funding and educational participation.
Hearing that financing may be an issue--above and beyond a potential direct contribution--the County offers up to $6.25 million as a "bank qualified," tax-exempt pass-through loan which incurs no obligation to taxpayers of the County but to the 501c3 itself. This would help with financing while not assuming risk to taxpayers.
Other safeguards ensuring substantial completion and a timeline can be worked out in detail with legal counsel.

IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?

Yes ☑ **No** ☐

RECOMMENDATION:

Approve the Memorandum of Understanding as updated authorizing the Board Chairman to sign and approve the attached letter to the Ag Expo Board from the Board of Supervisors with a funding commitment of $1.5 million from non-tax sources (gaming revenue over a period of 10 years or tax increment financing).

ACTION REQUIRED / PROPOSED MOTION:

Approve the Memorandum of Understanding as updated authorizing the Board Chairman to sign and approve the attached letter to the Ag Expo Board from the Board of Supervisors with a funding commitment of $1.5 million from non-tax sources (gaming revenue over a period of 10 years or tax increment financing).

Approved by Board of Supervisors April 5, 2016.

To: Jerremy Taylor, Chairman of the Woodbury County Supervisors

From: Dennis.D. Butler, Finance/Operations Controller

Date: June 23, 2016

RE: Funding of AG/Expo Center

After reviewing the information from the Ag/Expo Center representatives, the following recommendations are presented below.

1. Use gaming revenues starting July 1, 2017 at the contribution rate of $150,000 per fiscal year for ten fiscal years. That would equate to a total **contribution of $1,500,000**. The reason for using the starting date July 1,2017 is because fiscal year 2016-2017 revenues are all allocated. Imbedded in those allocations are revenues for the purchase of all 6,000 coded line items in the General Basic Fund ($250,000) and a Emergency Services new vehicle (65,000) for a total of $ 315,000. For fiscal year 17-18 the allocation for these particular line items would have to be reduced to $165,000 to accommodate the $150,000 contribution to the new Ag/Expo Center. The other option is to freeze all 6,000 coded lines items in the General Basic Fund and Emergency Services Department for fiscal year 2017-2018 and fiscal year 2018-2019. In fiscal year 2019-2020 Grow Woodbury County Increment funds would be available for property tax relief if the 50-50 allocation is followed.

2. Make use of the "Bank Qualified" loans to a 501c.3 organization. For the current calendar year there is available $6,300,000 and for calendar year 2017 there will be $10,000,000 available. The beauty of this process is using Woodbury County as a faciltator of the "Bank Qualified" loans. The County would not be liable for the loan repayment and the debt would not go against our available debt limit. The 501c.3 would responsible for everything related to the loan.

Woodbury County Current and Projected TIF Financing Plans
Liberty Park Urban Renewal Area Amended

Plan 1 - 50% TIF Release

Urban Renewal District Revenues		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY2036	FY 2037
Source	Business																					
TIF	CF Industries - New Facility	-	-	415,208	1,053,989	1,564,943	2,203,796	2,714,821	3,225,746	3,864,627	4,382,040	5,014,434	5,525,459	6,036,484	6,675,265	7,186,290	7,825,072	8,336,097	8,847,122	9,485,903	9,996,928	12,775,627
TIF	Rail to Road		33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295	33,295
TIF	Other TIF Revenues	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766	33,766
TIF	Reimbursement from Sergeant Bluff*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total TIF Revenues	33,766	67,061	482,269	1,121,050	1,632,004	2,270,857	2,781,882	3,292,807	3,931,688	4,449,101	5,081,495	5,592,520	6,103,545	6,742,326	7,253,351	7,892,133	8,403,158	8,914,183	9,552,964	10,063,989	12,842,688

Urban Renewal District Expenditures																							
	Est. Int. Rate	Length of Bond	Project Cost	Type	Payment Schedule																		
Project Description																							
CF Industries Entrance Road (Rise) Est. AGP Road (Port Neal Circle) Est. Dogwood Trail (Sgt. Bluff) Est.	2.90%	7 Years	1,710,000	TIF	49,590	49,590	391,590	381,672	371,754	361,836	351,918	-	-	-	-	-	-	-	-	-	-	-	-
CF Industries On-Site Road			800,000	Rebate	-	-	200,000	200,000	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attorney Fees					15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total TIF Expenditures					64,590	64,590	606,590	596,672	586,754	576,836	366,918	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Revenues over Expenditures					(30,824)	2,471	(124,321)	524,378	1,045,250	1,694,021	2,414,964	3,277,807	3,916,688	4,434,101	5,066,495	5,577,520	6,088,545	6,727,326	7,238,351	7,877,133	8,388,158	8,899,183	9,537,964	10,048,989	12,827,688
Possible Property Tax for Economic development - 50%					-	-	-	262,189	522,625	847,011	1,207,482	1,638,904	1,958,344	2,217,051	2,533,248	2,788,760	3,044,273	3,363,663	3,619,176	3,938,567	4,194,079	4,449,592	4,768,982	5,024,495	6,413,844
Possible Property Tax Increment Release - 50%					-	-	-	262,189	522,625	847,011	1,207,482	1,638,904	1,958,344	2,217,051	2,533,248	2,788,760	3,044,273	3,363,663	3,619,176	3,938,567	4,194,079	4,449,592	4,768,982	5,024,495	6,413,844
Breakdown of Tax Entity FY 15-16																							
Woodbury County	39.77%				-	-	-	104,273	207,848	336,856	480,216	651,792	778,833	881,721	1,007,473	1,109,090	1,210,707	1,337,729	1,439,346	1,566,368	1,667,985	1,769,603	1,896,624	1,998,241	2,550,786
Sergeant Bluff School	52.97%				-	-	-	138,882	276,834	448,661	639,603	868,127	1,037,335	1,174,372	1,341,861	1,477,206	1,612,551	1,781,732	1,917,077	2,086,259	2,221,604	2,356,949	2,526,130	2,661,475	3,397,413
WIT	2.89%				-	-	-	7,577	15,104	24,479	34,896	47,364	56,596	64,073	73,211	80,595	87,979	97,210	104,594	113,825	121,209	128,593	137,824	145,208	185,360
County Assessor	1.61%				-	-	-	4,221	8,414	13,637	19,440	26,386	31,529	35,695	40,785	44,899	49,013	54,155	58,269	63,411	67,525	71,638	76,781	80,894	103,263
Ag Extension	0.51%				-	-	-	1,337	2,665	4,320	6,158	8,358	9,988	11,307	12,920	14,223	15,526	17,155	18,458	20,087	21,390	22,693	24,322	25,625	32,711
Liberty Township	2.24%				-	-	-	5,873	11,707	18,973	27,048	36,711	43,867	49,662	56,745	62,468	68,192	75,346	81,070	88,224	93,947	99,671	106,825	112,549	143,670
State Levy	0.01%				-	-	-	26	52	85	121	164	196	222	253	279	304	336	362	394	419	445	477	502	641
Total	100.00%				-	-	-	262,189	522,625	847,011	1,207,482	1,638,904	1,958,344	2,217,051	2,533,248	2,788,760	3,044,273	3,363,663	3,619,176	3,938,567	4,194,079	4,449,592	4,768,982	5,024,495	6,413,844

