



City of Davenport | Proposal

2015 Iowa Reinvestment District Program



At A Glance:

- Unique projects, location and approach to leveraging program for maximum regional success
- \$2.5 billion economic impact, with 970 new jobs
- Feasible financing, with demonstrated commitment
- \$73.8 million total capital investment, with three components in excess of \$10 million
- Funding leverage less than 35% (29.5%)
- Retail projects less than 50% (46.7%)
- Ready for development
- Eastern Iowa gateway

Our partners in economic growth:

It is said no one can step into the same river, twice. Time marches on, and the river always changes. So too, our Reinvestment District application. Our 2015 application retains the transformative ideas from our 2014 effort, and improves upon them.

We are still tying \$2.5 billion of economic growth along Interstate 80 to our on-going downtown and riverfront revitalization. We are still utilizing Reinvestment District dollars within the 25 acres to create a new regional tourism attraction that adds 970 jobs and value to businesses far beyond the district itself. We are still proposing a remittance level less than 35% of the total cost of all projects. These three fundamental principles remain.

We are proposing a unique collection of projects at a location that is without peer in the state - the center of an 11.1 million person market. There is no other place, in Iowa, closer to more people from outside our state, ready to bring their families and tourism dollars to our economy. In fact, no other place comes close.

Though our project sits at the intersection of Interstate 80 and Interstate 74, last year there was some confusion about traffic access. There was also some confusion about whether a casino was in or out of the application. The casino was always out of the application. It has moved forward on its own, and is a completely separate undertaking.

As an update from last year, through the casino zoning process, the City has committed to more than \$45 million of capital investment to be certain traffic flowing off Interstate 80 and Interstate 74 never impacts residential neighborhoods. We've adopted a plan to be absolutely certain no commercial traffic in or around the Reinvestment District impacts neighborhoods. A one page summary of this plan is enclosed within this application.

This \$45 million road plan is one significant change from our 2014 application. Another change is the casino is now moving forward with an attached performance venue. This circumstance has caused the City and our private partners within the proposed River 80 District to shift away from a Theater / Sports Simulator venue, as this would now be redundant and compete against a private business. Retaining our commitment to utilizing Reinvestment District dollars to create a regional attraction that supports business investment, we have traded the Theater / Sports Simulator for a Sports Tournament Center in our 2015 application. Reviewed by multiple, independent economists with national reputations, by its tenth year of operation, the River 80 District is projected to add \$48 million in increased annual earnings to our regional economy.

The mix of hotels, retail and the "FlowRider" water feature remains from last year, as does our unique commitment to tying greenfield economic growth to our continued riverfront and downtown revitalization. Davenport takes great care to add to the region's economy without disinvesting from the region's core. Thus, the resolution approving our application includes a unique commitment to utilize half of the City's hotel tax revenue collected within the proposed River 80 District to continue our riverfront and downtown revitalization. This dedication of City hotel tax revenue is projected to be \$5 million, and will help Davenport welcome Viking Cruise Lines customers to Iowa, starting in 2017. With sports tourism at a new, welcoming I-80 gateway, and cultural tourism along our ever more beautiful riverfront, our distinctive application brings not one but two new streams of tourists to Iowa!

As a boy, I played along our riverfront with my friends. It was a hard scrabble, but still beautiful place then. We'd play in the park, get chased by business owners from their property, and explore the riverfront dump with endless enthusiasm. Later, as a young man, I helped build Interstate 80 as a laborer. It wasn't clear to me then, but it is now; we built a new river in Davenport, a transcontinental river of transportation and commerce. That river connects us to our friends in Des Moines and other Iowa cities west of us. But is also connects Iowa to

nearly four million households, with nearly nine million people, within a three hour drive east of Davenport. Let's leverage that unique position, to the state's (and our QC region's) benefit.

On behalf of a unanimously supportive Davenport City Council, I'm pleased to submit this River 80 application that creatively ties our two rivers together. The 25 acre Reinvestment District at the I-80/I-74 interchange will create a destination unlike any in Iowa. The 25 acres will help anchor a 250 acre mixed use development that will add more than \$250 million in new tax base to Davenport. The 25 acres - on their own - will result in a twenty year stream of sales and hotel tax revenue to the State projected to be \$58.6 million, with an overall economic impact projected to be \$2.5 billion.

It is true that you can't step into the same river, twice. Because the river just doesn't transform itself, it transforms all who experience it. We look forward to your help in this transformation.

Sincerely,

A handwritten signature in blue ink that reads "William E. Gluba". The signature is fluid and cursive, with a long horizontal stroke at the end.

William E. Gluba
Mayor

SECTION A | Project and Eligibility

NAME OF PROJECT/DISTRICT: River 80 Reinvestment District

DATE SUBMITTED: March 13, 2015

PRE-APPLICATION

APPLICANT: City of Davenport

CONTACT NAME: Craig Malin, City Administrator

ADDRESS: 226 W. Fourth Street, Davenport, IA. 52801

TELEPHONE: 563 326-6139

EMAIL: ctm@ci.davenport.ia.us

FEDERAL IDENTIFICATION NUMBER: 42-6004463

SIZE OF PROPOSED DISTRICT: 24.5 acres

ARE THE PARCELS CONTIGUOUS, PHYSICALLY CONNECTED? YES

1 OVERVIEW

The River 80 Reinvestment District will be a unique destination in the Midwest. Planned within 250 acres of new development creating extraordinary economic impact for the Quad City region, the 25 acre Reinvestment District will feature year-round youth and family recreation opportunities not available elsewhere. The district will include 350 hotel rooms, 123,500 square feet of new retail and restaurants and 138,000 square feet of mixed-use space at the interchange of Interstates 80 and 74 in Davenport. The Reinvestment District will include sports tourism attractions unique in the Midwest, including an indoor/outdoor sports tournament center (with room for up to eight baseball / softball fields) and an indoor/outdoor continuous wave aquatic entertainment center, all within a three hour drive of more than 11 million people.

The direct economic impact to Davenport, Scott County and the State will be significant. Projections for the full development of the 250 acre site include \$20.5 million in annual revenue to the State, with \$1.5M in revenue to Scott County, \$2.9 million in new revenue to the Davenport Community School District and \$5.9 million in revenue to the City of Davenport. Considering just the 25 acres within the Reinvestment District, state sales and hotel taxes over 20 years are projected to be \$58.6 million, representing a 269% return to the State on a \$21.775 million remittance. The overall economic impact of the 25 acre District, alone, is projected to be \$2.5 billion.

The River 80 Reinvestment District has been carefully crafted to leverage private investment to the benefit of the region and state, in three unique ways. First, 85% of the requested remittance is dedicated to construction of new regional tourism assets. The Sports Tournament Center, owned and operated by a non-profit, will create new opportunity for retail, restaurant and hospitality businesses far beyond the 25 acre District. Davenport does not seek to compete with existing businesses. We seek to build business opportunity in Iowa with new regional tourism assets perfectly placed to welcome tens of thousands of visitors from Illinois and Wisconsin each year.

Secondly, Davenport is committed to regional economic growth which does not come at the expense of the region's core. The Sports Tournament Center, "FlowRider" water feature and associated hotels and restaurants are all new regional assets, created through the unique opportunity of the Reinvestment District program. They would not exist – indeed they could not exist – without remittances of state sales and hotel taxes that will position the Sports Tournament Center to cash-flow into the future unburdened by construction debt.

But rather than solely focusing on tourism and economic growth along Interstate 80, the essence of the “River 80” idea is to tie the benefits of regional economic growth to the City’s on-going riverfront and downtown revitalization. Thus, the City commits half of its hotel tax within the River 80 district to riverfront improvements. This commitment of City (not State) hotel tax is projected to fund \$5 million of riverfront improvements as the City continues its “RiverVision” implementation. With Viking Cruise Lines announcing their business expansion to Mississippi River cruises (stopping in Davenport), both our riverfront and our I-80 corridor will be poised for significant tourism growth. This unique initiative to grow the regional economy while continuing Davenport’s downtown renaissance has garnered the support of Davenport’s Downtown Partnership.

Finally, the unique attractions and unique location of the River 80 Reinvestment District, together with the coordinated planning of the adjacent development, combine to represent such an extraordinary return on the Reinvestment District program that the City of Davenport is prepared to agree to accelerate the closing date of the program for our District. Independent projections indicate \$58.6 million in state sales and hotel tax will be generated within the River 80 Reinvestment District over the 20 year life of the program. Granting a provisional award of \$21.775 million would represent 29.5% of the total project cost and allow the State to terminate the remittances years earlier than other Districts.

A1 CITY OF DAVENPORT RESOLUTION

COMMITTEE: Community Development	Action / Date
DEPARTMENT: CPED	CD 3/04/15
CONTACT INFO: Bruce Berger, 328-6706	REVISED 3/11/15

SUBJECT: RESOLUTION approving the preliminary application and plan for the City’s 2015 “River 80” Iowa Reinvestment District project, finding the area is suitable and ready for development, and the project to be unique with a significant economic impact.

RECOMMENDATION: Approve the Resolution.

RELATIONSHIP TO GOALS: Added emphasis on economic development.

ECONOMIC IMPACT: \$73.8 million in new construction generating more than \$1.8 million in annual revenue to the State, \$1.8 million to the City, \$1.0 million to Davenport School District and \$287,000 to Scott County. A successful application would return \$21.775 million in State funds to Reinvestment District projects and an estimated \$5.0 million in City Hotel Tax revenue for RiverVision implementation, over 20 years.

BACKGROUND: The Iowa Economic Development Authority (IEDA) is soliciting applications for the second round of the Iowa Reinvestment District Program. Pre-applications must be submitted by municipalities by March 15 and include a Resolution describing the intent to establish such a District, approval of the district plan, and a finding that the area is suitable for development.

The purpose of the district is to improve the quality of life, create/enhance unique opportunities, and substantially benefit the City, the surrounding region, and the State as a whole. The rules of the program include:

- Maximum of 25 contiguous acres
- At least one new proposed project must reach a total capital investment of \$10 million; others may be included as well.
- Buildings used in whole or in part to conduct gambling, or a hotel /motel connected to, or operated in conjunction with, gambling are not eligible.
- New retail cannot exceed 50% of the total proposed capital investment.

The benefit of establishing this district is that the State will rebate part of the State's portion of the Sales and Hotel/Motel Tax generated by the identified projects, up to 20 years, to the municipality. Up to 4 cents of the State's portion of Sales Tax and 5 cents of the State's portion of Hotel/Motel Tax would be rebated. This new state tax revenue must be reinvested in the district.

Pre-applications are expected to be evaluated by late June, at which point all applicants that are granted provisional approval will be invited to submit Final Applications. While the State encourages as much detail as possible in the Pre-Applications, they acknowledge flexibility will be given to modify/amend in the Final Application.

Staff has reviewed the administrative rules and, after discussing with Council at the March 4 Committee meeting, is proposing to apply for the River 80 Reinvestment District. Based on Council direction, the River 80 District would create a unique destination in eastern Iowa and maximize economic impact to the community and state, with private funds providing the basis for remittance of state sales and hotel taxes to the District.

THE RIVER 80 REINVESTMENT DISTRICT WILL INCLUDE:

- A hotel complex of 350 rooms
- New retail shops and restaurants totaling approximately 123,500 sq. ft.
- A 160,000 square foot indoor Sports Tournament facility, with clear span and turf supporting baseball, softball, soccer and other turf sports, owned and operated by a non-profit
- A four field outdoor youth baseball / girls softball complex as an appurtenance to the Sports Tournament facility, expanding tournament capacity in peak seasons
- An indoor/outdoor continuous wave "FlowRider" entertainment center
- Mixed-use buildings totaling approximately 138,000 sq. ft.

A total of approximately \$73.8 million would be invested in the 25 acre "River 80" Reinvestment District, with a request of \$21.775 million from the State (29.5% of total capital investment). Upon full build-out, the District and surrounding area will include 250 acres of residential and commercial development, creating over 1,000 jobs and over \$250 million of tax base. The "River 80" Reinvestment District is projected to have extraordinary economic impact to the State, with in excess of \$58 million of hotel and sales tax generated within the first 20 years. The project features a unique location, unique attractions and unique, comprehensive planning.

A further unique component of the "River 80" project, which received very positive feedback in our 2014 application, is tying the economic growth at the intersection of Interstate 74 and Interstate 80 to our on-going riverfront improvements. Pledging half of City hotel tax revenue from the 25 acre District to RiverVision improvements will provide a projected \$5.0 million over 20 years to support riverfront and downtown revitalization, paid largely by visitors to our community.

Resolution No. 2015-119

Resolution offered by Alderman Justin.

RESOLVED by the City Council of the City of Davenport.

RESOLUTION approving preliminary application for the Iowa Reinvestment District program.

WHEREAS, the Iowa Legislature and Governor have directed the Iowa Economic Development Authority (IEDA) to solicit applications from municipalities for the Iowa Reinvestment District Program; and

WHEREAS, municipalities with Reinvestment Districts can receive a portion of the State Sales Tax and Hotel/Motel Tax from new establishments within the District over the next 20 years; and

WHEREAS, the City has several exciting projects that meet the requirements of improving the quality of life, creating and enhancing unique opportunities, and substantially benefitting the municipality, the surrounding region, and the state as a whole; and

WHEREAS, pre-applications for this program are due no later than March 15, 2015;

WHEREAS, the City is proposing to apply for the River 80 Reinvestment District, an estimated \$73.8 million destination complex near I-80 and I-74, with a funding request of \$21.775 million in state sales and hotel tax remittances.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Davenport, that the City Council does hereby approve of the Preliminary Application of the Iowa Reinvestment District Program through the IEDA, authorizes staff to sign and submit all necessary documents to support said pre-application, and the Mayor and City Clerk are hereby authorized and instructed to certify to the adoption of this resolution.

