



City Manager's Office  
City Hall  
50 West 13<sup>th</sup> Street  
Dubuque, Iowa 52001-4805  
Office (563) 589-4110  
Fax (563) 589-4149  
TTY (563) 690-6678  
ctymgr@cityofdubuque.org  
www.cityofdubuque.org

June 20, 2017

Carol Tomb  
Hazard Mitigation Project Officer - Infrastructure  
Iowa Department of Homeland Security and Emergency Management.  
7900 Hickman Rd., Suite 500  
Windsor Heights, IA 50324

VIA EMAIL

RE: State Flood Mitigation Program, Proposed Amendment #2 to Agreement 2013-0

Dear Ms. Tomb,

The purpose of this letter is to seek an amendment to the funding agreement between the Flood Mitigation Board and the City of Dubuque related to the City's use of state sales tax revenues for the Bee Branch Watershed Flood Mitigation Project. Specifically, the City is requesting changes to Exhibit B, the schedule of remittances for the use of sales tax revenues.

The City of Dubuque was contacted by the City of Cedar Falls due to a potential shortage of sales tax increment for the City of Cedar Falls in FY 2017. The City of Dubuque has analyzed its projected sales tax increment for FY 2017 in an attempt to assist the City of Cedar Falls. Although the City of Dubuque may generate sales tax increment in excess of what it projected in Amendment #1, it is uncertain that this will occur. However, the City of Dubuque is willing to propose an amendment to the remittance schedule for 2017 and 2019 that is contingent upon the City of Dubuque generating up to \$700,000 sales tax increment in FY 2017 in excess of what is projected in Amendment #1. If the City generates \$700,000 in excess increment in FY 2017, then the City's requested remittance for FY 2019 would be reduced by \$700,000 to the amount shown on proposed amendment #2 (\$3,692,361). However, if the excess increment in FY 2017 is less than \$700,000, the difference between the actual excess increment for FY 2017 and \$700,000 would be added to the remittance request for FY 2019 as approved in Amendment #1 (\$4,392,361).

As outlined in the City's Project Plan, the City purposefully limited its yearly requests by proposing to spread the construction of project phases over several years in order to both limit borrowing and allow for the availability of more sales tax increment for other Iowa communities that may have funding requests through the state flood mitigation program. The City remains cognizant of the limits placed on the sales tax increment

funding that the Board can allocate per year. Approving the City's amendment will continue to provide the Board with the flexibility to assist cities that may not be generating as much sales tax increment as needed in the early years of the Flood Mitigation Program by freeing up excess increment in later years.

The City of Dubuque respectfully requests amending Exhibit B of funding Agreement 2013-0 as set forth in the attached Proposed Amendment #2 to reflect the proposed revised sales tax increment remittance schedule contingent on the City's ability to generate the additional \$700,000 in excess sales tax increment in FY 2017.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, reading "Michael Van Milligen". The signature is written in a cursive style with a large initial "M".

Michael C. Van Milligen  
City Manager

Attachments

cc: Jennifer Larson, Budget Director  
Teri Goodmann, Assistant City Manager  
Gus Psihoyos, City Engineer  
Deron Muehring, Civil Engineer  
Alexis Steger, Confidential Account Clerk

**EXHIBIT B**

CITY OF DUBUQUE Flood Mitigation Program Approved Amendment #1		CITY OF DUBUQUE Flood Mitigation Program Proposed Amendment #2 submitted June 2017	
SALES TAX INCREMENT PROJECTIONS		SALES TAX INCREMENT PROJECTIONS	
YEAR	AMOUNT	YEAR	AMOUNT
2014	\$ 395,704	2014	\$ 395,704
2015	\$ 2,655,058	2015	\$ 2,655,058
2016	\$ 3,476,709	2016	\$ 3,476,709
2017	\$ 4,316,027	2017	\$ 5,016,027 *
2018	\$ 5,173,389	2018	\$ 5,173,389
2019	\$ 4,392,361	2019	\$ 3,692,361 *
2020	\$ 5,175,452	2020	\$ 5,175,452
2021	\$ 5,973,893	2021	\$ 5,973,893
2022	\$ 6,787,982	2022	\$ 6,787,982
2023	\$ 6,944,414	2023	\$ 6,944,414
2024	\$ 6,968,288	2024	\$ 6,968,288
2025	\$ 6,946,514	2025	\$ 6,946,514
2026	\$ 6,957,577	2026	\$ 6,957,577
2027	\$ 6,947,487	2027	\$ 6,947,487
2028	\$ 6,947,500	2028	\$ 6,947,500
2029	\$ 6,500,000	2029	\$ 6,500,000
2030	\$ 6,000,000	2030	\$ 6,000,000
2031	\$ 2,935,823	2031	\$ 2,935,823
2032	\$ 1,500,000	2032	\$ 1,500,000
2033	\$ 1,500,000	2033	\$ 1,500,000
2034		2034	
2035		2035	
<b>TOTAL</b>	\$ 98,494,178	<b>TOTAL</b>	\$ 98,494,178

\*Contingent upon the City of Dubuque generating up to \$700,000 sales tax increment in FY 2017 in excess of what is projected in Amendment #1. If the City generates \$700,000 in excess increment in FY 2017, then the City's requested remittance for FY 2019 would be reduced by \$700,000. However, if the excess increment in FY 2017 is less than \$700,000, the difference between the actual excess increment and \$700,000 shall be added to the FY2019 requested amount as approved in Amendment #1.