Woodbury County Only
Breakdown of Tax Entity Tax Rates FY 15-16

Fund	Tax Rate	% of Total																			
General Basic	3.50000	32.898	34,304	68,378	110,819	157,981	214,427	256,221	290,069	331,438	364,868	398,298	440,086	473,516	515,304	548,734	582,164	623,951	657,381	839,157
General Supplemental	2.82458	26.55	27,684	55,184	89,435	127,497	173,051	206,780	234,097	267,484	294,463	321,443	355,167	382,146	415,871	442,850	469,829	503,554	530,533	677,234
County Services (Sioux Rivers)	0.97917	9.204	9,597	19,130	31,004	44,199	59,991	71,684	81,154	92,728	102,081	111,433	123,125	132,477	144,169	153,521	162,874	174,565	183,918	234,774
Debt Service	0.21239	1.996	2,081	4,149	6,724	9,585	13,010	15,546	17,599	20,109	22,137	24,166	26,701	28,729	31,265	33,293	35,321	37,857	39,885	50,914
Rural Basic	3.12277	29.352	30,606	61,008	98,874	140,953	191,314	228,603	258,803	295,713	325,540.1	355,367	392,650	422,477	459,760	489,587	519,414	556,697	586,524	748,707
Total	10.63891	100.000	104,273	207,848	336,856	480,216	651,792	778,833	881,721	1,007,473	1,109,090	1,210,707	1,337,729	1,439,346	1,566,368	1,667,985	1,769,603	1,896,624	1,998,241	2,550,786

Woodbury County Board of Supervisors

Courthouse • Room 104
620 Douglas Street • Sioux City, Iowa 51101
Telephone (712) 279-6525 • Fax (712) 279-6577

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KAREN JAMES

EXECUTIVE SECRETARY / PUBLIC BIDDER
HEATHER SATTERWHITE

Ag Expo & Learning Center Board:

The Woodbury County Board of Supervisors would like to thank you for your presentation on June 21, 2016 to our Board regarding the exciting opportunity of an Ag & Expo Learning Center. We understand that this unique and modern venue will celebrate the rich agricultural history and spirit of our region. It will also be an opportunity for major stakeholders—the City of Sioux City, Woodbury County, the Siouxland Chamber of Commerce, Western Iowa Tech Community College—and your Board to work together to leverage $13.9 million of a State of Iowa Economic Development Authority's Reinvestment District estimated at approximately $72 million.

The County is pleased to offer a direct contribution of **$1.5 million** preferably from a schedule over a period of 10 years. The County may be open to the use in coordination with both parties legal counsel of tax increment financing. This represents an amount 6 times greater than the County has historically participated in because we recognize the synergy of entities working together in order to gain state participation for the powerful potential of this economic development project, which is anticipated to have eventual total earnings of $1.49 - $1.93 million annually and the potential creation of 60-70 jobs.

Hearing in several meetings that financing may be an issue--above and beyond a potential direct contribution--the County offers up to $6.3 million in 2016 and $3.7 million in 2017 as a "bank qualified," tax-exempt pass-through loan which incurs no obligation to taxpayers of the County but to the 501c3 itself (nor does this affect the County's bonding capacity). This would help with $10 million in financing while assuming no risk to taxpayers.

In order to not tax for this amount and to mitigate any risk to taxpayers, the County's contribution is contingent upon the following parameters:

- The County will not own operational or managerial responsibility, nor would potential losses in future years encumber obligation to the County or its taxpayers.
- As a key idea is the "Learning Center," allocation would be subject to $250,000 WITCC funding and their educational participation.
- Other safeguards ensuring substantial completion and a timeline can be worked out in detail with legal counsel.

Enclosed please find the Memorandum of Understanding authorizing the Board Chairman to sign on Woodbury County's behalf.

We are very appreciative of the meetings that were conducted over the last several weeks in coordination with the Chamber of Commerce, representatives from City Council and our Board of Supervisors, and your Board in order to bring together a shared understanding that will best work to see the project come to fruition.

We look forward to working with you in the near future, and wish you the very best on this exciting endeavor.

Sincerely,

Jeremy J. Taylor, Chairman

Jackie D. Smith, Member

Larry D. Clausen, Member

Mark A. Monson, Member

Matthew A. Ung, Member

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06/28/16

Memorandum of Understanding
Ag Expo & Learning Center

This Memorandum of Understanding ("MOU") is entered into between the Woodbury County Expo Center, ("Expo Board."), Woodbury County, ("County"), the City of Sioux City, ("City"), Western Iowa Tech Community College, ("WIT"), and the Siouxland Chamber Foundation ("Chamber"), herein after referred to as the "Parties", to establish the commitments made by each party regarding the development of an Ag Expo & Learning Center in Sioux City, Iowa ("Ag Expo Center").

The Parties agree to make their best efforts on a collaborative basis to jointly develop an Ag Expo & Learning Center. The Ag Expo Center will be unique to the region and will have a positive impact on many aspects of our community, including commercial and retail development, tourism, event growth and educational outreach. The facility will allow our community to celebrate the rich history and culture of agriculture in our region, as well as invest in our future growth and prosperity.

Whereas, the parties have worked together on an application to the Iowa Reinvestment District ("IRD") program through the Iowa Economic Development Authority, including feasibility and economic impact studies, and which application has received support and provisional approval from the IEDA; and

Whereas, the Ag Expo Center will include a 3,000 seat arena, a warm-up arena, stockyards hall of fame, and additional exhibit space, and will provide a safe, fun and functional facility for family and youth-oriented agricultural organizations in the tri-state area, as well as host live events, such as horse and livestock shows, rodeos, tractor and trade shows, educational classes, seminars and clinics year-round; and

Whereas, the facility will include livestock and equestrian educational and research components, and by educating future leaders in the equestrian and livestock industries, will serve our community and existing employers, and enhance the agricultural industry and economic vitality of the City, County, and region; and

Whereas, the facility will connect to and enhance the regional trail system and a planned new Riverfront Park, provide additional green space and increased recreation to compliment the area, have convenient access off the newly enhanced Interstate 29, and will act as a transformational new visual gateway into the community;

Now therefore, *the parties commit to work together to advance the vision, mission, and development of the Ag Expo & Learning Center by undertaking the following efforts:*

1. **Site**
   The City is pleased to make available the approximate 20-acre site located in the former Morrell property along Interstate 29, which has been enhanced through recent redevelopment efforts, and improvements to the available utilities and infrastructure;

2. **Planning and Due Diligence**
   The parties agree to support continued joint site and facility planning efforts and due diligence to advance the development and construction of the Ag Expo Center.