Approved:


William E. Gluba, Mayor

Attest:


Jackie E. Holecek, City Clerk

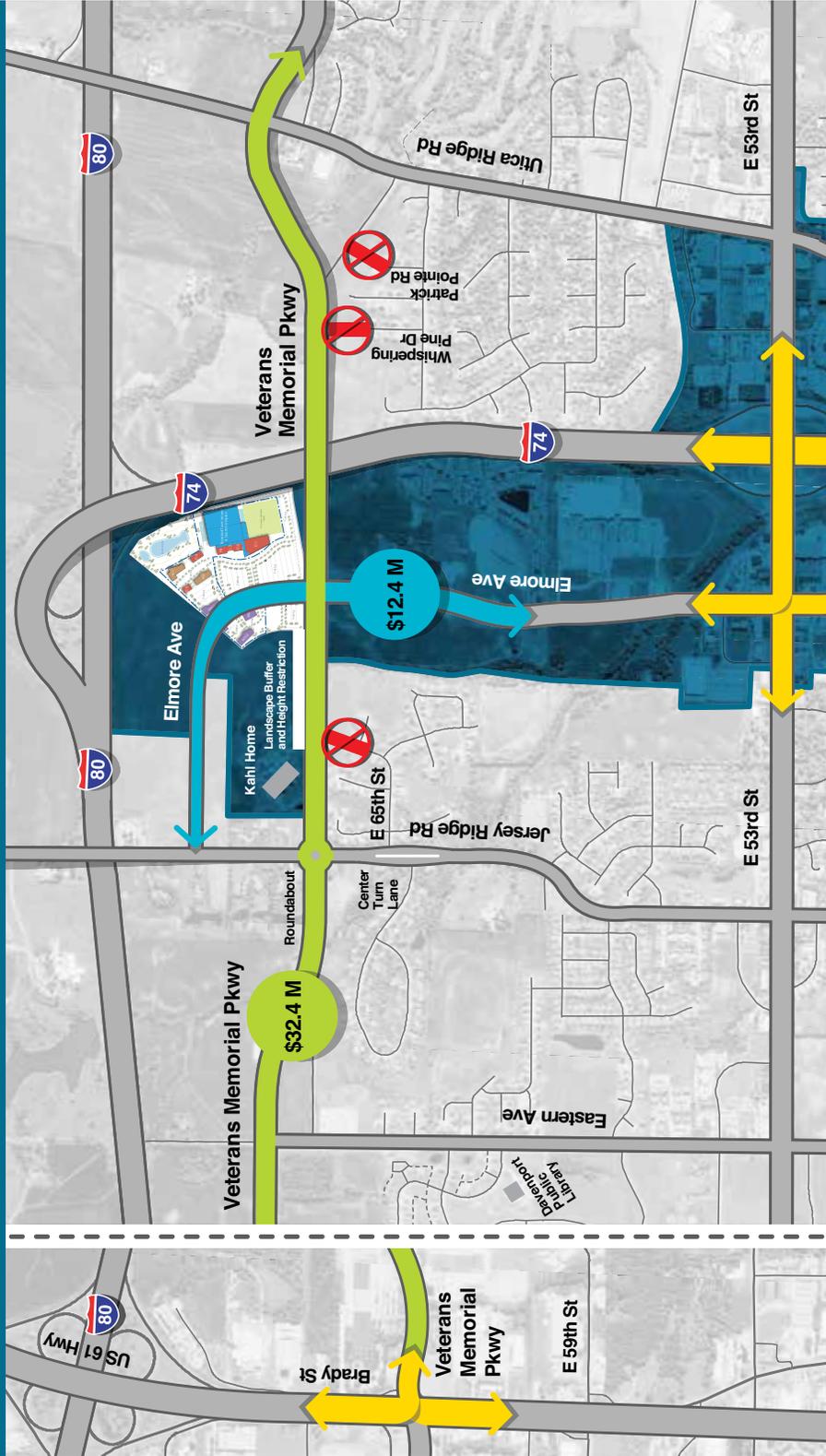


A3 MAP DETAIL OF THE REINVESTMENT DISTRICT

Proposed Iowa Reinvestment District depicting the existing parcels of real estate located in the proposed district.



Protecting Neighborhoods – \$45 Million in new roads. Eliminating cut-throughs. Roundabout/protected turn lane. Landscape buffer and height restriction. Roundabout/protected turn lane.



Map Key
 PDD/Commercial Office
 Commercial Traffic Route
 Expansion of Elmore Ave
 Expansion of Veterans Memorial Pkwy
 Cancelled Connecting Roadways
 City of Davenport 10.22.14

A4 OWNERS OF RECORD OF THE PROPOSED DISTRICT PARCELS

The owner of record for parcel Y0501-30C is:

Ridges LC
3211 E. 35th CT
Davenport, IA 52807

A5 LEGAL DESCRIPTION OF PROPOSED DISTRICT REAL ESTATE BOUNDARIES

A tract of land situated in part of the Northwest Quarter of Section 5, Township 78 North, Range 4 East of the 5th Principle Meridian, City of Davenport, Scott County, Iowa, being more particularly described as follows:

Commencing, as a point of reference, at the Southwest Corner of the Northwest Quarter of said Section 5; Thence N89°-16'-03"E along the South line of the Southwest Quarter of the Northwest Quarter of said Section 5 a distance of 1,672.07 feet; Thence N00°-43'-57"W a distance of 235.06 feet to the Point of Beginning of the tract of land hereinafter described.;

Thence in a Northwesterly direction along the arc of a curve to the left, having a radius of 360.00 feet, with a chord bearing of N28°-26'-43"W and a chord distance of 217.61 feet, for a distance of 221.07 feet;

Thence in a Northwesterly direction along the arc of a curve to the right, having a radius of 465.60 feet, with a chord bearing of N15°-12'-48"W and a chord distance of 511.78 feet, for a distance of 541.84 feet;

Thence in a Northerly direction along the arc of a curve to the left, having a radius of 319.84 feet, with a chord bearing of N01°-41'-52"E and a chord distance of 146.69 feet, for a distance of 148.01 feet;

Thence S80°-04'-18"W 288.54 feet;

Thence S61°-55'-48"W 433.75 feet;

Thence SS31°-36'-57"E 167.67 feet;

Thence S21°-33'-16"E 225.36 feet;

Thence S88°-42'-41"W 388.37 feet;

Thence N24°-25'-22"W 143.35 feet;

Thence N36°-31'-28"W 183.92 feet;

Thence N41°-32'-23"E 588.44 feet;

Thence N43°-54'-36"E 544.68 feet;

Thence N44°-29'-30"E 163.80 feet;

Thence S28°-24'-06"E 528.55 feet;

Thence N78°-39'-03"W 432.52 feet;

Thence S11°-17'-30"E 787.32 feet;

Thence S79°-03'-51"W 476.24 feet to the Point of Beginning. Containing 24.9 Acres more or less.

A6 PROPERTY BENEFITS DOCUMENTATION

The River80 Reinvestment District will directly and substantially benefit the existing 25 acres at the crossroads of I-80 and I-74. Currently, the 25 acres has an approximate assessed valuation of \$58,700 and it, as well as the surrounding area, is zoned Planned Development District. Following the proposed River 80 development the assessed valuation would likely exceed \$52 million. As a new destination location on I-80 and less than a three hour car ride from Des Moines or Chicago, the River 80 Reinvestment District would permanently transform the area and serve as a catalyst for the development of the remaining adjacent acres.

SECTION B | District Plan

1 PROPOSED PROJECTS

COST

	A Tournament Center with Outdoor Fields (160,000 sq. ft.)	\$16M
	B FlowRider (10,000 sq. ft.)	\$2.5M
	C 113,500 sq. ft. Specialty Retail and Restaurant Compatible with Tournament Center (5 locations)	\$10.2M
	D Two hotels (total of 120,000 sq. ft. and 240 rooms)	\$24M
	E Four mixed-use retail, office, and hotel commercial buildings with 148,000 sq. ft. and 110 hotel rooms	\$21.12M

2 AMOUNT OF STATE ASSISTANCE NEEDED: **\$21.775M**

AMOUNT OF PRIVATE INVESTMENT: **\$52.045M**

TOTAL COST: **\$73.82M**

3 HOW STATE ASSISTANCE WILL BE UTILIZED:

State assistance will be used to fund construction of projects A & B (Tournament Center and Continuous Flow Wave Rider) as well as to provide an economic development inducement for businesses new to the regional market in project C.

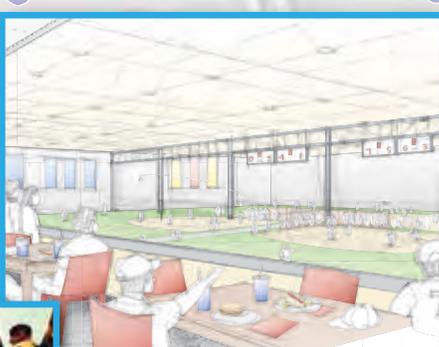
4 DETAILED PROJECT DESCRIPTIONS:



PROPOSED PROJECT: INDOOR/OUTDOOR TOURNAMENT CENTER

River 80 Reinvestment District Concept Plan
Davenport Iowa

- Two Hotels
- Retail & Restaurants
- Indoor/Outdoor Tournament Center**
- Mixed-Use (Including One Hotel)
- FloRider



A. PROJECT DESCRIPTION

An indoor / outdoor sports tournament center, featuring 160,000 square feet of indoor turf, and clear span height sufficient for baseball / softball. The indoor facility will accommodate up to four Little League / girls softball fields at once, with movable pitching mounds, fences and bases to scale up to high school / college baseball. Hanging nets will define the athletic fields, with the opportunity to also play soccer, lacrosse and football. The outdoor four-plex will expand tournament capacity through the spring to fall season, with a guarantee of tournament completion in summer, even through non-stop rain by moving the tournament indoors and extending the playing day.

B. EXPECTED TIMELINE

Opening 2016, to be owned and operated by a 501c3 non-profit.



C. PROJECT BUDGET SUMMARY

FUNDING USES

Site Preparation	\$0.4 M
Building Acquisition	\$0 M
Building Construction	\$12.0 M
Building Remodeling	\$0 M
Fixtures/FF&E	\$1.8 M
Architectural Design	\$0.9 M
Engineering Design	\$0.4 M
Construction Administration	\$0.5 M
Other	\$0 M

TOTAL PROJECT BUDGET \$16.0 M

FUNDING SOURCES

Reinvestment Funds	\$16.0 M
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TOTAL FUNDING SOURCES \$16.0 M

D. EXPECTED PROJECT DEBT

Construction debt will be retired through Reinvestment District funds. The facility will cash-flow through operations, after debt has been retired.

E. STATUS OF EXPECTED FINANCING/GAP

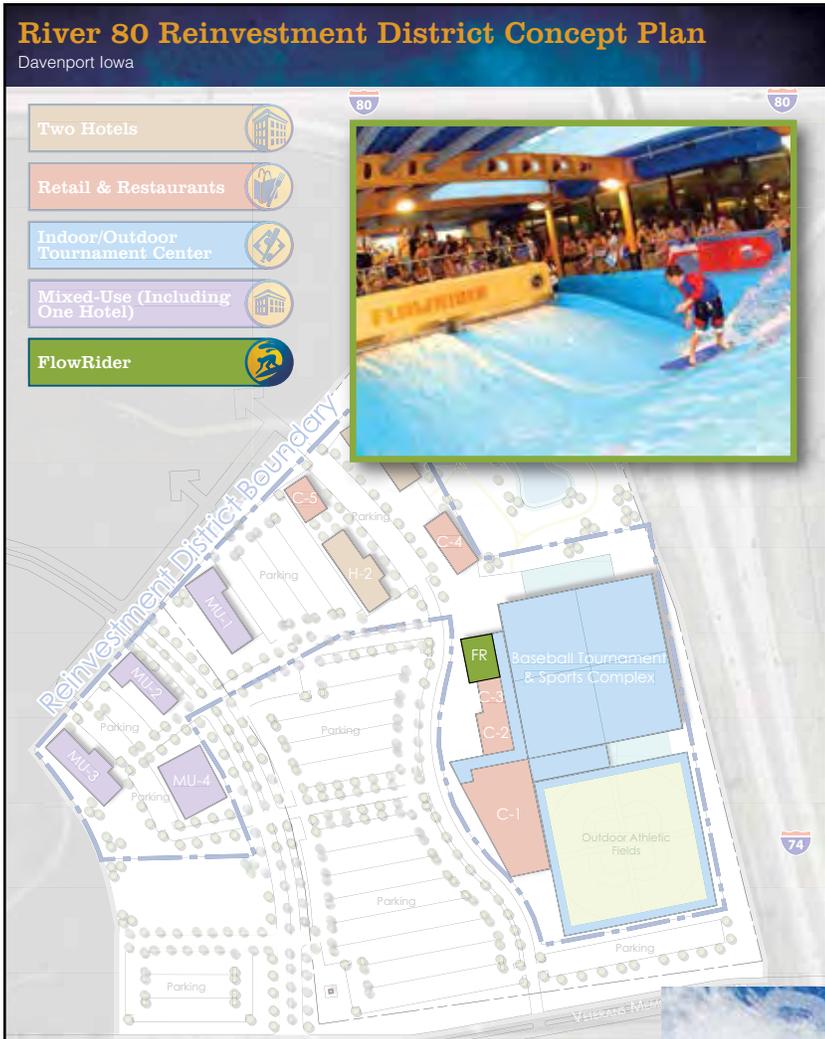
The Sports Tournament Center will be privately financed, with Reinvestment District funds committed to debt retirement.

F. EXPECTED STATE HOTEL/MOTEL TAX AND/OR TAX PROJECTIONS OVER 20 YEARS & FEASIBILITY STUDY

TOURNAMENT CENTER	YEAR 1	20 YEAR PROJECTION
Projected Gross Revenues	\$700,000	\$24.1 million
Sales Taxes	\$19,000	\$672,000
New Jobs (in FTE's)	13	17
Visitors	170,717	3.5 million
Overall Economic Impact	\$1.2 million	\$43.1 million



PROPOSED PROJECT: FLOWRIDER



A. PROJECT DESCRIPTION

The only indoor / outdoor “FlowRider” in the Midwest, the continuous wave simulator will provide entertainment for athletes and their siblings attending tournaments, as well as local kids of all ages. Shown as “FR” on the concept plan, the FlowRider will be attached to the Sports Tournament Center, as one of four commercial structures on the front of the complex. With roll-up panoramic doors, it will provide indoor / outdoor entertainment, depending on weather.

B. EXPECTED TIMELINE

Opening 2016, to be owned and operated by the 501c3 operating the Sports Tournament Center.



C. PROJECT BUDGET SUMMARY

FUNDING USES

Site Preparation	\$0.1 M
Building Acquisition	\$0 M
Building Construction	\$0.8 M
Building Remodeling	\$0 M
Fixtures/FF&E	\$1.2 M
Architectural Design	\$0.15 M
Engineering Design	\$0.15 M
Construction Administration	\$0.1 M
Other	\$0 M

TOTAL PROJECT BUDGET \$2.5 M

FUNDING SOURCES

Reinvestment Funds	\$2.5 M
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TOTAL FUNDING SOURCES \$2.5 M

D. EXPECTED PROJECT DEBT

Construction debt will be retired through Reinvestment District funds. The facility will cash-flow through operations, after debt has been retired.

E. STATUS OF EXPECTED FINANCING

The FlowRider will be privately financed, with Reinvestment District funds committed to debt retirement.

F. EXPECTED STATE HOTEL/MOTEL TAX AND/OR TAX PROJECTIONS OVER 20 YEARS & FEASIBILITY STUDY

FLOWRIDER*	YEAR 1	20 YEAR PROJECTION
Visitors	45,000	900,000

*Other economic impact and feasibility figures are represented in the Retail & Restaurant projections.



PROPOSED PROJECT: RETAIL & RESTAURANTS

River 80 Reinvestment District Concept Plan

Davenport Iowa



A. PROJECT DESCRIPTION

Shown as C-1 to C-5 on the concept plan, retail and restaurant space totaling 113,500 square feet will be constructed. C-1 is anticipated to be a big-box sports retailer and C-2 and C-3 will be restaurants, all new to the regional market. The C-2 restaurant will have a mezzanine seating area, overlooking the indoor fields.

B. EXPECTED TIMELINE

Opening 2016 - 2017, to be owned and operated as private businesses.



C. PROJECT BUDGET SUMMARY

FUNDING USES

Site Preparation	\$0.3 M
Building Acquisition	\$0 M
Building Construction	\$8.5 M
Building Remodeling	\$0 M
Fixtures/FF&E	\$0.8 M
Architectural Design	\$0.2 M
Engineering Design	\$0.2 M
Construction Administration	\$0.2 M
Other	\$0 M

TOTAL PROJECT BUDGET \$10.2 M

FUNDING SOURCES

Private Financing	\$6.925 M
Reinvestment Funds	\$3.275 M

TOTAL FUNDING SOURCES \$10.2 M

D. EXPECTED PROJECT DEBT

Private debt financing will be used for the retail and restaurant construction, with \$3,275,000 of requested Reinvestment District funds, in the aggregate, to provide an economic development inducement for businesses new to the regional market.