3. **Funding**
   The parties agree to continue to work together to secure resources from various public, private, and philanthropic sources to finance construction of the Ag Expo Center. Significant resources have already been committed to this effort, including feasibility and economic impact studies, site and facility planning, and other efforts. Significant grants have been received including a $1,000,000 MRHD Grant, and a $100,000 Gilchrist Foundation Grant. The Expo Board will continue to lead the capital campaign to secure the necessary private resources.

   A critical element of the financing is the IRD program. The parties will work together to finalize the financial plan, including the public and private financial participation, in order to secure final approval from the IEDA and realize the benefits from the Iowa IRD program. City staff will continue to facilitate the IRD process.

4. **Project Management Team**
   The parties agree to designate representatives to a project management team to finalize the recommended project plan, financial plan, the governance structure and operational plan for the Ag Expo. The parties will use their respective legal and financial advisors as part of the team to recommend the best structure and to draft a final agreement.

5. **Ownership - Management**
   The Ag Expo Center will operate as a non-profit entity for the benefit of the parties and community. It is anticipated that a 28E or similar type of agreement will be drafted to govern the ownership and operation of the facility. A non-profit board with representation from the parties will oversee the facility and will retain professional and experienced management to operate the facility itself.

All parties recognize that all commitments made in this Letter of Understanding are non-binding and done so for the express purpose of allowing work on this development to proceed under a shared understanding of the parameters of the project and according to a mutually-agreed set of expectations, to avoid any miscommunication, and maintain a development process free from delays. Final agreement is contingent upon execution of all necessary documents and final approval of these documents by the parties and the IEDA.

Woodbury County

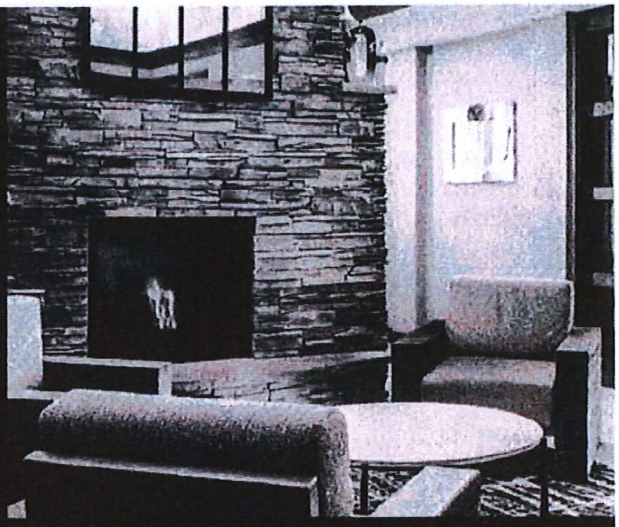
City of Sioux City

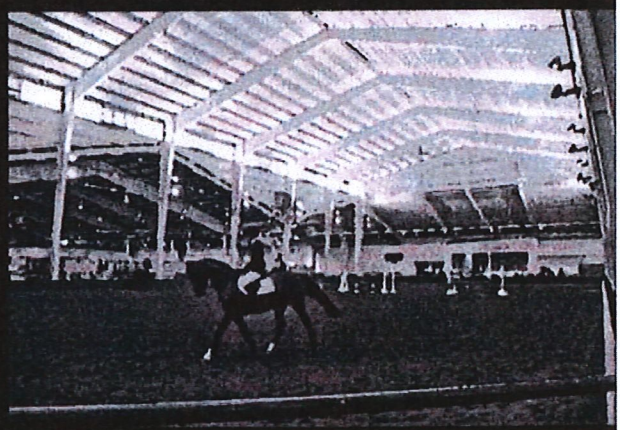
Woodbury County Expo Center

Western Iowa Tech Community College

Siouxland Chamber Foundation

SIOUX CITY REINVESTMENT DISTRICT





SIOUX CITY

EXECUTIVE **SUMMARY**

Executive Summary

Ag Expo & Learning Center

The Ag Expo Center will be a unique and modern venue designed to:

- Celebrate and leverage the rich agricultural history and spirit of our region - while at the same time highlighting the values and goals of the partners
- Invest in and build new tourism and economic opportunities
- Bring together education, entertainment and industry
- Attract visitors with increased programming
- Help address the challenges of workforce and attraction of young people in a compelling way
- Improve connections - to our agricultural heritage , to the community, to the trail system and river, and to attract both rural and urban audiences

The Reinvestment District plan is intended to:

- Partner with the state of Iowa to capture and reinvest state hotel/motel and sales taxes in designated districts to create a unique development projects
- The Sioux City Reinvestment District has received provisional approval, includes three major projects- a new Convention Center Hotel, the Virginia Square mixed-use development, and the Ag Expo & Learning Center. It will result in the use of an estimated $13.9 million in state benefits to leverage over $72 million in new investment in the district.
- To create transformational change and a full revitalization of the area, build on and take full advantage of the Interstate 29 complete reconstruction.
- Create a new image for Sioux City and the region, will create a series of green and vibrant commercial spaces launching a new era for the community

Partners

- Designed to bring together in a strong partnership the original Woodbury County Expo Center group and the City of Sioux City, Woodbury County, Western Iowa Tech Community College, the business community and Siouxland Chamber Foundation.

To move the project forward and build on the planning and work done over the past few years we ask the partners enter into a Letter of Understanding

- Site is available.
- Continue planning and due diligence
- Create a short-term Joint Project Management Team - using available resources, including legal and financial advisors, to recommend the final plan, financing plan, ownership and governance structure, and operational plan.
- Commit to support the project with financial resources and to continue to work together to secure resources from various public and private sources to finance construction of the Ag Expo Center. Take needed steps to allow the agreement for the Iowa Reinvestment Program funding to move forward.
- Enter into an agreement for the long-term ownership and management of the facility.

Iowa Reinvestment District Program

Background Information – New Opportunity

- In 2013 the State of Iowa adopted a new program to allow communities to create districts for the purpose of "improving quality of life, creating and enhancing unique opportunities and substantially benefit the municipality, region and state". The state allocated $100 million in future hotel/motel and sales tax revenues to be "reinvested" statewide in designated districts.

- Cities may create districts of up to 25 acres (street ROW can be used to connect parcels) for eligible projects, (typically new hotels, retail establishments, community attractions, and other similar projects). Essentially these districts act like TIF districts, except instead of property taxes a city is allowed to capture state hotel/motel and sales taxes generated for a 20-year period, and invest these state funds in local development projects.

Application process

- The process includes several steps: provisional application, final application, and then ultimately an agreement. In 2014, the first year of the program, districts in three Iowa cities were approved for a total of $59 million (Des Moines, Waterloo, and Muscatine). Sioux City did not apply the first year.

Sioux City Reinvestment District

- In March of 2015, the City submitted an application to the IEDA to establish a Sioux City Reinvestment District, with three projects: a Convention Center Hotel, an Ag Expo & Learning Center in the Yards, and the redevelopment of three former industrial buildings on Virginia Street by Ho-Chunk, Inc. The total request for state assistance through the program was $13.9 million, with a total capital investment of $68 million.

- In June 2015, the IEDA Board awarded Sioux City "provisional approval", but initially reduced the award to $8.1 million in order to distribute the remaining $41 million in funds among five cities. Other cities approved in the second year were Davenport, Coralville, Mason City, and Grinnell.

Current Application Status

- In February of 2016, the IEDA informed the other cities that Davenport had decided to drop its application from the program, freeing up $10 million to be allocated to the remaining cities. The city then revised its application back to the original requested amount of $13.9 million and submitted it to IEDA at the end of February. The IEDA has informed the four communities they move forward with their planned projects.

- Since the final application was submitted, city staff has provided a presentation of the updated application to the IEDA Board, and has continued to provide monthly updates. Once city staff is able to provide the Board with proof of financing for all of the projects, the Board will proceed with final approval and draft the final agreement.

Community Impact and Benefits

- **Transformation.** The Reinvestment District is designed to create a new image for our community. It will bridge the once bustling historic stockyards area to the downtown core through joint revitalization activities and is timed to be coordinated with completion of the Interstate 29 reconstruction project, as well as planned Riverfront Park improvements.

- **Shared Vision.** A number of partners have organized around a shared vision and a set of three component projects to serve as activity centers to encourage a comprehensive, multi-faceted revitalization effort. These projects include a mix of commercial, residential, cultural, and recreational reuses with new options for places to live, work, shop, visit, and participate in cultural activities. The three projects include a new Convention Center Hotel on Historic Fourth Street, Virginia Square the revitalization of a primary community gateway, and the Ag Expo & Learning Center.

- **Capital Investment.** The Sioux City Reinvestment District will capture a minimum of $72.2 million of new capital investment. This infusion of new public/private investments is designed to transform underperforming and underdeveloped, vacant properties into revenue generation centers. It will also drive additional capital improvements by private developers and land owners as they realize the ripple effect of how their properties are linked and connected to the three anchor projects.

- **State dollars invested locally.** Through the Iowa Reinvestment District Program, the Sioux City Reinvestment District will generate and capture state sales tax and state hotel/motel tax for a 20-year period. This will allow the "reinvestment" of nearly $14 million of state funds into the community which would otherwise flow back to the state. This District has the tremendous opportunity to be a "game-changer" within our community, region, and state.

- **Economic Impact.** The Reinvestment District will increase property values, stimulate local market and tourism traffic, and create and sustain jobs resulting from the ignition of new development starting with the three anchor projects. The economic impact of the three projects within the Sioux City Reinvestment District at full build-out is expected to create a total of 273 permanent jobs, $76 million in annual workers' earnings, $23.4 million in annual economic output and sales for businesses, and increase the gross area product by $14.6 million.

- **Tax revenues.** The District will generate significant revenues for the state and local taxing districts. Within the District, the current building value on the identified properties totals less than $2 million. At full build-out the combined taxable value of the project's property within the District is estimated to be over $36 million. Also, over the next 20 years local taxable spending on which sales taxes will be collected is projected to be over $176 million and hotel room sales is projected to be $130 million. Based on these numbers, the District will have a significant fiscal impact on the region and the State. Overall, the District will generate $65.5 million in total revenues over the 20-year period to the state and local taxing districts.