E. STATUS OF EXPECTED FINANCING

Retail and restaurant construction will be privately financed. A letter from Bentley Securities Corporation is included in the appendix. Owner equity from the project developer will provide the balance of the financing.

F. EXPECTED STATE HOTEL/MOTEL TAX AND/OR TAX PROJECTIONS OVER 20 YEARS & FEASIBILITY STUDY

RETAIL & RESTAURANTS*	YEAR 1	20 YEAR PROJECTION
State Sales Taxes	\$1.4 million	\$55.4 million
Local Sales Taxes	\$230,000	\$9 million
New Jobs (in FTE's)	426	620
Projected Gross Revenues	\$23 million	\$923.5 million
Overall Economic Impact	\$41.3 million	\$1.7 billion

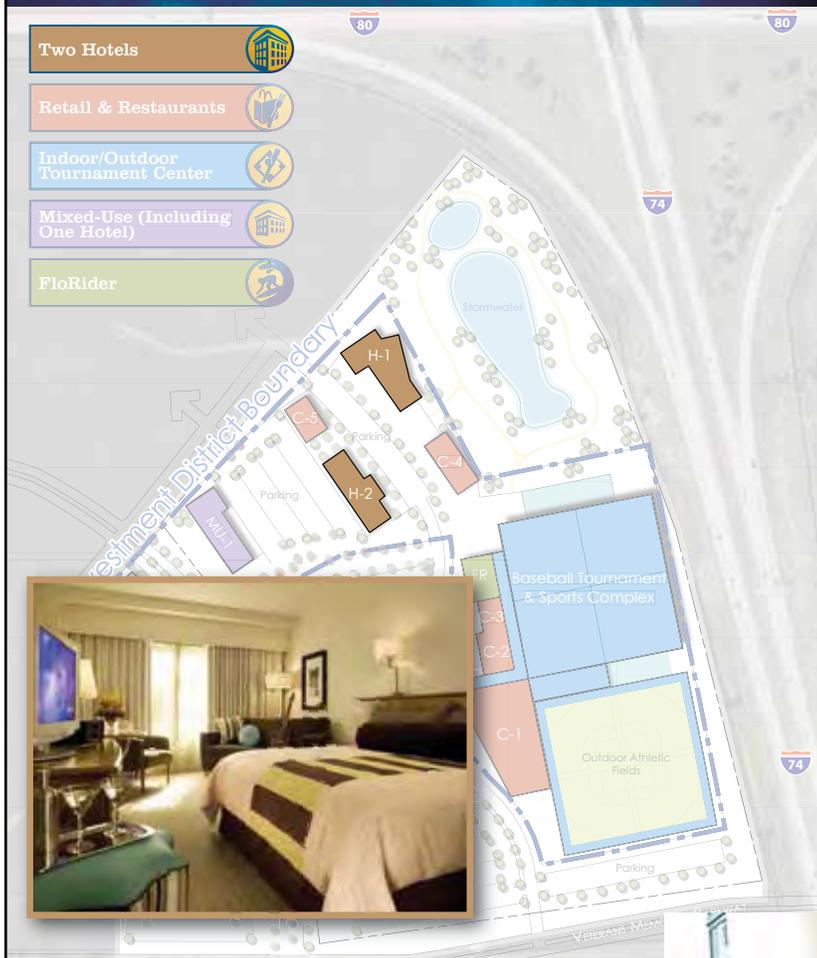
*Includes economic impact and feasibility figures for the FlowRider.



PROPOSED PROJECT: TWO HOTELS

River 80 Reinvestment District Concept Plan

Davenport Iowa



A. PROJECT DESCRIPTION

Two hotels, totaling 120,000 square feet and 240 rooms will be constructed.

B. EXPECTED TIMELINE

The first hotel will open in 2016; the second will open in 2017. Both will be owned and operated as private businesses.



C. PROJECT BUDGET SUMMARY

FUNDING USES

Site Preparation	\$0.4 M
Building Acquisition	\$0 M
Building Construction	\$18.5 M
Building Remodeling	\$0 M
Fixtures/FF&E	\$3.2 M
Architectural Design	\$0.6 M
Engineering Design	\$0.4 M
Construction Administration	\$0.9 M
Other	\$0 M

TOTAL PROJECT BUDGET \$24.0 M

FUNDING SOURCES

Private Financing	\$24.0 M
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TOTAL FUNDING SOURCES \$24.0 M

D. EXPECTED PROJECT DEBT

Private debt financing will be used for hotel construction.

E. STATUS OF EXPECTED FINANCING/GAP

Hotel construction will be privately financed. A letter from Bentley Securities Corporation is included in the appendix. Owner equity from the project developer will provide the balance of the financing.

F. EXPECTED STATE HOTEL/MOTEL TAX AND/OR TAX PROJECTIONS OVER 20 YEARS & FEASIBILITY STUDY

HOTELS*	YEAR 1	20 YEAR PROJECTION
State Sales Taxes	\$162,000	\$15.9 million
State Excise Tax	\$147,000	\$14.8 million
Local Hotel/Motel Tax	\$206,000	\$20.7 million
New Jobs (in FTE's)	104	406
Projected Gross Revenues	\$4.4 million	\$457.1 million
Overall Economic Impact	\$10.1 million	\$1.0 billion

*Includes all three hotels (one hotel in mixed-use development)



PROPOSED PROJECT: MIXED USE (INCLUDING ONE HOTEL)

River 80 Reinvestment District Concept Plan

Davenport Iowa



A. PROJECT DESCRIPTION

Shown as MU-1 to MU-4 on the concept plan, mixed-use buildings totaling 148,000 square feet will be constructed, including an additional hotel of 110 rooms.

B. EXPECTED TIMELINE

Opening 2016 - 2020, to be owned and operated as private businesses.



C. PROJECT BUDGET SUMMARY

FUNDING USES

Site Preparation	\$1.2 M
Building Acquisition	\$0 M
Building Construction	\$16.0 M
Building Remodeling	\$0 M
Fixtures/FF&E	\$2.2 M
Architectural Design	\$0.8 M
Engineering Design	\$0.32 M
Construction Administration	\$0.6 M
Other	\$0 M

TOTAL PROJECT BUDGET \$21.12 M

FUNDING SOURCES

Private Financing	\$21.12 M
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TOTAL FUNDING SOURCES \$21.12 M

D. EXPECTED PROJECT DEBT

Private debt financing will be used for mixed-use construction.

E. STATUS OF EXPECTED FINANCING

Mixed-use construction will be privately financed. A letter from Bentley Securities Corporation is included in the appendix. Owner equity from the project developer will provide the balance of the financing.

F. EXPECTED STATE HOTEL/MOTEL TAX AND/OR TAX PROJECTIONS OVER 20 YEARS & FEASIBILITY STUDY

MIXED USE DEVELOPMENT

All of the economic impact estimates and projections for the mixed use development section is included in the Retail & Restaurant project area and the Hotels project area.

SECTION C | Economic Impact

RIVER 80 REINVESTMENT DISTRICT

Davenport's River 80 Reinvestment District includes the construction of thirteen components. If approved, all of the projects will be completed by the end of 2020, with most of the work completed by 2018. The economic impact from the \$73.8 million project is estimated at \$2.5 billion over 20 years according to C.H. Johnson Consulting, Inc. Below is a summary of state and local taxes as well as an overall financial summary of the significant economic impact of this proposed District. Though not part of the program, it is also anticipated that this transformative District will serve as the catalyst for the surrounding area as well. As such, a summary of the increase in taxes and other revenues from the surrounding area is included separately.

RIVER 80 DISTRICT	YEAR 1	20 YEAR PROJECTION
Reinvestment District Taxes Generated by Development		\$58.6 million
Total State and Local Sales and Hotel Taxes Property Taxes	\$1.9 million	\$107 million
Property Taxes	\$1.8 million	\$39.6 million
Jobs (FTEs) Created	520	970
Projected Sales Revenues	\$28.1 million	\$1.4 billion
Total Economic Impact	\$50.0 million	\$2.5 billion

CONSTRUCTION ONLY	INVESTMENT
River 80 District	\$73.8 million

TOTAL ECONOMIC IMPACT (INCLUDES CONSTRUCTION)	ECONOMIC IMPACT
River 80 District	\$2.5 billion
Remaining 225 Acres	\$3.6 billion
TOTAL	\$6.1 billion

SECTION C | Economic Impact

1 ECONOMIC IMPACT REPORT

We have gathered data, performed miscellaneous market analyses and have reached the conclusions set forth in this economic impact report concerning the impact to Iowa's economy of the proposed River 80 Reinvestment District development. We have reviewed the market models and developed reasonable assumptions related to the proposed development. The firm of C.H. Johnson (Chicago) was hired to analyze the proposed application. Their findings are attached and incorporated by reference into this report. In addition, the firm of Ballard*King & Associates was retained to refine the sizing and analyze the impact of the Tournament Complex.

SCOPE OF THE PROJECT

The major work steps to complete the report were as follows:

- Research of the financial benefits of each component of the project
- Research of the total economic benefit in Iowa of the proposed project
- Analysis of increased revenues related to such development

SOURCES

We would like to acknowledge the following organizations who provided information used to complete the study and whose sources are accordingly referenced in the report:

- Quad City Convention and Visitors Bureau
- Vandewalle & Associates, Inc.
- C.H. Johnson Consulting, Inc.
- Ballard*King & Associates, LTD.



River 80 Reinvestment District
Davenport, Iowa
Economic Impact Analysis

SUBMITTED TO
Community Planning and Economic Development
City of Davenport

SUBMITTED BY
C.H. Johnson Consulting, Incorporated

DRAFT March 12, 2015



**JOHNSON
CONSULTING**

Experts in Convention, Hospitality,
Sport and Real Estate Consulting.

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SECTION I
TRANSMITTAL LETTER



March 12, 2015

Mr. Bruce Berger
Director
Community Planning and Economic Development
City of Davenport
226 West 4th Street
Davenport, Iowa 52801

RE: Economic Impact Analysis for River 80 Reinvestment District in Davenport, Iowa

Dear Mr. Berger:

C.H. Johnson Consulting, Inc. is pleased to submit this report to the City of Davenport Community Planning and Economic Development regarding the proposed River 80 Reinvestment District in Davenport, Iowa that is applying for assistance from the State of Iowa through Iowa Reinvestment District Program per Iowa Reinvestment Act (IRA). Pursuant to our engagement, this report provides an assessment of the economic and fiscal impact of the proposed District and an estimate of the tax revenue amount that is allowed by IRA for Reinvestment District funding.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable, but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the Clients' internal use and cannot be used for project underwriting purposes without Johnson Consulting's written consent.

We have enjoyed serving you on this engagement and look forward to providing you with continued service.

Sincerely yours,
C.H. Johnson Consulting, Inc.

DRAFT

Charles H. Johnson IV, President

SECTION II
INTRODUCTION AND EXECUTIVE SUMMARY



INTRODUCTION AND EXECUTIVE SUMMARY

Johnson Consulting was retained by City of Davenport, Iowa Community Planning and Economic Development to prepare an analysis of the impact that the proposed River 80 Reinvestment District in Davenport would have on the local economy. Our report will support and form part of the City of Davenport' application under the State's Reinvestment Districts Program to assist with the development of the proposed River 80 Reinvestment District.

OBJECTIVE OF STUDY

Our analysis focuses on the proposed River 80 Reinvestment District in Davenport, Iowa. The main objective of this analysis is two-fold: (i) to show that the request for IRA-allowed State incentive to support the overall District development is justified, and (ii) to illustrate the impact of the proposed District development to Davenport and Iowa.

PERFORMED TASKS

As experienced in many cities, establishing a special destination district is benefitting the host city's community and economy on multiple fronts. To demonstrate how the proposed River 80 Reinvestment District will impact Davenport specifically, the following tasks are performed and documented in this report:

- Economic and fiscal impact analysis of the projects within the District,
- Estimating the potential amount to tax revenues from District-wide projects that will be available to support Reinvestment Districts Program as allowed by Iowa Reinvestment Act.

EXECUTIVE SUMMARY

A portion of tax revenues generated from the District that are allowed by IRA to support the development of the River 80 Reinvestment District is estimated to amount to \$58.6 million over 20 years (or \$105.8 million over 30 years). Based on our research and analyses, such assistance is more than justified, because the proposed projects within the District are estimated to generate annual economic and fiscal impact as shown in Table 2-1, below.



Table 2-1

River 80 Reinvestment District, Davenport, Iowa Summary of Economic and Fiscal Impact of District-wide Projects (\$Million)					
	Annual Impact			Total Impact	
	Year 1	Year 5	Year 10	20-Year	30-Year
Economic Impact					
Total Spending	\$50	\$110	\$127	\$2,516	\$4,538
Increased Earnings	19	41	48	942	1,699
Increased Employment (FTE)	520	985	970	970*	970*
Fiscal Impact					
Sales Tax	\$1.6	\$3.1	\$3.6	\$72	\$130
Hotel/ Motel Tax	0.2	0.9	1.1	21	38
Excise Tax	0.1	0.6	0.8	15	27
Total	\$1.9	\$4.7	\$5.5	\$107	\$194

**Employment figures are not additive. The jobs simply continue to the following year.
Source: Johnson Consulting*

The estimated annual economic and fiscal impact if growing each year, and the accumulated amounts are huge. Clearly, the projected economic and fiscal benefits of developing the District far outweigh the requested assistance.

SECTION III
ECONOMIC AND FISCAL IMPACT ANALYSIS



ECONOMIC AND FISCAL IMPACT ANALYSIS

This section provides an economic and fiscal impact analysis of the proposed River 80 Reinvestment District in Davenport, Iowa. Specifically, the analysis measures the potential amount of tax revenues to be generated from the various projects within the District that will be available to support Reinvestment District Program as allowed by Iowa Reinvestment Act (IRA).

DEFINITIONS AND RATES

ECONOMIC IMPACT ANALYSIS

Economic impact is defined as incremental new spending in an economy that is the direct result of certain activities, facilities, or events. It includes initial direct spending by visitors to the projects, at and outside the project sites, which then ripples out through the economy and generates indirect spending, induced spending, increased earnings, and employment. For the purpose of this analysis, impact totals are discussed in terms of Davenport economy. The levels of impacts are described as follows:

- **Direct Spending** – is an expression of the spending that occurs as a direct result of the events and activities that occur in the subject facility. For example, a hotel guest’s expenditures on hotel rooms, shopping, and meals are direct spending.
- **Indirect Spending** – consists of re-spending of the initial or direct expenditures, or, the supply of goods and services resulting from the initial direct spending in the subject facility. For example, a hotel guest’s direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or state economies is counted as an indirect spending.
- **Induced Spending** – represent changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of the hotel guest’s visit. The amount of the increased income the waiter spends in the local economy is called an induced spending.
- **Total Spending** – is the sum of direct spending, indirect spending, and induced spending.
- **Increased Earnings** – measures increased employee and worker compensation related to the project being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expressed how the employees of local businesses share in the increased outputs.



- **Employment** – measures the number of jobs supported in the study area related to the spending generated as a result of the events occurring in the conference center. Employment impact is stated in a number of full-time equivalent jobs.