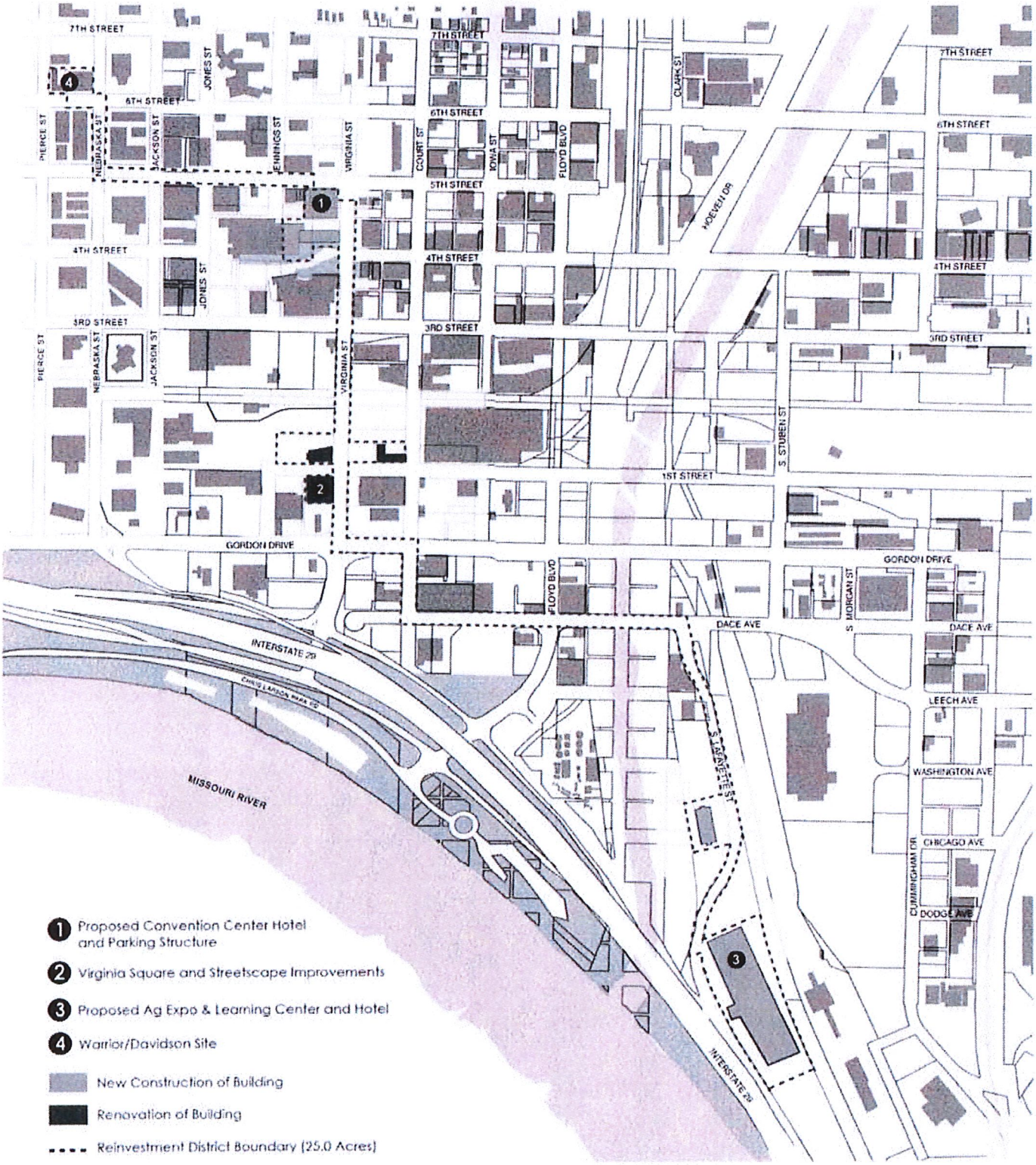
Moving Forward

There is no better time than now to revitalize Sioux City, Woodbury County, and the region. Without the Iowa Reinvestment District Program the proposed projects would not be feasible, and without all three projects moving forward our community will forfeit the funds received by the state through this Program. The Sioux City Reinvestment District will insure the success of the two-decade long effort to revitalize the Sioux City Stockyards with a signature project that celebrates the proud heritage of the once prosperous area that first built Sioux City. It will capitalize on the I-29 reconstruction, creating an attractive and vital link to historic areas and the downtown business district. And it will renew the Convention Center and surrounding commercial and entertainment district, bringing new investment and visitors into Sioux City, Woodbury County and Iowa for many years to come.

Funding Allocation

Sioux City Reinvestment District Projects	Total Project Cost	IRD Funds Generated	IRD Funds Used
Convention Center Hotel Project	$ 25,062,098	$ 7,502,849	$ 5,600,000
Virginia Square Project	24,231,263	3,248,975	1,624,488
Ag Expo & Learning Center Project	22,985,000	3,216,623	6,743,959
TOTAL	**$ 72,278,361**	**$ 13,968,447**	**$ 13,968,447**

Sioux City Reinvestment District



PROJECT 1
Convention Center Hotel

Project Overview

Several public and private investments have rejuvenated Sioux City's downtown over the last decade. However in contrast to the overall growth of downtown activity, the Sioux City Convention Center has seen a significant decrease in events and conferences for the past several years due to the lack of a quality hotel attached to the facility.

Since the Sioux City Reinvestment District received provisional approval in June 2015, the city has pursued an aggressive strategy to develop a new high quality branded convention hotel, as well as the addition of ballroom space. The city worked with Hunden Strategic Partners (HSP) to create an RFQ to identify several interested and qualified parties. The city team then created an RFP to narrow it down to three prospective developers. Site visits from the interested developers were held in September 2015 and proposals were received in November. HSP and the city reviewed the proposals and identified a leading Midwest hotel development, management and ownership company headquartered in Iowa as the partner of choice for this development.

The proposed project includes a quality branded hotel with full-service amenities (restaurant, bar, business and exercise centers) and 150 rooms to be developed on the east side of the Sioux City Convention Center and connected to the facility. The project will also include new "pre-function" space connecting the existing Convention Center to the Hotel, as well as renovated ballroom space located on the east end of the existing Convention Center. A new two-level parking deck will be constructed north of the hotel site to accommodate hotel and convention center parking. The city currently has a signed MOU with the developer and is in the process of drafting a development agreement and management agreement.

Financial Overview

Convention Center Hotel

Proposed Funding Sources		Amount
Private Investment	$	14,266,885
City – Land		265,000
City – Tax Rebates		4,930,213
Iowa Reinvestment District		1,069,787
TOTAL	**$**	**20,531,885**

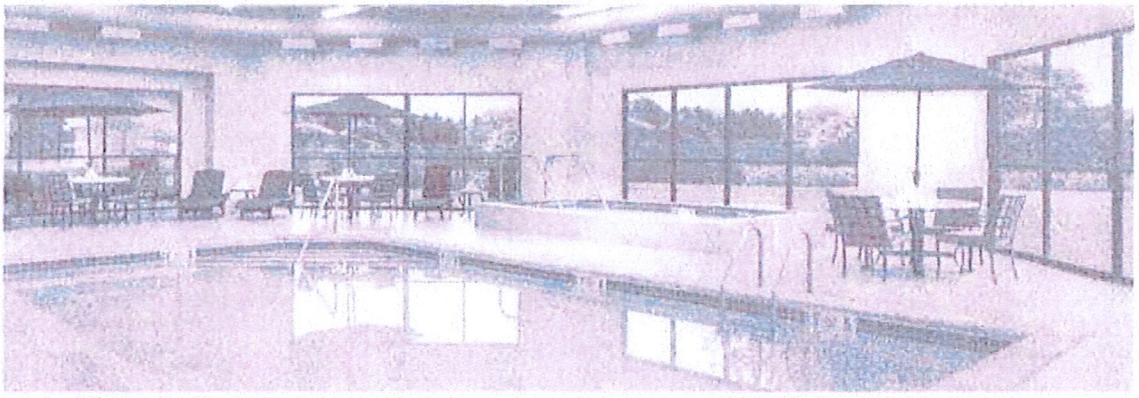
Parking Structure

Proposed Funding Sources		Amount
Iowa Reinvestment District	$	3,057,409
TOTAL	**$**	**3,057,409**

Pre-function Space

Proposed Funding Sources		Amount
Iowa Reinvestment District	$	1,472,804
TOTAL	**$**	**1,472,804**

PROJECT 1 TOTAL: $ 25,062,098



PROJECT 2
Virginia Square

Project Overview

The ongoing reconstruction of Interstate 29 through downtown Sioux City will create a new primary entrance and highly visible gateway into the heart of the city at Virginia Street. This major new entry leads into an area of great historic significance and presents an opportunity to link together the Interstate with the Historic 4th Street District and the Sioux City Convention Center. Located along Virginia Street are three buildings are among the last remaining unrestored warehouses in Sioux City's former wholesale district. For decades these structures have essentially acted as a blighted front door to Sioux City.