Indirect and Induced Spending, Increased Earnings, and Employment are estimated using a set of multiplier rates shown on Table 3-1 below.

Table 3-1

River 80 Reinvestment District, Davenport, Iowa Development Matrix		
Impact	Multiplier	Base
Indirect Spending	0.33	of direct spending
Induced Spending	0.46	of direct spending
Increased Earnings	0.67	of direct spending
Increased Employment (FTE)	18.48	per \$1 million of direct spending

Source: Implan, Johnson Consulting

The multiplier rates mean that for every \$1.00 spent by people in Davenport, it results in an additional \$1.46 of value to the economy. Also, for every \$1 million spent result in 18.48 jobs in the market.

FISCAL IMPACT ANALYSIS

Fiscal impact analysis measures the estimated tax revenues resulting from direct spending occurring in certain activities, facilities, or events. For River 80 Reinvestment District, fiscal impact analysis focuses on the following taxes:

- Sales Tax at 6 percent on food and beverage, parking, and other revenues, but NOT on rooms,
- Local Hotel/ Motel Tax at 7 percent on rooms, and
- Excise Tax at 5 percent on rooms.

Out of the taxes, the Iowa Reinvestment Act allows only some of it to be used for Reinvestment District Program. Specific estimates on such amounts are presented at the end of this section.

DEVELOPMENT PROGRAM

This analysis is based on River 80 Reinvestment District Concept Plan and Development Matrix prepared by Vandewalle & Associates, Inc. Table 3-2 summarizes the proposed projects within the District, color-coded



to correspond to the Concept Plan shown on the following page. The table also shows the estimated opening year for each of the projects, assuming an average of three years of construction period.

Table 3-2

River 80 Reinvestment District, Davenport, Iowa Development Matrix				
Project	Construction Year	Opening Year	Total SF	
Tournament Center	2016	2019	160,000	
Outdoor Fields	2016	2019	160,000	
C-1 (Sports Retailer)	2016	2019	80,000	
C-2 (Restaurant 1 - P)	2016	2019	12,000	
C-3 (Restaurant 2 - HJ)	2016	2019	5,000	
FR (Flow Rider)	2016	2019	10,000	
H-1 (120 rooms)	2016	2019	60,000	
H-2 (120 rooms)	2017	2020	60,000	
C-4	2017	2020	9,900	
C-5	2017	2020	6,600	
MU-1 (hotel) (110 rooms)	2018	2021	45,000	
MU-1 (first floor commercial)	2018	2021	15,000	
MU-2 (retail)	2019	2022	10,000	
MU-3 (first floor commercial)	2019	2022	15,000	
MU-3 (hotel or residential)	2019	2022	45,000	
C-6	2020	2023	18,000	
Total			<u>711,500</u>	

Notes:

Project type, construction year, and square footage are per Vandewalle & Associates, Inc.

Opening year is assumed to be 3 years after construction starts.

Source: Vandewalle & Associates, Inc., Johnson Consulting

Figure 3-1



Based on the primary uses, the analysis groups the projects into three categories: (i) Hotels, (ii) Tournament Center and Outdoor Fields, and (iii) Retail and Restaurants, which include the commercial portion of the Mixed-Use projects.



IMPACT OF HOTELS

River 80 Reinvestment District plan calls for three hotels (a potential fourth hotel, as part of Mixed-Use 3 (MU-3) is designated as “hotel or residential,” so it is not counted at this point). Table 3-3 shows the program and phasing of the hotel developments. The table also shows assumptions of occupancy and rates prepared by Vandewalle & Associates, to which some adjustments are made to present less aggressive projections.

Table 3-3

River 80 Reinvestment District, Davenport, Iowa Hotels Development Matrix and Assumptions								
	Size (Rooms)	Construction Year	Opening Year	[Stabilized Year] Occupancy	Adjusted [Stabilized Year] Occupancy	[Opening Year] ADR*	GSA- Published Per Diem on Lodging for Davenport*	Adjusted [Opening Year] ADR*
	A	B	C	D	E	F	G	H
H-1	120	2016	2019	75%	72%	\$110.00	\$83.00	\$96.50
H-2	120	2017	2020	75%	72%	\$110.00	\$83.00	\$96.50
MU-1 (hotel)	110	2018	2021	75%	72%	\$130.00	\$83.00	\$106.50

Notes:

Hotel size, construction year, occupancy, and ADR (shown on Column A, B, D, and F, respectively) are per Vandewalle & Associates, Inc.

Opening year is assumed to be 3 years after construction starts.

GSA = U.S. General Services Administration.

Adjusted ADR (shown on Column H) reflects the midpoint between stabilized year ADR and GSA-published per diem for Davenport.

*Shown in today's dollar.

Source: Vandewalle & Associates, Inc., Johnson Consulting

Our projections are based on the adjusted occupancy (assumed at 72 percent in stabilized Year 3) and adjusted ADR (assumed at \$96.50 for the first two hotels and \$106.50 for the third hotel). The assumptions for the hotel operating structures are based on revenue-expense-ratio largely seen in similarly sized hotels in comparable markets.

DIRECT SPENDING AT THE HOTELS

Table 3-4 through Table 3-6 show operating projections of Hotel H-1, H-2, and MU-1, up to total revenue line, which essentially reflects the amount of direct spending at the hotels.



Table 3-4

River 80 Reinvestment District, Davenport, Iowa Hotel H-1 Operating Revenue Projections										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1 Rooms	120	120	120	120	120	120	120	120	120	120
2 Occupancy	62.0%	67.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%
3 Average Rate	\$108.61	\$116.76	\$127.27	\$133.63	\$137.64	\$141.77	\$146.02	\$150.40	\$154.91	\$159.56
4 % ADR Growth		7.5%	9.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
5 RevPAR	\$67.34	\$78.23	\$91.63	\$96.21	\$99.10	\$102.07	\$105.13	\$108.29	\$111.54	\$114.88
Profit and Loss (\$000)										
Revenue										
6 Room Revenues	\$2,949	\$3,426	\$4,013	\$4,214	\$4,341	\$4,471	\$4,605	\$4,743	\$4,885	\$5,032
7 Hotel Food and Beverage	1,195	1,644	1,948	2,066	2,066	2,128	2,192	2,258	2,326	2,396
8 Telephone	2	2	2	2	2	2	2	3	3	3
9 Other Operated Departments	0	0	0	0	0	0	0	0	0	0
10 Parking & Transportation	215	233	249	249	249	256	264	272	280	288
11 Rentals and Other Income	43	48	53	55	57	58	60	62	64	66
12 Total Revenue	\$4,405	\$5,354	\$6,266	\$6,527	\$6,715	\$6,916	\$7,124	\$7,337	\$7,558	\$7,784

Source: Johnson Consulting, based on program by Vandewalle & Associates, Inc.

Table 3-5

River 80 Reinvestment District, Davenport, Iowa Hotel H-2 Operating Revenue Projections										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Rooms	120	120	120	120	120	120	120	120	120	120
2 Occupancy	62.0%	67.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%
3 Average Rate	\$111.87	\$120.26	\$131.08	\$137.64	\$141.77	\$146.02	\$150.40	\$154.91	\$159.56	\$164.35
4 % ADR Growth		7.5%	9.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
5 RevPAR	\$69.36	\$80.57	\$94.38	\$99.10	\$102.07	\$105.13	\$108.29	\$111.54	\$114.88	\$118.33
Profit and Loss (\$000)										
Revenue										
6 Room Revenues	\$3,038	\$3,529	\$4,134	\$4,341	\$4,471	\$4,605	\$4,743	\$4,885	\$5,032	\$5,183
7 Hotel Food and Beverage	1,231	1,693	2,007	2,066	2,128	2,192	2,258	2,326	2,396	2,467
8 Telephone	2	2	2	2	2	2	3	3	3	3
9 Other Operated Departments	0	0	0	0	0	0	0	0	0	0
10 Parking & Transportation	222	239	256	256	256	264	272	280	288	297
11 Rentals and Other Income	45	50	55	57	58	60	62	64	66	68
12 Total Revenue	\$4,537	\$5,514	\$6,454	\$6,722	\$6,916	\$7,124	\$7,337	\$7,558	\$7,784	\$8,018

Source: Johnson Consulting, based on program by Vandewalle & Associates, Inc.



Table 3-6

River 80 Reinvestment District, Davenport, Iowa Hotel MU-1 Operating Revenue Projections										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
1 Rooms	110	110	110	110	110	110	110	110	110	110
2 Occupancy	62.0%	67.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%	72.0%
3 Average Rate	\$127.17	\$136.70	\$149.01	\$156.46	\$161.15	\$165.99	\$170.97	\$176.09	\$181.38	\$186.82
4 % ADR Growth		7.5%	9.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
5 RevPAR	\$78.84	\$91.59	\$107.29	\$112.65	\$116.03	\$119.51	\$123.10	\$126.79	\$130.59	\$134.51
Profit and Loss (\$000)										
Revenue										
6 Room Revenues	\$3,166	\$3,677	\$4,308	\$4,523	\$4,659	\$4,798	\$4,942	\$5,091	\$5,243	\$5,401
7 Hotel Food and Beverage	1,283	1,765	2,091	2,153	2,218	2,284	2,353	2,424	2,496	2,571
8 Telephone	2	2	3	3	2	3	3	3	3	3
9 Other Operated Departments	0	0	0	0	0	0	0	0	0	0
10 Parking & Transportation	231	250	267	267	267	275	283	292	301	310
11 Rentals and Other Income	47	52	57	59	61	63	64	66	68	70
12 Total Revenue	\$4,728	\$5,746	\$6,725	\$7,005	\$7,207	\$7,423	\$7,646	\$7,875	\$8,111	\$8,355

Source: Johnson Consulting, based on program by Vandewalle & Associates, Inc.

DIRECT SPENDING OUTSIDE OF HOTELS

Direct spending outside the hotels is derived from a few sources. According to Business Travel News, the 2014 Corporate Travel Index says per diems in Des Moines average \$276.30, which includes \$151.99 on lodging, \$44.98 on car rental, and \$79.33 on food. Davenport is not listed in BTN-CTI per diems. Based on the comparison of GSA-published per diems for Des Moines and Davenport, it can be assumed that corporate per diems for Davenport is \$245.74, including \$130.05 on lodging, \$44.98 on car rental, and \$70.71 on food.

However, it is unlikely that every guest hotel spends that much. Meanwhile, our projections reflect an average spending of \$162 per occupied room nights in Year 1, or \$144 today. This amount is already greater than travel per diems for Davenport according to U.S. General Administration Services, averaged at \$129 today, including \$83 for lodging, \$41 for meals, and \$5 for incidentals.

Assuming that corporate travel will make up one-third of the hotels' room night demand, this estimate assume that 33.3 percent of guests will spend Corporate Travel Index per diem amount, while the other 66.7 percent will spend \$25 per day, on average, outside the Headquarters Hotel.

Table 3-7 shows the calculation of economic impact of Hotel H-1 from Year 1 through Year 10, showing the assumptions of average daily spending, where they were derived from, and the resulting economic impact.

Table 3-7

River 80 Reinvestment District, Davenport, Iowa Hotel H-1 Estimated Direct Spending In and Outside Hotel (\$Million)										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1 Base: Occupied Room Nights (1)	27,156	29,346	31,536	31,536	31,536	31,536	31,536	31,536	31,536	31,536
Direct Spending										
Inside Hotel (1)										
2 Room Revenues	\$2.9	\$3.4	\$4.0	\$4.2	\$4.3	\$4.5	\$4.6	\$4.7	\$4.9	\$5.0
3 Hotel Food and Beverage	1.2	1.6	1.9	2.0	2.1	2.1	2.2	2.3	2.3	2.4
4 All Others	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4
5 Subtotal	\$4.4	\$5.4	\$6.3	\$6.5	\$6.7	\$6.9	\$7.1	\$7.3	\$7.6	\$7.8
Outside Hotel by Corporate Travellers (2)										
6 Food and Beverage	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.4	\$0.4	\$0.4	\$0.4
7 All Others	0.5	0.5	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7
8 Subtotal	\$0.7	\$0.8	\$0.9	\$0.9	\$1.0	\$1.0	\$1.0	\$1.0	\$1.1	\$1.1
Outside Hotel by All Other Travellers (3)										
9 Food and Beverage	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6
10 All Others	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
11 Subtotal	\$0.5	\$0.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.8
12 Total Outside Hotel	\$1.2	\$1.4	\$1.5	\$1.6	\$1.6	\$1.7	\$1.7	\$1.8	\$1.8	\$1.9
Total Direct Spending										
13 Rooms	\$2.9	\$3.4	\$4.0	\$4.2	\$4.3	\$4.5	\$4.6	\$4.7	\$4.9	\$5.0
14 Food and Beverage	1.9	2.4	2.8	2.8	2.9	3.0	3.1	3.2	3.3	3.4
15 All Others	0.8	0.9	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2
16 Total	\$5.6	\$6.7	\$7.8	\$8.1	\$8.3	\$8.6	\$8.8	\$9.1	\$9.4	\$9.7

Notes:

1) Corresponds to the projected occupied room nights and revenue amounts shown in Table 3-4.

2) Assuming that 33.3% of demand is corporate, each guest additionally spending an equivalent of today's \$72 per day outside the Hotel.

3) Assuming that each of the other 66.7% of guests additionally spends an equivalent of today's \$25 per day outside the Hotel.

Source: Johnson Consulting.

As shown on the table, on the opening year, Hotel H-1 is expected to generate approximately \$5.6 million of direct spending of hotel guests, both in and outside the hotel. In Year 5, such direct spending is estimated to amount to \$8.3 million; in Year 10, \$9.7 million.

Using the same methodology and assumptions, Hotel H-2 and MU-1 are expected to generate approximately \$5.81 million and \$5.78 million, respectively, of direct spending of hotel guests, both in and outside the hotels. In Year 5, such direct spending is estimated to amount to \$8.58 million for Hotel H-2, \$8.59 for Hotel MU-1; in Year 10, approximately \$9.95 million for each of both hotels.

ECONOMIC IMPACT OF HOTELS

Table 3-8 shows the ripple effects of direct spending resulting from Hotel H-1, H-2, and MU-1 combined, into indirect spending, induced spending, increased earnings, and employment, from Year 1 through Year 30.



Table 3-8

River 80 Reinvestment District, Davenport, Iowa Estimated Economic Benefits Generated by All Three Hotels (\$Million)											
		Direct Spending				Indirect Spending	Induced Spending	TOTAL Spending	Increased Earnings	Employment (in FTE)	
		Hotel H-1	Hotel H-2	Hotel MU-1	Total						
		A	B	C	D	E	F	G	H	I	
Year 1	2019	\$5.6	\$0.0	\$0.0	\$5.6	\$1.9	\$2.6	\$10.1	\$3.8	104	
	2	2020	6.7	5.8	0.0	12.5	4.2	5.8	22.5	8.4	225
	3	2021	7.8	6.9	5.8	20.5	6.8	9.4	36.7	13.8	357
	4	2022	8.1	8.0	6.9	23.0	7.7	10.6	41.3	15.5	389
	5	2023	8.3	8.3	8.0	24.7	8.2	11.3	44.3	16.6	405
	6	2024	8.6	8.6	8.3	25.5	8.5	11.7	45.7	17.1	406
	7	2025	8.8	8.8	8.6	26.3	8.7	12.1	47.1	17.6	406
	8	2026	9.1	9.1	8.8	27.1	9.0	12.4	48.5	18.2	406
	9	2027	9.4	9.4	9.1	27.9	9.3	12.8	49.9	18.7	406
	10	2028	9.7	9.7	9.4	28.7	9.5	13.2	51.4	19.3	406
	11	2029	10.0	10.0	9.7	29.6	9.8	13.6	53.0	19.8	406
	12	2030	10.2	10.2	10.0	30.5	10.1	14.0	54.6	20.4	406
	13	2031	10.6	10.6	10.3	31.4	10.4	14.4	56.2	21.0	406
	14	2032	10.9	10.9	10.6	32.3	10.7	14.8	57.9	21.7	406
	15	2033	11.2	11.2	10.9	33.3	11.1	15.3	59.6	22.3	406
	16	2034	11.5	11.5	11.2	34.3	11.4	15.7	61.4	23.0	406
	17	2035	11.9	11.9	11.5	35.3	11.7	16.2	63.2	23.7	406
	18	2036	12.2	12.2	11.9	36.4	12.1	16.7	65.1	24.4	406
	19	2037	12.6	12.6	12.2	37.5	12.5	17.2	67.1	25.1	406
	20	2038	13.0	13.0	12.6	38.6	12.8	17.7	69.1	25.9	406
	21	2039	13.4	13.4	13.0	39.7	13.2	18.2	71.2	26.7	406
	22	2040	13.8	13.8	13.4	40.9	13.6	18.8	73.3	27.5	406
	23	2041	14.2	14.2	13.8	42.2	14.0	19.3	75.5	28.3	406
	24	2042	14.6	14.6	14.2	43.4	14.4	19.9	77.8	29.1	406
	25	2043	15.1	15.1	14.6	44.7	14.9	20.5	80.1	30.0	406
	26	2044	15.5	15.5	15.1	46.1	15.3	21.1	82.5	30.9	406
	27	2045	16.0	16.0	15.5	47.4	15.8	21.8	85.0	31.8	406
	28	2046	16.4	16.4	16.0	48.9	16.2	22.4	87.5	32.8	406
	29	2047	16.9	16.9	16.5	50.3	16.7	23.1	90.2	33.8	406
	30	2048	17.4	17.4	16.9	51.8	17.2	23.8	92.9	34.8	406
Total in 20 Years		\$196.2	\$188.7	\$175.8	\$560.8	\$186.5	\$257.4	\$1,004.6	\$376.3	406*	
Total in 30 Years		\$349.5	\$342.0	\$324.7	\$1,016.3	\$337.9	\$466.5	\$1,820.6	\$681.9	406*	

Notes:

Column A corresponds exactly to Line 16 in Table 3-7.

Column B and C correspond to total direct spending estimates for Hotel H-2 and MU-1.

Column E, F, H, and I are calculated by applying respective multiplier rates to Total Direct Spending in Column D.

*Employment is not additive. The jobs simply continue to the next year.

Source: Johnson Consulting

As shown on the table, the estimated economic impact of the hotels is substantial. Over 20 years, total spending is estimated to amount to \$1.0 billion; in 30 years, \$1.82 billion. These spending activities are expected to support 406 full-time equivalent jobs annually.



FISCAL IMPACT OF HOTELS

Fiscal impact is estimated by applying appropriate tax rates to the appropriate spending items (e.g., rooms, food and beverage, and all others). Table 3-9 shows fiscal impact calculations for Hotel H-1 from Year 1 through Year 10.

Table 3-9

River 80 Reinvestment District, Davenport, Iowa Hotel H-1 Estimated Tax Revenues Resulting from Total Direct Spending by Hotel Guests, In and Outside Hotel (\$Million)										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Direct Spending (1)										
1 Rooms	\$2.9	\$3.4	\$4.0	\$4.2	\$4.3	\$4.5	\$4.6	\$4.7	\$4.9	\$5.0
2 Food and Beverage	1.9	2.4	2.8	2.8	2.9	3.0	3.1	3.2	3.3	3.4
3 All Others	0.8	0.9	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2
4 Total	\$5.6	\$6.7	\$7.8	\$8.1	\$8.3	\$8.6	\$8.8	\$9.1	\$9.4	\$9.7
Tax Revenues										
5 State Sales Tax (2)	\$0.162	\$0.198	\$0.227	\$0.233	\$0.240	\$0.247	\$0.254	\$0.262	\$0.270	\$0.278
6 Local Hotel/ Motel Tax (3)	0.206	0.240	0.281	0.295	0.304	0.313	0.322	0.332	0.342	0.352
7 Excise Tax on Rooms (3)	0.147	0.171	0.201	0.211	0.217	0.224	0.230	0.237	0.244	0.252
8 Total	\$0.516	\$0.609	\$0.708	\$0.739	\$0.760	\$0.783	\$0.807	\$0.831	\$0.856	\$0.882

Notes:

1) Total Direct Spending corresponds directly to Line 13 thru 16 in Table 3-7.

2) Sales Tax is calculated off food and beverage and all other revenues, and NOT applied to room revenues.

3) Local Hotel/ Motel Tax and Excise Tax are calculated off room revenues only.

Source: Johnson Consulting

Using the same methodology for calculating fiscal impact of Hotel H-2 and MU-1, Table 3-10 combines the estimated tax revenue of three hotels from Year 1 through Year 30.



Table 3-10

**River 80 Reinvestment District, Davenport, Iowa
Estimated Fiscal Benefits Generated by All Three Hotels
(\$Million)**

		State Sales Tax	Hotel/ Motel Tax	Excise Tax	TOTAL
		A	B	C	D
Year 1	2019	\$0.162	\$0.206	\$0.147	\$0.516
	2	0.365	0.453	0.323	1.141
	3	0.588	0.750	0.535	1.873
	4	0.661	0.842	0.601	2.104
	5	0.703	0.909	0.649	2.261
	6	0.723	0.943	0.673	2.339
	7	0.744	0.971	0.693	2.408
	8	0.766	1.000	0.714	2.480
	9	0.789	1.030	0.736	2.555
	10	0.813	1.061	0.758	2.631
	11	0.837	1.093	0.780	2.710
	12	0.862	1.125	0.804	2.792
	13	0.888	1.159	0.828	2.875
	14	0.915	1.194	0.853	2.962
	15	0.942	1.230	0.878	3.051
	16	0.971	1.267	0.905	3.142
	17	1.000	1.305	0.932	3.236
	18	1.030	1.344	0.960	3.333
	19	1.061	1.384	0.989	3.433
	20	1.093	1.426	1.018	3.536
	21	1.125	1.468	1.049	3.643
	22	1.159	1.512	1.080	3.752
	23	1.194	1.558	1.113	3.864
	24	1.230	1.605	1.146	3.980
	25	1.267	1.653	1.180	4.100
	26	1.305	1.702	1.216	4.223
	27	1.344	1.753	1.252	4.349
	28	1.384	1.806	1.290	4.480
	29	1.426	1.860	1.329	4.614
	30	1.468	1.916	1.369	4.753
Total in 20 Years		\$15.913	\$20.689	\$14.778	\$51.380
Total in 30 Years		\$28.814	\$37.523	\$26.802	\$93.138

Notes:

Column A reflects the sum of sales tax revenues of Hotel H-1 (as shown in Line 5 of Table 3-9), of Hotel H-2, and of Hotel MU-1.

Column B reflects the sum of hotel/ motel tax revenues of Hotel H-1 (as shown in Line 6 of Table 3-9), of Hotel H-2, and of Hotel MU-1.

Column C reflects the sum of excise tax revenues of Hotel H-1 (as shown in Line 7 of Table 3-9), of Hotel H-2, and of Hotel MU-1.

Source: Johnson Consulting



As shown on the table, in 20 year period, direct spending by hotel guests, in and outside the hotels, is estimated to generate approximately \$51.4 million from sales, hotel/ motel, and excise tax, combined. In 30 years, such revenue is expected to amount to approximately \$93.1 million.

IMPACT OF TOURNAMENT CENTER

River 80 Reinvestment District plan calls for a Tournament Center and Outdoor Fields. The Tournament Center is envisioned to be an indoor sports facility that is focused on supporting youth baseball and youth baseball tournaments in particular while also offering programs and services in a variety of other sports, such as softball, lacrosse, soccer, kickball, and flag football.

Our impact analysis of the Tournament Center is based on the project assessments prepared by Ballard*King & Associates. Table 3-11 summarizes its projections of facility revenue from various fees and sales related to the sports activities and others in Year 2 of operation. Assumptions are made with regards to taxability of those sales. In general, fees to enter and/or participate in sports tournaments and activities are subject to tax, while fees to rent the facility or parts of it are not taxable. For practicality and to present a less aggressive estimate, it is assumed that fees and ticket sales from youth baseball, girls softball, other youth sports, and adult sports are all subject to tax, while the remaining sources of revenues are not.

Table 3-11

River 80 Reinvestment District, Davenport, Iowa Tournament Center Estimated Operating Revenues (Year 2)				
Source	Projected Fees and Sales	Sales Taxable? Y/N	Taxable Fees and Sales	Non-Taxable Fees and Sales
Youth Baseball	\$202,120	Y	\$202,120	\$0
Girls Softball	99,980	Y	99,980	0
Other Youth Sports	53,800	Y	53,800	0
Adult Sports	77,400	Y	77,400	0
Other	146,640	N	0	146,640
Rentals	227,980	N	0	227,980
Sponsorships	123,000	N	0	123,000
Total	\$930,920		\$433,300	\$497,620

Source: Ballard*King & Associates, Johnson Consulting

Table 3-12 shows expanded projections of Tournament Center revenues, which essentially reflect the amount of direct spending at the facility, from Year 1 through Year 10.



Table 3-12

River 80 Reinvestment District, Davenport, Iowa Tournament Center and Outdoor Fields Projected Operating Revenues (\$000)											
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	<u>Year Open</u>										
Tournament Center and											
1 Outdoor Fields	2019										
2 Taxable Fees and Sales		\$316	\$433	\$446	\$460	\$473	\$488	\$502	\$517	\$533	\$549
3 Non-Taxable Fees and Sales		362	498	513	528	544	560	577	594	612	630
4 Total		\$678	\$931	\$959	\$988	\$1,017	\$1,048	\$1,079	\$1,112	\$1,145	\$1,179

Source: Johnson Consulting

Applying the same set of multipliers to projected total fees and sales of Tournament Center, the following Table 3-13 shows the estimated indirect spending, induced spending, increased earnings, and employment impact of Tournament Center. Table 3-13 also shows the estimated fiscal impact from the sales tax on the taxable fees and sales figures.

Table 3-13

River 80 Reinvestment District, Davenport, Iowa
Estimated Economic and Fiscal Benefits Generated by Tournament Center and Outdoor Fields

		Economic Impact					Fiscal Impact	
		Direct Spending	Indirect Spending	Induced Spending	TOTAL Spending	Increased Earnings	Employment (in FTE)	Sales Tax
		A	B	C	D	E	F	G
Year 1	2019	\$0.7	\$0.2	\$0.3	\$1.2	\$0.5	13	\$0.019
2	2020	0.9	0.3	0.4	1.7	0.6	17	0.026
3	2021	1.0	0.3	0.4	1.7	0.6	17	0.027
4	2022	1.0	0.3	0.5	1.8	0.7	17	0.028
5	2023	1.0	0.3	0.5	1.8	0.7	17	0.028
6	2024	1.0	0.3	0.5	1.9	0.7	17	0.029
7	2025	1.1	0.4	0.5	1.9	0.7	17	0.030
8	2026	1.1	0.4	0.5	2.0	0.7	17	0.031
9	2027	1.1	0.4	0.5	2.1	0.8	17	0.032
10	2028	1.2	0.4	0.5	2.1	0.8	17	0.033
11	2029	1.2	0.4	0.6	2.2	0.8	17	0.034
12	2030	1.3	0.4	0.6	2.2	0.8	17	0.035
13	2031	1.3	0.4	0.6	2.3	0.9	17	0.036
14	2032	1.3	0.4	0.6	2.4	0.9	17	0.037
15	2033	1.4	0.5	0.6	2.4	0.9	17	0.038
16	2034	1.4	0.5	0.6	2.5	0.9	17	0.039
17	2035	1.5	0.5	0.7	2.6	1.0	17	0.041
18	2036	1.5	0.5	0.7	2.7	1.0	17	0.042
19	2037	1.5	0.5	0.7	2.8	1.0	17	0.043
20	2038	1.6	0.5	0.7	2.8	1.1	17	0.044
21	2039	1.6	0.5	0.7	2.9	1.1	17	0.046
22	2040	1.7	0.6	0.8	3.0	1.1	17	0.047
23	2041	1.7	0.6	0.8	3.1	1.2	17	0.048
24	2042	1.8	0.6	0.8	3.2	1.2	17	0.050
25	2043	1.8	0.6	0.8	3.3	1.2	17	0.051
26	2044	1.9	0.6	0.9	3.4	1.3	17	0.053
27	2045	1.9	0.6	0.9	3.5	1.3	17	0.054
28	2046	2.0	0.7	0.9	3.6	1.3	17	0.056
29	2047	2.1	0.7	0.9	3.7	1.4	17	0.058
30	2048	2.1	0.7	1.0	3.8	1.4	17	0.059
Total in 20 Years		\$24.1	\$8.0	\$11.0	\$43.1	\$16.1	17*	\$0.672
Total in 30 Years		\$42.8	\$14.2	\$19.6	\$76.6	\$28.7	17*	\$1.195

Notes:

Column A corresponds exactly to Line 4 in Table 3-12.

Column G reflects 6% percent of taxable fees and sales on Line 2 of Table 3-12.

*Employment is not additive. The jobs simply continue to the next year.

Source: Johnson Consulting



As shown on the table, the estimated economic impact of the Tournament Center is substantial. Over 20 years, accumulated impact is estimated to amount to \$43.1 million of total spending and 672,000 of sales tax revenues; in 30 years, \$76.6 million of total spending and \$1.2 million of sales tax revenues. These spending activities are expected to support 17 full-time equivalent jobs annually.

IMPACT OF RETAIL AND RESTAURANTS

River 80 Reinvestment District plan calls for 181,500 square feet of retail and restaurants. Table 3-14 shows the program and phasing of the commercial developments. The table also shows assumptions of occupancy and rates prepared by Vandewalle & Associates

Table 3-14

River 80 Reinvestment District, Davenport, Iowa Retail and Restaurants Development Matrix and Assumptions				
	Construction Year	Opening Year	Total SF	Sales/ SF (2015-\$)
C-1 (Sports Retailer)	2016	2019	80,000	\$200
C-2 (Restaurant 1 - P)	2016	2019	12,000	\$175
C-3 (Restaurant 2 - HJ)	2016	2019	5,000	\$175
FR (Flow Rider)	2016	2019	10,000	\$150
C-4	2017	2020	9,900	\$150
C-5	2017	2020	6,600	\$150
MU-1 (first floor commercial)	2018	2021	15,000	\$150
MU-2 (retail)	2019	2022	10,000	\$150
MU-3 (first floor commercial)	2019	2022	15,000	\$150
C-6	2020	2023	18,000	\$150
Total			181,500	

Source: Vandewalle & Associates, Inc.; Johnson Consulting

Table 3-15 shows the estimated annual sales at the commercial space in the Reinvestment District, which offer 181,500 square feet of retail and restaurants, combined. The assumptions for sales per square foot are as prepared by Vandewalle & Associates. Compared to findings in Des Moines Downtown Retail Market Analysis completed by Gibbs Planning Group, Inc. in January 2013, the assumptions seem very much achievable for Davenport market. Brought to today's dollars, average sales of retail and restaurants across business types in Des Moines are \$424 per square foot. For full service restaurants (defined by the consumption of alcohol on premise), they are \$525 per square foot; while for limited service restaurants (with no consumption of alcohol on premise), they are \$330 per square foot. Therefore, no adjustments are made to the sales per square foot assumptions.