Overall interest in redevelopment of historic buildings in downtown Sioux City has grown in the last several years. Recognizing the opportunity along Virginia Street in 2014 Ho-Chunk, Inc. acquired three former industrial buildings with plans to redevelop them into mixed-use retail, commercial and market-rate residential developments. These historic buildings were built in 1912 & 1913 and have deteriorated in value over the last 15 years. The redevelopment of these three buildings into "Virginia Square" will not only provide significant additional tax value in the area, but permanently transform the aesthetics of downtown.

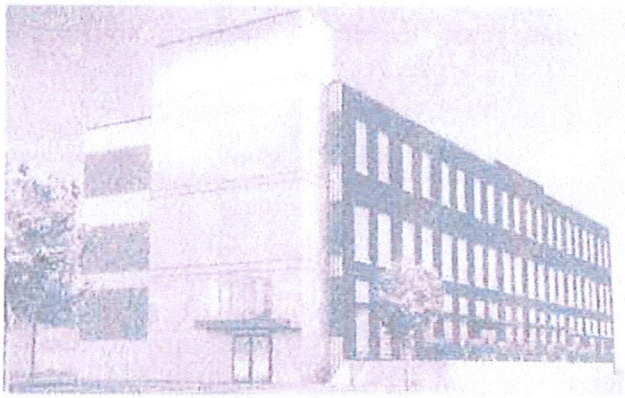
The redevelopment of these three buildings is already underway. Ho-Chunk has completed architectural and engineering design, as well as site preparation, asbestos removal, and interior demolition for the "Creamery" and "Hopper" buildings. The "Creamery" building will be the first of the three buildings completed. The project started in May 2015 and is expected to be completed in June 2016. The "Hopper" building renovation began in September 2015, with a completion date planned for December 2016. Demolition of the "Cold Storage" building occurred in March 2016, and will be followed by the construction of a new mixed-use building on the same site, which is scheduled to be completed by December 2017.

Financial Overview

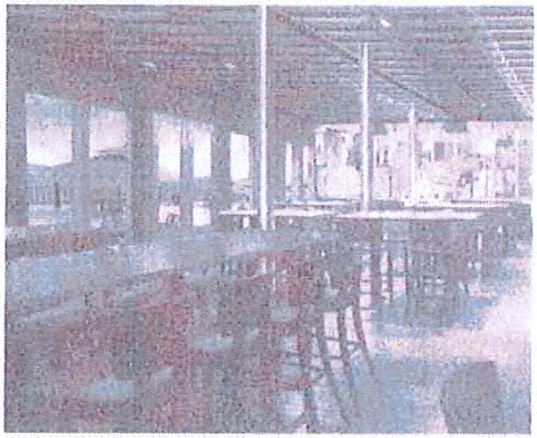
Virginia Square

Proposed Funding Sources	Amount
Cash/Owner Equity	$ 3,500,000
City – Tax Rebates	781,198
Workforce Housing Program	300,000
Brownfield Program	1,000,000
Long-term Debt Financing	17,025,577
Iowa Reinvestment District	1,624,488
PROJECT TOTAL	**$ 24,231,263**

PROJECT 2 TOTAL: $ 24,231,263



103 VIRGINIA
103 VIRGINIA



PROJECT 3
Ag Expo & Learning Center

Project Overview

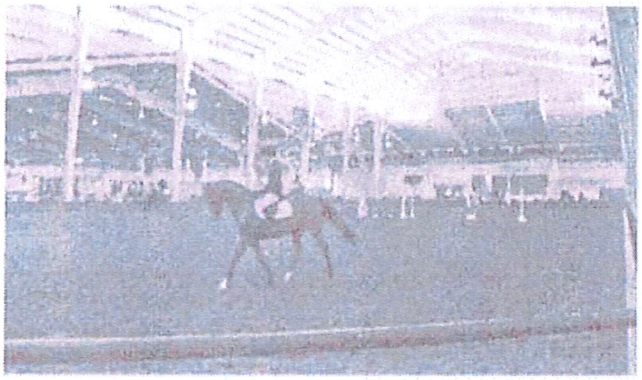
Agriculture and food processing have historically had a profound and positive impact on Sioux City's regional economy. At one time, more livestock was sold at the Sioux City stockyards than anywhere else in the nation. Today, Iowa is the second most significant State in the country in terms of the value of livestock and crops sold and the number one overall producer of hogs. Given its significance to the State and regional economy, the agricultural industry is identified by state and local stakeholders as a target market segment, and its continued growth will help broaden the Sioux City region's economic base.