Table 3-15

River 80 Reinvestment District, Davenport, Iowa Retail and Restaurants Projected Sales (\$'000)														
			2015	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
	<i>Year Open</i>	<i>Total SF</i>	<i>Sales/SF</i>											
1	C-1 (Sports Retailer)	2019	80,000	\$200	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876	\$21,503	\$22,148	\$22,812	\$23,497
2	C-2 (Restaurant 1 - P)	2019	12,000	\$175	2,364	2,434	2,508	2,583	2,660	2,740	2,822	2,907	2,994	3,084
3	C-3 (Restaurant 2 - HJ)	2019	5,000	\$175	985	1,014	1,045	1,076	1,108	1,142	1,176	1,211	1,248	1,285
4	FR (Flow Rider)	2019	10,000	\$150	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203
5	C-4	2020	9,900	\$150	0	1,722	1,773	1,826	1,881	1,938	1,996	2,056	2,117	2,181
6	C-5	2020	6,600	\$150	0	1,148	1,182	1,218	1,254	1,292	1,330	1,370	1,412	1,454
7	MU-1 (first floor commercial)	2021	15,000	\$150	0	0	2,687	2,767	2,850	2,936	3,024	3,115	3,208	3,304
8	MU-2 (retail)	2022	10,000	\$150	0	0	0	1,845	1,900	1,957	2,016	2,076	2,139	2,203
9	MU-3 (first floor commercial)	2022	15,000	\$150	0	0	0	2,767	2,850	2,936	3,024	3,115	3,208	3,304
10	C-6	2023	18,000	\$150	0	0	0	0	3,420	3,523	3,629	3,737	3,850	3,965
11	Total		181,500		\$23,045	\$26,605	\$30,090	\$35,605	\$40,093	\$41,296	\$42,535	\$43,811	\$45,125	\$46,479

Source: Johnson Consulting

As shown on the table, retail and restaurants at the District are estimated to generate \$40.1 million of sales in Year 5; \$46.5 million in Year 10. These sales figures reflect direct spending. It is assumed that all sales are taxable.

Applying the same set of multipliers to projected sales figures, the following Table 3-16 shows the estimated indirect spending, induced spending, increased earnings, and employment impact of the District’s retail and restaurants. Table 3-16 also shows the estimated fiscal impact from sales tax on those same sales figures.

Table 3-16

		Economic Impact					Fiscal Impact	
		Direct Spending	Indirect Spending	Induced Spending	TOTAL Spending	Increased Earnings	Employment (in FTE)	Sales Tax
		A	B	C	D	E	F	G
Year 1	2019	\$23.0	\$7.7	\$10.6	\$41.3	\$15.5	426	\$1.383
2	2020	26.6	8.8	12.2	47.7	17.9	473	1.596
3	2021	30.1	10.0	13.8	53.9	20.2	515	1.805
4	2022	35.6	11.8	16.3	63.8	23.9	587	2.136
5	2023	40.1	13.3	18.4	71.8	26.9	636	2.406
6	2024	41.3	13.7	19.0	74.0	27.7	631	2.478
7	2025	42.5	14.1	19.5	76.2	28.5	626	2.552
8	2026	43.8	14.6	20.1	78.5	29.4	620	2.629
9	2027	45.1	15.0	20.7	80.8	30.3	620	2.708
10	2028	46.5	15.5	21.3	83.3	31.2	620	2.789
11	2029	47.9	15.9	22.0	85.8	32.1	620	2.872
12	2030	49.3	16.4	22.6	88.3	33.1	620	2.959
13	2031	50.8	16.9	23.3	91.0	34.1	620	3.047
14	2032	52.3	17.4	24.0	93.7	35.1	620	3.139
15	2033	53.9	17.9	24.7	96.5	36.2	620	3.233
16	2034	55.5	18.5	25.5	99.4	37.2	620	3.330
17	2035	57.2	19.0	26.2	102.4	38.4	620	3.430
18	2036	58.9	19.6	27.0	105.5	39.5	620	3.533
19	2037	60.6	20.2	27.8	108.6	40.7	620	3.639
20	2038	62.5	20.8	28.7	111.9	41.9	620	3.748
21	2039	64.3	21.4	29.5	115.3	43.2	620	3.860
22	2040	66.3	22.0	30.4	118.7	44.5	620	3.976
23	2041	68.3	22.7	31.3	122.3	45.8	620	4.095
24	2042	70.3	23.4	32.3	125.9	47.2	620	4.218
25	2043	72.4	24.1	33.2	129.7	48.6	620	4.345
26	2044	74.6	24.8	34.2	133.6	50.0	620	4.475
27	2045	76.8	25.5	35.3	137.6	51.5	620	4.609
28	2046	79.1	26.3	36.3	141.8	53.1	620	4.748
29	2047	81.5	27.1	37.4	146.0	54.7	620	4.890
30	2048	83.9	27.9	38.5	150.4	56.3	620	5.037
Total in 20 Years		\$923.5	\$307.1	\$423.9	\$1,654.5	\$619.6	620*	\$55.410
Total in 30 Years		\$1,661.1	\$552.3	\$762.4	\$2,975.8	\$1,114.5	620*	\$99.664

Notes:

Column A corresponds exactly to Line 11 in Table 3-15.

Column G shows 6% percent of the same sales figures on Line 11 of Table 3-15.

*Employment is not additive. The jobs simply continue to the next year.

Source: Johnson Consulting



As shown on the table, the estimated economic impact of retail and restaurants at the District is substantial. Over 20 years, accumulated impact is estimated to amount to \$1.65 billion of total spending and \$55.4 million of sales tax revenues; in 30 years, \$2.96 million of total spending and close to \$100 million of sales tax revenues. These spending activities are expected to support 620 full-time equivalent jobs annually.

COMBINED IMPACT OF DISTRICT PROJECTS

Table 3-17 shows the estimated economic impact of the hotels, Tournament Center, and retail and restaurants in River 80 Reinvestment District, combined. To avoid double counting, sales at Tournament Center, retail, and restaurants are assumed to include spending by hotel guests outside of the hotels.

Table 3-17

**River 80 Reinvestment District, Davenport, Iowa
Estimated Economic Benefits Generated by Projects (\$Million)**

		Direct Spending				Indirect Spending	Induced Spending	TOTAL Spending	Increased Earnings	Employment (in FTE)
		At Hotels	At Tournament Center	At Retail and Restaurants	Total					
		A	B	C	D	E	F	G	H	I
Year 1	2019	\$4.4	\$0.7	\$23.0	\$28.1	\$9.4	\$12.9	\$50.4	\$18.9	520
	2020	9.9	0.9	26.6	37.4	12.4	17.2	67.1	25.1	668
	2021	16.5	1.0	30.1	47.6	15.8	21.8	85.2	31.9	819
	2022	18.7	1.0	35.6	55.3	18.4	25.4	99.1	37.1	921
	2023	20.2	1.0	40.1	61.3	20.4	28.1	109.8	41.1	985
	2024	20.8	1.0	41.3	63.2	21.0	29.0	113.2	42.4	981
	2025	21.5	1.1	42.5	65.1	21.6	29.9	116.6	43.7	975
	2026	22.1	1.1	43.8	67.0	22.3	30.8	120.1	45.0	970
	2027	22.8	1.1	45.1	69.0	23.0	31.7	123.7	46.3	970
	2028	23.4	1.2	46.5	71.1	23.6	32.6	127.4	47.7	970
	2029	24.1	1.2	47.9	73.2	24.4	33.6	131.2	49.1	970
	2030	24.9	1.3	49.3	75.4	25.1	34.6	135.1	50.6	970
	2031	25.6	1.3	50.8	77.7	25.8	35.7	139.2	52.1	970
	2032	26.4	1.3	52.3	80.0	26.6	36.7	143.4	53.7	970
	2033	27.2	1.4	53.9	82.4	27.4	37.8	147.7	55.3	970
	2034	28.0	1.4	55.5	84.9	28.2	39.0	152.1	57.0	970
	2035	28.8	1.5	57.2	87.4	29.1	40.1	156.7	58.7	970
	2036	29.7	1.5	58.9	90.1	29.9	41.3	161.4	60.4	970
	2037	30.6	1.5	60.6	92.8	30.8	42.6	166.2	62.2	970
	2038	31.5	1.6	62.5	95.6	31.8	43.9	171.2	64.1	970
	2039	32.5	1.6	64.3	98.4	32.7	45.2	176.3	66.0	970
	2040	33.4	1.7	66.3	101.4	33.7	46.5	181.6	68.0	970
	2041	34.4	1.7	68.3	104.4	34.7	47.9	187.1	70.1	970
	2042	35.5	1.8	70.3	107.5	35.8	49.4	192.7	72.2	970
	2043	36.5	1.8	72.4	110.8	36.8	50.8	198.5	74.3	970
	2044	37.6	1.9	74.6	114.1	37.9	52.4	204.4	76.6	970
	2045	38.7	1.9	76.8	117.5	39.1	53.9	210.5	78.9	970
	2046	39.9	2.0	79.1	121.0	40.2	55.6	216.9	81.2	970
	2047	41.1	2.1	81.5	124.7	41.5	57.2	223.4	83.7	970
	2048	42.3	2.1	83.9	128.4	42.7	58.9	230.1	86.2	970
	2049	43.6	2.2	86.5	132.3	44.0	60.7	237.0	88.7	970
	2050	44.9	2.3	89.1	136.2	45.3	62.5	244.1	91.4	970
Total in 20 Years		\$457.1	\$24.1	\$923.5	\$1,404.7	\$467.1	\$644.7	\$2,516.5	\$942.5	970*
Total in 30 Years		\$829.1	\$42.8	\$1,661.1	\$2,533.0	\$842.2	\$1,162.6	\$4,537.8	\$1,699.5	970*

Notes:

Column E, F, H, and I are calculated by applying respective multiplier rates to Total Direct Spending in Column D.

*Employment is not additive. The jobs simply continue to the next year.

Source: Johnson Consulting

As shown on the table, the estimated economic impact of the projects in River 80 Reinvestment District is substantial. Over 20 years, total spending is estimated to amount to \$2.52 billion; in 30 years, \$4.54 billion. These spending activities are expected to support 970 full-time equivalent jobs annually.

Table 3-18 shows the estimated fiscal impact of projects within District, combined.

Table 3-18

		River 80 Reinvestment District, Davenport, Iowa Estimated Fiscal Benefits Generated by Projects (\$Million)			
		State Sales Tax	Hotel/ Motel Tax	Excise Tax	TOTAL
		A	B	C	D
Year 1	2019	\$1.563	\$0.206	\$0.147	\$1.917
	2	1.987	0.453	0.323	2.763
	3	2.420	0.750	0.535	3.705
	4	2.825	0.842	0.601	4.268
	5	3.137	0.909	0.649	4.695
	6	3.230	0.943	0.673	4.846
	7	3.326	0.971	0.693	4.990
	8	3.426	1.000	0.714	5.140
	9	3.529	1.030	0.736	5.294
	10	3.635	1.061	0.758	5.453
	11	3.744	1.093	0.780	5.617
	12	3.856	1.125	0.804	5.785
	13	3.972	1.159	0.828	5.959
	14	4.091	1.194	0.853	6.138
	15	4.214	1.230	0.878	6.322
	16	4.340	1.267	0.905	6.511
	17	4.470	1.305	0.932	6.707
	18	4.604	1.344	0.960	6.908
	19	4.742	1.384	0.989	7.115
	20	4.885	1.426	1.018	7.329
	21	5.031	1.468	1.049	7.548
	22	5.182	1.512	1.080	7.775
	23	5.338	1.558	1.113	8.008
	24	5.498	1.605	1.146	8.248
	25	5.663	1.653	1.180	8.496
	26	5.833	1.702	1.216	8.751
	27	6.008	1.753	1.252	9.013
	28	6.188	1.806	1.290	9.284
	29	6.373	1.860	1.329	9.562
	30	6.565	1.916	1.369	9.849
Total in 20 Years		\$71.995	\$20.689	\$14.778	\$107.462
Total in 30 Years		\$129.672	\$37.523	\$26.802	\$193.997

Source: Johnson Consulting

As shown on the table, in 20 year period, sales at projects within District, combined are estimated to generate approximately \$107.5 million from sales, hotel/ motel, and excise tax, combined. In 30 years, such revenue is expected to amount to approximately \$194 million.



TAX REVENUES ALLOWED BY IRA FOR REINVESTMENT DISTRICT FUNDING

This subsection provides an estimate of the sales tax revenues that is allowed by Iowa Reinvestment Act for District Reinvestment Program. Out of the 6-percent Sales tax, 7-percent Hotel/ Motel tax, and 5-percent Excise tax, the Iowa Reinvestment Act allows only some of it to be used for District Reinvestment Program:

- 4 percent Sales tax on food and beverage, parking, and other revenues, but NOT on rooms, and
- 5 percent Excise Tax on rooms.

Table 3-19 shows the calculation for the hotels.



Table 3-19

River 80 Reinvestment District, Davenport, Iowa Hotels Estimated Sales Tax Revenues Generated within the Hotels only (\$Million)								
		Sales Tax (6%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed by IRA**	Retained by Jurisdictions
		4.0%**	2.0%	7.0%	5.0%			
		A	B	C	D			
Year 1	2019	\$0.058	\$0.029	\$0.206	\$0.147	\$0.441	\$0.206	\$0.236
	2	0.137	0.069	0.453	0.323	0.981	0.460	0.521
	3	0.232	0.116	0.750	0.535	1.633	0.767	0.866
	4	0.268	0.134	0.842	0.601	1.845	0.869	0.976
	5	0.287	0.143	0.909	0.649	1.989	0.936	1.053
	6	0.295	0.147	0.943	0.673	2.058	0.968	1.090
	7	0.303	0.152	0.971	0.693	2.119	0.997	1.122
	8	0.313	0.156	1.000	0.714	2.183	1.027	1.156
	9	0.322	0.161	1.030	0.736	2.248	1.058	1.191
	10	0.332	0.166	1.061	0.758	2.316	1.089	1.227
	11	0.342	0.171	1.093	0.780	2.385	1.122	1.263
	12	0.352	0.176	1.125	0.804	2.457	1.156	1.301
	13	0.362	0.181	1.159	0.828	2.531	1.190	1.340
	14	0.373	0.187	1.194	0.853	2.607	1.226	1.381
	15	0.384	0.192	1.230	0.878	2.685	1.263	1.422
	16	0.396	0.198	1.267	0.905	2.765	1.301	1.465
	17	0.408	0.204	1.305	0.932	2.848	1.340	1.509
	18	0.420	0.210	1.344	0.960	2.934	1.380	1.554
	19	0.433	0.216	1.384	0.989	3.022	1.421	1.600
	20	0.446	0.223	1.426	1.018	3.112	1.464	1.648
	21	0.459	0.229	1.468	1.049	3.206	1.508	1.698
	22	0.473	0.236	1.512	1.080	3.302	1.553	1.749
	23	0.487	0.243	1.558	1.113	3.401	1.600	1.801
	24	0.502	0.251	1.605	1.146	3.503	1.648	1.855
	25	0.517	0.258	1.653	1.180	3.608	1.697	1.911
	26	0.532	0.266	1.702	1.216	3.716	1.748	1.968
	27	0.548	0.274	1.753	1.252	3.828	1.800	2.027
	28	0.564	0.282	1.806	1.290	3.943	1.854	2.088
	29	0.581	0.291	1.860	1.329	4.061	1.910	2.151
	30	0.599	0.299	1.916	1.369	4.183	1.967	2.215
Total in 20 Years		\$6.462	\$3.231	\$20.689	\$14.778	\$45.160	\$21.240	\$23.920
Total in 30 Years		\$11.723	\$5.862	\$37.523	\$26.802	\$81.909	\$38.525	\$43.384

*Applied to food and beverage, parking, and other revenues, but NOT applied to rooms.

Total tax rate is 6 percent, of which 4 percent is allowed by IRA to be available for District Reinvestment Program.

**These tax revenues are available for Reinvestment District Program, as allowed by IRA.

Source: Johnson Consulting

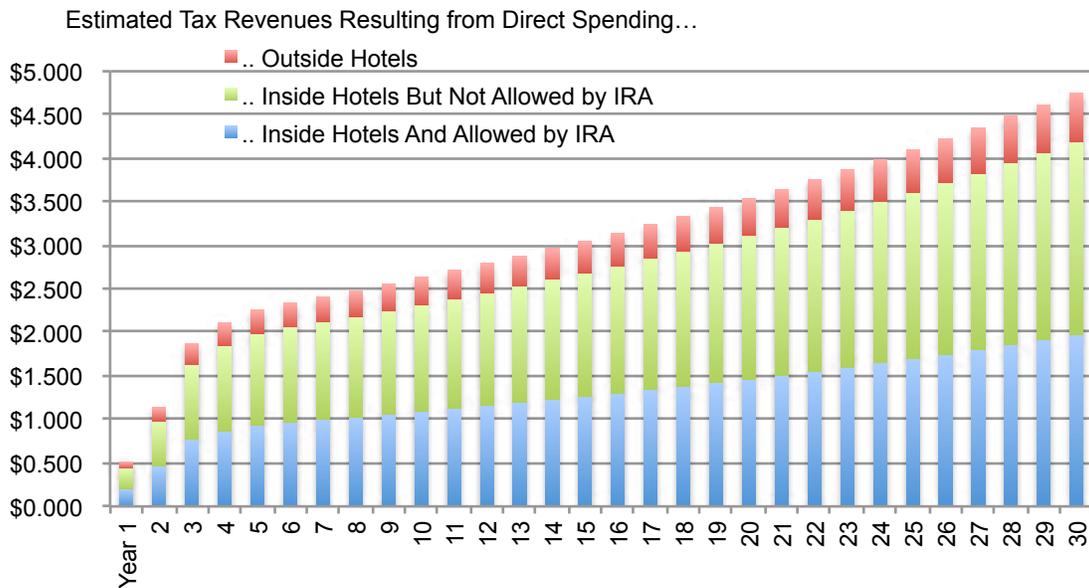


As shown on the table, the hotels is expected to generate approximately \$45.2 million in 20 years from sales tax, hotel/ motel tax, and excise tax, combined; or approximately \$81.9 million in 30 years. The portion of taxes allowed by IRA to be used for Reinvestment District Program is estimated to amount to \$21.2 million in 20 years, or \$38.5 million in 30 years – less than half of total collections.

Figure 3-2 shows the comparison of total sales tax revenues resulting from direct spending by hotel guests and the portion that is allowed by IRA to support Reinvestment District Program.

Figure 3-2

**River 80 Reinvestment District, Davenport, Iowa
Hotels
Comparison of Sales Tax Revenues and the Portion Allowed by IRA for Reinvestment District Program (\$Million)**



	Year 1	Year 5	20-Year Total	30-Year Total	%
Allowed by IRA	\$0.206	\$0.936	\$21.240	\$38.525	41%
Inside Hotels but Not Allowed	\$0.236	\$1.053	\$23.920	\$43.384	47%
Outside Hotels	\$0.074	\$0.272	\$6.220	\$11.229	12%
Total Tax Revenues	\$0.516	\$2.261	\$51.380	\$93.138	100%

Source: Johnson Consulting

The chart shows that the amounts allowed by IRA to be available to support Reinvestment District Program is only 41 percent of the total sales tax collections. The State and local jurisdictions still retain 60 percent of total sales tax collections.



TAX REVENUES GENERATED TOURNAMENT CENTER

Table 3-20 shows the estimated sales tax revenues from Tournament Center and Outdoor Fields site only. The table also shows the portion that is allowed by the Iowa Reinvestment Act allows to be used for Reinvestment District Program.



Table 3-20

**River 80 Reinvestment District, Davenport, Iowa
Tournament Center and Outdoor Fields
Estimated Sales Tax Revenues Generated within the Tournament Center Site only (\$Million)**

		Sales Tax (6%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed by IRA**	Retained by Jurisdictions
		4.0%**	2.0%	7.0%	5.0%			
		A	B	C	D	E	F = A + D	G = E - F
Year 1	2019	\$0.013	\$0.006	na	na	\$0.019	\$0.013	\$0.006
2	2020	0.017	0.009	na	na	0.026	0.017	0.009
3	2021	0.018	0.009	na	na	0.027	0.018	0.009
4	2022	0.018	0.009	na	na	0.028	0.018	0.009
5	2023	0.019	0.009	na	na	0.028	0.019	0.009
6	2024	0.020	0.010	na	na	0.029	0.020	0.010
7	2025	0.020	0.010	na	na	0.030	0.020	0.010
8	2026	0.021	0.010	na	na	0.031	0.021	0.010
9	2027	0.021	0.011	na	na	0.032	0.021	0.011
10	2028	0.022	0.011	na	na	0.033	0.022	0.011
11	2029	0.023	0.011	na	na	0.034	0.023	0.011
12	2030	0.023	0.012	na	na	0.035	0.023	0.012
13	2031	0.024	0.012	na	na	0.036	0.024	0.012
14	2032	0.025	0.012	na	na	0.037	0.025	0.012
15	2033	0.025	0.013	na	na	0.038	0.025	0.013
16	2034	0.026	0.013	na	na	0.039	0.026	0.013
17	2035	0.027	0.014	na	na	0.041	0.027	0.014
18	2036	0.028	0.014	na	na	0.042	0.028	0.014
19	2037	0.029	0.014	na	na	0.043	0.029	0.014
20	2038	0.030	0.015	na	na	0.044	0.030	0.015
21	2039	0.030	0.015	na	na	0.046	0.030	0.015
22	2040	0.031	0.016	na	na	0.047	0.031	0.016
23	2041	0.032	0.016	na	na	0.048	0.032	0.016
24	2042	0.033	0.017	na	na	0.050	0.033	0.017
25	2043	0.034	0.017	na	na	0.051	0.034	0.017
26	2044	0.035	0.018	na	na	0.053	0.035	0.018
27	2045	0.036	0.018	na	na	0.054	0.036	0.018
28	2046	0.037	0.019	na	na	0.056	0.037	0.019
29	2047	0.038	0.019	na	na	0.058	0.038	0.019
30	2048	0.040	0.020	na	na	0.059	0.040	0.020
Total in 20 Years		\$0.448	\$0.224	na	na	\$0.672	\$0.448	\$0.224
Total in 30 Years		\$0.796	\$0.398	na	na	\$1.195	\$0.796	\$0.398

*Applied to Tournament Center's taxable sales figures (Line 2 of Table 3-12).

Total tax rate is 6 percent, of which 4 percent is allowed by IRA to be available for Reinvestment District Program.

**These tax revenues are available for District Reinvestment Program, as allowed by IRA.

Source: Johnson Consulting

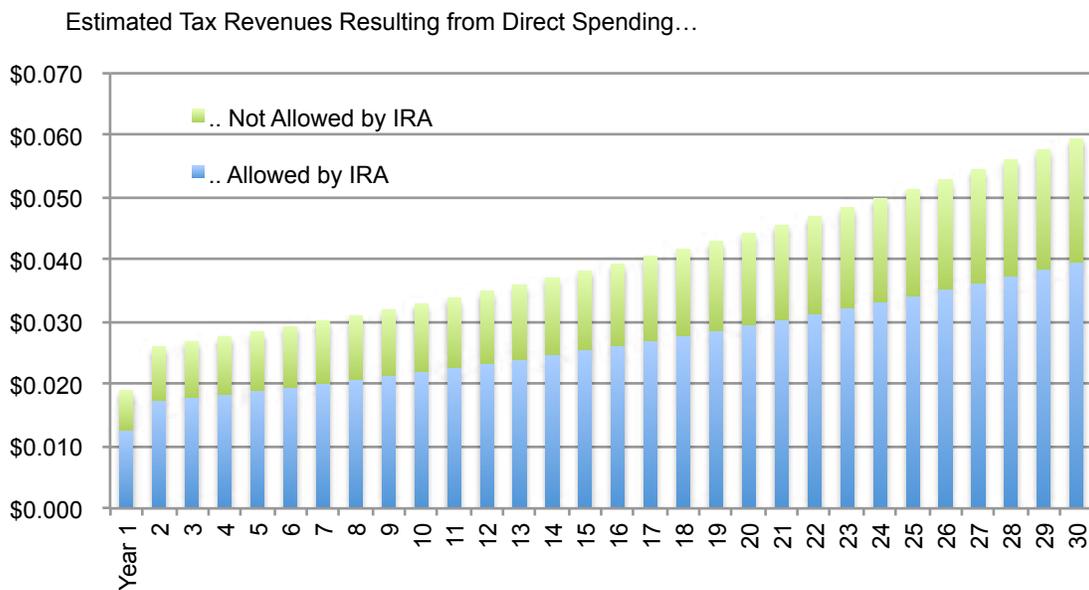


As shown on the table, the Tournament Center are expected to generate approximately close to \$672,000 in 20 years from sales tax; or approximately \$1.2 million in 30 years. The portion of taxes allowed by IRA to be used for Reinvestment District Program is estimated to amount to \$448,000 in 20 years, or \$796,000 in 30 years.

Figure 3-5 shows the comparison of total sales tax revenues resulting from sales within the Tournament Center, and the portion that is allowed by IRA to support Reinvestment District Program.

Figure 3-3

**River 80 Reinvestment District, Davenport, Iowa
Tournament Center and Outdoor Fields
Comparison of Sales Tax Revenues and the Portion Allowed by IRA for Reinvestment
District Program (\$Million)**



	Year 1	Year 5	20-Year Total	30-Year Total	%
Allowed by IRA	\$0.013	\$0.019	\$0.448	\$0.796	67%
Not Allowed by IRA	\$0.006	\$0.009	\$0.224	\$0.398	33%
Total Tax Revenues	\$0.019	\$0.028	\$0.672	\$1.195	100%

Source: Johnson Consulting

The chart shows that the amounts allowed by IRA to be available to support Reinvestment District Program represents two-thirds of the total sales tax collections. The State and local jurisdictions still retain one-third of total sales tax collections.



TAX REVENUES GENERATED AT RETAIL AND RESTAURANTS

Table 3-20 shows the estimated sales tax revenues from the District's retail and restaurants. The table also shows the portion that is allowed by the Iowa Reinvestment Act allows to be used for Reinvestment District Program.



Table 3-21

**River 80 Reinvestment District, Davenport, Iowa
Retail and Restaurants
Estimated Sales Tax Revenues Generated within the Retail and Restaurants Site only (\$Million)**

		Sales Tax (6%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed by IRA**	Retained by Jurisdictions
		4.0%**	2.0%	7.0%	5.0%			
		A	B	C	D	E	F = A + D	G = E - F
Year 1	2019	\$0.922	\$0.461	na	na	\$1.383	\$0.922	\$0.461
2	2020	1.064	0.532	na	na	1.596	1.064	0.532
3	2021	1.204	0.602	na	na	1.805	1.204	0.602
4	2022	1.424	0.712	na	na	2.136	1.424	0.712
5	2023	1.604	0.802	na	na	2.406	1.604	0.802
6	2024	1.652	0.826	na	na	2.478	1.652	0.826
7	2025	1.701	0.851	na	na	2.552	1.701	0.851
8	2026	1.752	0.876	na	na	2.629	1.752	0.876
9	2027	1.805	0.903	na	na	2.708	1.805	0.903
10	2028	1.859	0.930	na	na	2.789	1.859	0.930
11	2029	1.915	0.957	na	na	2.872	1.915	0.957
12	2030	1.972	0.986	na	na	2.959	1.972	0.986
13	2031	2.032	1.016	na	na	3.047	2.032	1.016
14	2032	2.093	1.046	na	na	3.139	2.093	1.046
15	2033	2.155	1.078	na	na	3.233	2.155	1.078
16	2034	2.220	1.110	na	na	3.330	2.220	1.110
17	2035	2.287	1.143	na	na	3.430	2.287	1.143
18	2036	2.355	1.178	na	na	3.533	2.355	1.178
19	2037	2.426	1.213	na	na	3.639	2.426	1.213
20	2038	2.499	1.249	na	na	3.748	2.499	1.249
21	2039	2.574	1.287	na	na	3.860	2.574	1.287
22	2040	2.651	1.325	na	na	3.976	2.651	1.325
23	2041	2.730	1.365	na	na	4.095	2.730	1.365
24	2042	2.812	1.406	na	na	4.218	2.812	1.406
25	2043	2.897	1.448	na	na	4.345	2.897	1.448
26	2044	2.983	1.492	na	na	4.475	2.983	1.492
27	2045	3.073	1.536	na	na	4.609	3.073	1.536
28	2046	3.165	1.583	na	na	4.748	3.165	1.583
29	2047	3.260	1.630	na	na	4.890	3.260	1.630
30	2048	3.358	1.679	na	na	5.037	3.358	1.679
Total in 20 Years		\$36.940	\$18.470	na	na	\$55.410	\$36.940	\$18.470
Total in 30 Years		\$66.443	\$33.221	na	na	\$99.664	\$66.443	\$33.221

*Applied to retail and restaurant sales figures (Line 11 of Table 3-15).

Total tax rate is 6 percent, of which 4 percent is allowed by IRA to be available for District Reinvestment Program.