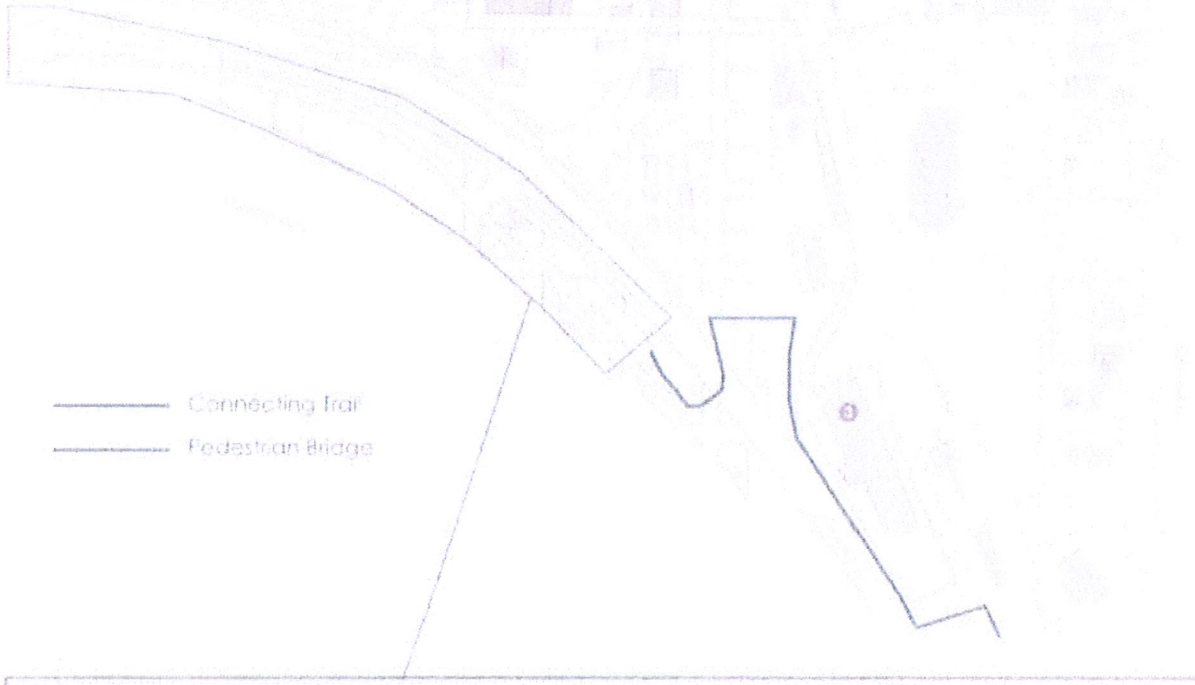
The new Ag Expo & Learning Center is proposed to be located on the former John Morrell site and will bring the heritage of commerce in the historic stockyards to life in a modern expo venue. The Ag Expo & Learning Center will support the agriculture industry as well as provide a source of education and entertainment for attendees. The proposed facility will offer a 3,000 seat arena, a warm-up arena, space to house a retail operation, a stockyards hall of fame, and an additional exhibit space that will be used for stalling, equestrian, livestock, and farm show events. This multi-use complex will provide a safe, fun and functional facility for family and youth-oriented agricultural organizations in the tri-state area. The facility will appeal to people of all ages by providing interactive educational elements, summer camps, 4H activities, hands-on learning experiences, community events, festivals, and more. The venue will offer diverse program elements, as well as host live events, such as horse and livestock shows, rodeos, tractor and trade shows, educational classes, seminars and clinics year-round. The proposed center will be a public/private partnership in terms of management and operations of the facility.

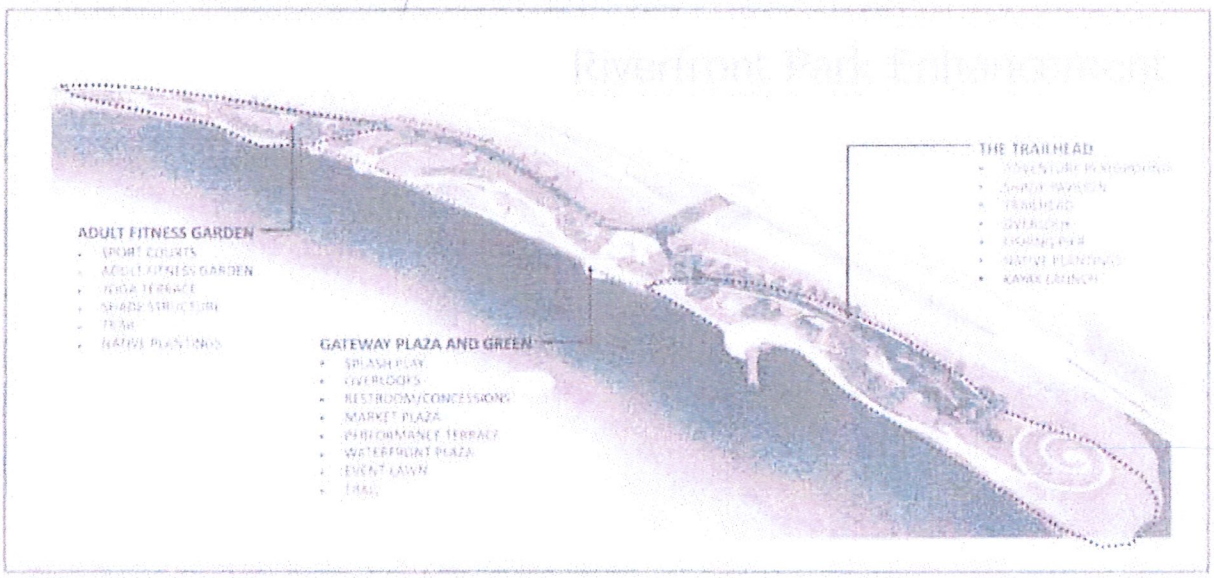
In addition, a planned new recreational trail will directly connect the Ag Expo & Learning Center to a planned new phase of the Sioux City Riverfront Park. The pedestrian/bike trail will be connected with a new bridge across the Floyd River and will provide additional green space and increased recreation to compliment the area. These additional enhancements are being funding though separate public and private funds.

Given the continued growth, evolution and specialization of agricultural industries, the demand for specially trained professionals is on the rise. Western Iowa Tech Community College (WITCC) intends to assist in meeting this demand by creating a new Veterinary Technician Program and providing increased training and other services to foster agriculture-related professions, including livestock and equestrian educational and research components. The proposed center will allow WITCC to utilize on-site classroom and lab space to conduct accredited classes within the facility, as well as offer students a combination of classroom instruction, agriculture/cooperative work experience, educational seminars, on-site internships and continuing education learning experiences in agriculture and other related industries. Those students interested in becoming interns will be able to provide veterinary care for the animals during the many events held year-round at the new Ag Expo & Learning Center, as well as forge contacts that will benefit them for future employment with the hopes of retaining their talents our region.

The new facility, located directly off the newly enhanced Interstate 29, will have convenient interstate access and will act as an attractive visual gateway into our community. The new Ag Expo & Learning Center will be completely unique to the region and will have a positive impact on many aspects of our community. In addition to the events facility, a 60-room select-service hotel will be constructed to serve the traveling public and those attending the equestrian events. Sioux City, Woodbury County and the State of Iowa will all experience spin-off economic benefits as people travel to and from events, stay overnight in hotels, visit attractions and recreational establishments and make retail purchases.




Connecting Trail
Pedestrian Bridge


ADULT FITNESS GARDEN
GATEWAY PLAZA AND GREEN
SPLASH PLAY
OVERLOOKS
RESTROOM/CONCESSIONS
MARKET PLAZA
PERFORMANCE TERRACE
WATERFRONT PLAZA
EVENT LAWN
TRAIL
THE TRAILHEAD
KAYAK LAUNCH

Financial Overview

Ag Expo & Learning Center

Proposed Funding Uses	Amount
Land	$ 300,000
Architectural/Eng. Design/Initial Op. Exp.	1,625,000
General Conditions	440,000
Earthwork	600,000
Utilities	150,000
Foundations	720,000
Structure	5,090,000
Roofing	1,220,000
Walls & Finishes	360,000
Elevator	150,000
Pens and Fences	650,000
Bleachers	160,000
Electrical	1,280,000
Plumbing	650,000
HVAC	1,200,000
Fire Sprinkler	350,000
Paving & Sidewalks	920,000
Landscaping	60,000
TOTAL	**$ 15,925,000**

Proposed Funding Sources	Amount
Private Sector*	$ 3,875,000
City of Sioux City	2,000,000
City – Land	300,000
Woodbury County	2,000,000
MRHD	1,000,000
WITCC	250,000
Gilchrist Foundation	100,000
Brownfield Grant**	1,000,000
IA Reinvestment District	5,400,000
TOTAL	**$ 15,925,000**

*Over $1.1 million has been committed thus far from several businesses whose names we can make available upon request.

** Will reapply in July 2016.

Ag Expo & Learning Center Hotel

Proposed Funding Sources	Amount
Private Investment	$ 6,656,041
City – Land	60,000
IA Reinvestment District	1,343,959
TOTAL	**$ 8,060,000**

PROJECT 3 TOTAL: $ 23,985,000

Economic Impact

Ag Expo & Learning Center	Range Per Year
Direct Spending	$ 2,824,000 - $ 3,659,000
Indirect/Induced Spending	$ 1,708,000 - $ 2,211,000
Total Spending	$ 4,532,000 - $ 5,870,000
Total Jobs	60 - 70
Total Earnings	$ 1,492,000 - $ 1,932,000

Community College

Office of the President
Terry A. Murrell, Ph.D.

Western Iowa Tech
Community College
4647 Stone Avenue
P.O. Box 5199
Sioux City, IA 51102-5199
712-274-6400
800-352-4649
Fax: 712-274-8435
www.witcc.edu

Cherokee Campus
& Conference Center
Denison Campus
Le Mars Center
Mapleton Center
Sioux City Campus

June 15, 2016

Gene Leman
955 Quail Hollow Circle,
Dakota Dunes, SD 57049

Subject: Participation in Ag Expo Center

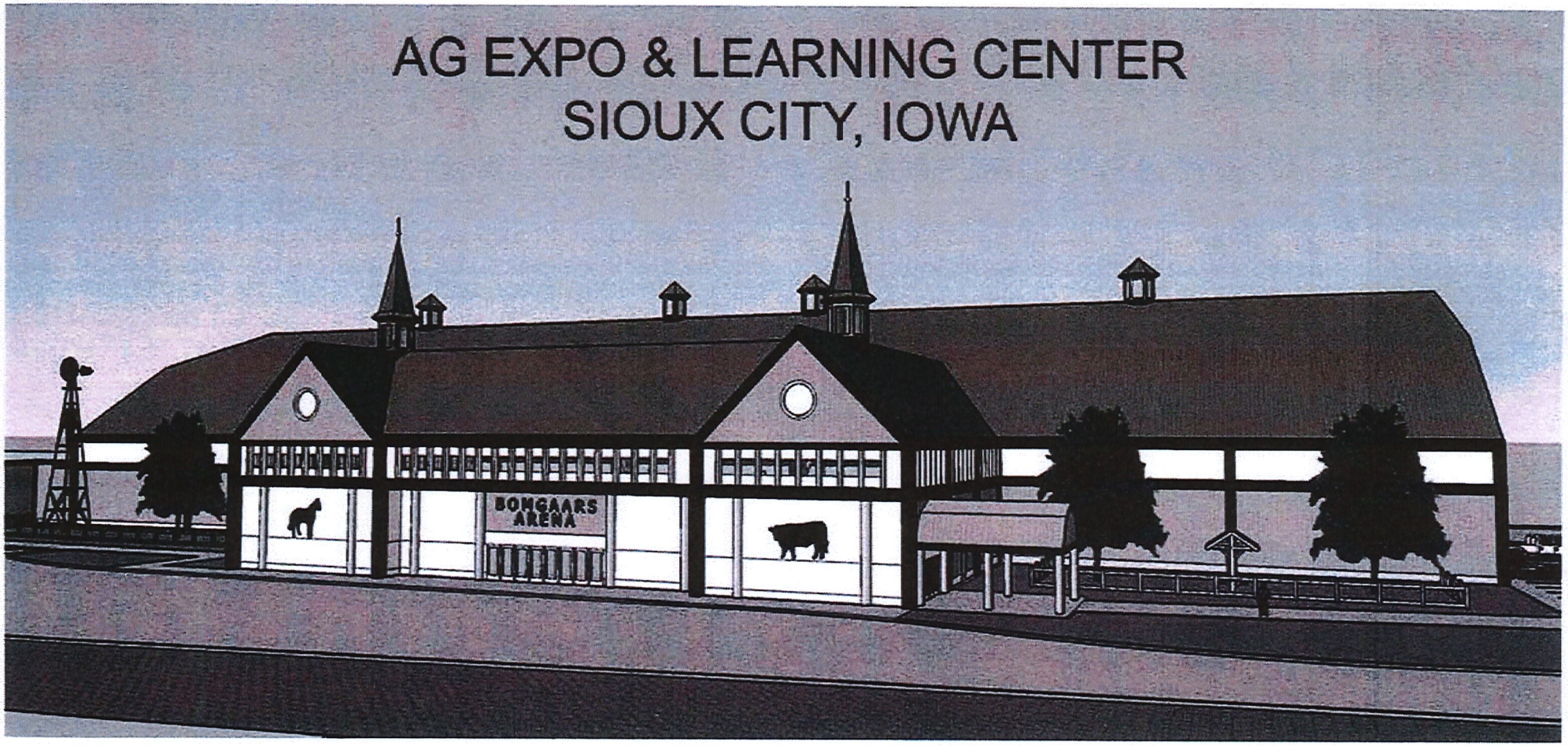
Dear Mr. Leman,

Western Iowa Tech Community College supports the Ag Expo Center concept.

We have worked with the County and the City on this concept and believe we could start a Veterinary Technician program in this space as well as explore bringing other programs. Western Iowa Tech Community College is prepared to purchase the necessary equipment and furnishings to make this possible up to $250,000.

It is my hope that an Ag Expo Center will help the City of Sioux City's and Woodbury County attract new tourism to Siouxland. Please let me know if you have questions.

Sincerely,

Terry A. Murrell, Ph.D.
President
Western Iowa Tech Community College

AG EXPO & LEARNING CENTER
SIOUX CITY, IOWA