**These tax revenues are available for District Reinvestment Program, as allowed by IRA.

Source: Johnson Consulting

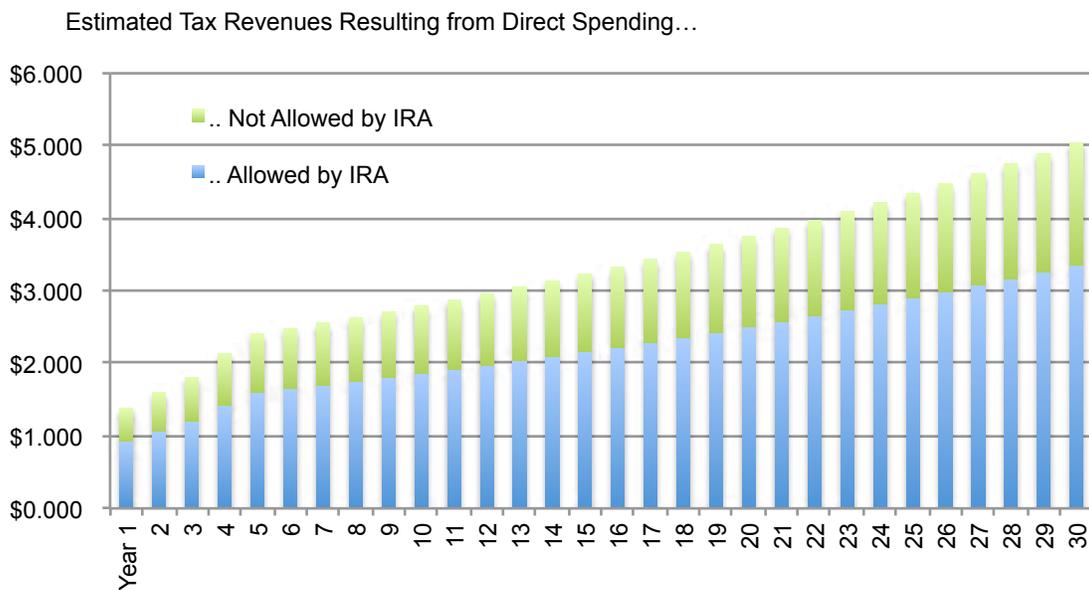


As shown on the table, retail and restaurant at the District are expected to generate approximately close to \$55.4 million in 20 years from sales tax; or approximately \$99.7 million in 30 years. The portion of taxes allowed by IRA to be used for Reinvestment District Program is estimated to amount to \$36.9 million in 20 years, or \$66.4 million in 30 years.

Figure 3-5 shows the comparison of total sales tax revenues resulting from sales at the District retail and restaurants, and the portion that is allowed by IRA to support Reinvestment District Program.

Figure 3-4

**River 80 Reinvestment District, Davenport, Iowa
Retail and Restaurants
Comparison of Sales Tax Revenues and the Portion Allowed by IRA for Reinvestment District Program (\$Million)**



	Year 1	Year 5	20-Year Total	30-Year Total	%
Allowed by IRA	\$0.922	\$1.604	\$36.940	\$66.443	67%
Not Allowed by IRA	\$0.461	\$0.802	\$18.470	\$33.221	33%
Total Tax Revenues	\$1.383	\$2.406	\$55.410	\$99.664	100%

Source: Johnson Consulting

The chart shows that the amounts allowed by IRA to be available to support Reinvestment District Program represents two-thirds of the total sales tax collections. The State and local jurisdictions still retain one-third of total sales tax collections.



COMBINED TAX REVENUES: ALL PROJECTS

Table 3-22 shows the estimated sales tax revenues from District-wide projects only. The table also shows the portion that is allowed by the Iowa Reinvestment Act allows to be used for Reinvestment District Program.



Table 3-22

**River 80 Reinvestment District, Davenport, Iowa
District-wide Projects
Estimated Sales Tax Revenues Generated by Projects within District only (\$Million)**

		Sales Tax (6%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed by IRA**	Retained by Jurisdictions
		4.0%**	2.0%	7.0%	5.0%		F = A + D	G = E - F
		A	B	C	D	E		
Year 1	2019	\$0.993	\$0.496	\$0.206	\$0.147	\$1.843	\$1.140	\$0.703
	2	2020	1.219	0.609	0.453	0.323	2.604	1.062
	3	2021	1.453	0.727	0.750	0.535	3.465	1.476
	4	2022	1.711	0.855	0.842	0.601	4.009	1.697
	5	2023	1.910	0.955	0.909	0.649	4.423	1.864
	6	2024	1.966	0.983	0.943	0.673	4.565	1.926
	7	2025	2.025	1.012	0.971	0.693	4.702	1.983
	8	2026	2.086	1.043	1.000	0.714	4.843	2.043
	9	2027	2.148	1.074	1.030	0.736	4.988	2.104
	10	2028	2.213	1.106	1.061	0.758	5.138	2.167
	11	2029	2.279	1.140	1.093	0.780	5.292	2.232
	12	2030	2.347	1.174	1.125	0.804	5.450	2.299
	13	2031	2.418	1.209	1.159	0.828	5.614	2.368
	14	2032	2.490	1.245	1.194	0.853	5.782	2.439
	15	2033	2.565	1.283	1.230	0.878	5.956	2.512
	16	2034	2.642	1.321	1.267	0.905	6.134	2.588
	17	2035	2.721	1.361	1.305	0.932	6.319	2.665
	18	2036	2.803	1.401	1.344	0.960	6.508	2.745
	19	2037	2.887	1.444	1.384	0.989	6.703	2.828
	20	2038	2.974	1.487	1.426	1.018	6.904	2.912
	21	2039	3.063	1.531	1.468	1.049	7.112	3.000
	22	2040	3.155	1.577	1.512	1.080	7.325	3.090
	23	2041	3.249	1.625	1.558	1.113	7.545	3.183
	24	2042	3.347	1.673	1.605	1.146	7.771	3.278
	25	2043	3.447	1.724	1.653	1.180	8.004	3.376
	26	2044	3.551	1.775	1.702	1.216	8.244	3.478
	27	2045	3.657	1.829	1.753	1.252	8.492	3.582
	28	2046	3.767	1.883	1.806	1.290	8.746	3.689
	29	2047	3.880	1.940	1.860	1.329	9.009	3.800
	30	2048	3.996	1.998	1.916	1.369	9.279	3.914
Total in 20 Years		\$43.850	\$21.925	\$20.689	\$14.778	\$101.242	\$58.628	\$42.614
Total in 30 Years		\$78.962	\$39.481	\$37.523	\$26.802	\$182.768	\$105.764	\$77.004

*Applied to food and beverage, parking, and other revenues, but NOT rooms on Hotels, and taxable sales at Tournament Center, retail, and restaurants. Total tax rate is 6 percent, of which 4 percent is allowed by IRA to be available for District Reinvestment Program.

**These tax revenues are available for Reinvestment District Program, as allowed by IRA.

Source: Johnson Consulting

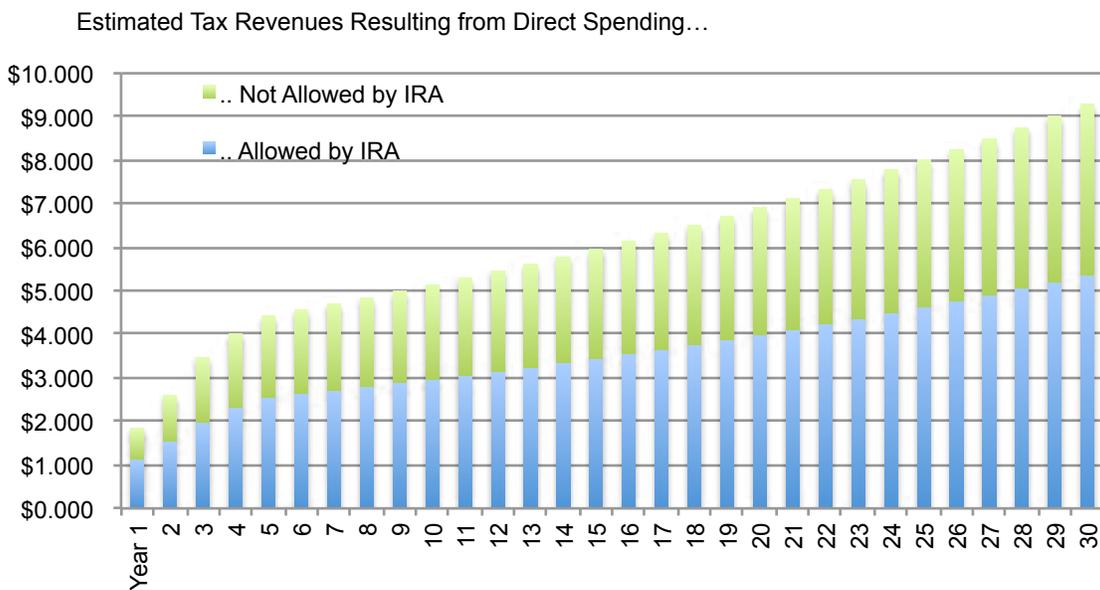


As shown on the table, District-wide projects are expected to generate approximately \$101.2 million in 20 years from sales tax, hotel/ motel tax, and excise tax, combined; or approximately \$182.8 million in 30 years. The portion of taxes allowed by IRA to be used for District Reinvestment Program is estimated to amount to \$58.6 million in 20 years, or \$105.8 million in 30 years.

Figure 3-5 shows the comparison of total sales tax revenues resulting from sales at District-wide projects, and the portion that is allowed by IRA to support Reinvestment District Program.

Figure 3-5

**River 80 Reinvestment District, Davenport, Iowa
District-wide Projects
Comparison of Sales Tax Revenues and the Portion Allowed by IRA for Reinvestment
District Program (\$Million)**



	Year 1	Year 5	20-Year Total	30-Year Total	%
Allowed by IRA	\$1.140	\$2.559	\$58.628	\$105.764	58%
Not Allowed by IRA	\$0.703	\$1.864	\$42.614	\$77.004	42%
Total Tax Revenues	\$1.843	\$4.423	\$101.242	\$182.768	100%

Source: Johnson Consulting

The chart shows that the amounts allowed by IRA to be available to support Reinvestment District Program is 58 percent of the total sales tax collections. The State and local jurisdictions retain 48 percent of total sales tax collections.



OVERALL ECONOMIC AND FISCAL BENEFITS

The preceding analyses demonstrate that the benefit of the projects within River 80 Reinvestment District are significant. While the amount allowed by IRA to help support River 80 Reinvestment District is estimated at \$58.6 million over 20 years (or \$105.8 million over 30 years), the District is estimated to generate annual economic and fiscal impact as shown in Table 4-23.

Table 4-23

River 80 Reinvestment District, Davenport, Iowa Summary of Economic and Fiscal Impact of District-wide Projects (\$Million)					
	Annual Impact			Total Impact	
	Year 1	Year 5	Year 10	20-Year	30-Year
Economic Impact					
Total Spending	\$50	\$110	\$127	\$2,516	\$4,538
Increased Earnings	19	41	48	942	1,699
Increased Employment (FTE)	520	985	970	970*	970*
Fiscal Impact					
Sales Tax	\$1.6	\$3.1	\$3.6	\$72	\$130
Hotel/ Motel Tax	0.2	0.9	1.1	21	38
Excise Tax	0.1	0.6	0.8	15	27
Total	\$1.9	\$4.7	\$5.5	\$107	\$194

**Employment figures are not additive. The jobs simply continue to the following year.
Source: Johnson Consulting*

The estimated annual economic and fiscal impact if growing each year, and the accumulated amounts are huge. Clearly, the projected economic and fiscal benefits of developing the District far outweigh the requested assistance.

Davenport I-80 Development

Project Component Review:

The following is a brief review of the Davenport I-80 Development “Tournament Center” concept and the specific project focus.

- The stated primary market for the “Tournament Center” is people living within a 2.5 to 3 hour driving distance of the site. Utilizing demographic mapping from ESRI (a national demographic firm) the following basic demographic characteristics exist (based on 2014 numbers).

Demographic Characteristics	2.5 Hour Drive	3 Hour Drive	National
Population	4,914,312	11,120,483	316,296,988
Households	1,891,600	4,217,660	119,862,927
Average Household Size	2.52	2.58	2.57
Median Age	37.7	37.7	37.7
Median Household Income	\$54,999	\$57,032	\$52,076
Race and Ethnicity			
White	84.6%	77.2%	71.2%
Black	5.9%	10.9%	12.7%
Hispanic	10.5%	13.1%	17.5%

There is a very large population within a 3 hour driving distance with slightly higher income levels and household size and median age matching the national numbers.

- The “Tournament Center” is envisioned to be an indoor sports facility that is focused on supporting youth baseball and youth baseball tournaments in particular. To accomplish this, the facility will need to contain a minimum of 4 fields and maximum of 8 fields with 60 foot base paths, 200 foot outfield fences, and a ceiling height of at least 40 feet.

It is highly recommended that the center start with 4 formal fields in a first phase along with 2 outdoor fields and a rectangular outdoor field. This space could be utilized for another 4 field indoor “pod” in the future if the market is strong enough.

- The indoor fields should be formal fields with backstops, mounds (portable), scoreboards, etc. There should be high quality, baseball based artificial turf. Rather than dirt infields it is advised that the fields have an artificial turf infield with possible cut-outs at the bases and mound. One of the fields should be designated as a “championship field” that is the same basic size as the others but has enhancements (announcer) and a higher end look and feel. It also may have additional seating.
- Other complementary amenities that should be added include:
 - Batting cages (6 stations minimum)
 - Pitching tunnels (4 stations minimum)

- Other key support spaces that are needed include:
 - Restrooms (no locker rooms)
 - Spectator space (no more than 100 seats per field)
 - Office area/first aid room
 - Meeting/party/tournament room
 - Food service/concession area
 - Lobby/viewing area
 - Storage – a space of at least 2,000 SF off of the field area.
 - Maintenance area
 - Parking – approximately 400 spots

- Spaces that are not needed:
 - Dugouts (actual dugouts)
 - Team locker rooms

- Other possible amenities to consider
 - Sports specific training area
 - Umpires/officials/office area/change room
 - Restaurant (that serves alcohol, run by an outside group)
 - Retail sales operation (run by an outside group)
 - Large roll-up doors that enter into the field area.
 - Small weight/cardio area for training (could also be available for adult use when kids are practicing).
 - Small indoor playground area for younger siblings who are not playing.
 - Hard surfaced court area (as a later phase) to support basketball and volleyball.

Project Issues:

- Baseball participation in the United States has declined in popularity in the last 10 years from a high of 15.9 million in 2004 (all ages and both sexes) to a low of 11.7 million in 2013. This is expected to continue into the future as other sports gain in popularity (lacrosse) and the non-traditional sports sky rocket in popularity. However, in the West North Central region of the United States (includes, Kansas, Iowa, Minnesota, Missouri, Nebraska, North Dakota and South Dakota) the rate of participation is 50% higher than the rest of the country, while in the East North Central region (Illinois, Indiana, Michigan, Ohio and Wisconsin), the rate is 12% lower than the national average. This data is from the National Sporting Goods Association 2014 study on sports participation.

- Indoor sports centers that have the best chance to be financially successful serve a wide range of sports and activity needs for both youth and adults. Focusing on one sport (baseball) is difficult. Most indoor sports centers also provide programs in the following sports:
 - Soccer
 - Flag-football
 - Lacrosse

Other possible sports include:

- Rugby
 - Field hockey
 - Kickball/wiffleball
- Indoor sports centers survive on weekday leagues with local participants. Tournaments, clinics and camps are slotted for the weekends. It is difficult to have a financially successful facility that is primarily focused on tournaments.
 - Filling available time during the winter hours is not particularly difficult but once late spring hits, the youth users/teams head outdoors for practices, games, and tournaments. Time must be filled with camps and clinics during this time as well as adult sports.
 - The center must have uses that are non-sports related activities in the center as well. However, these types of activities should be a lower priority.
 - Daytime uses when possible need to be encouraged. This could include pre-school activities around movement education, the home school market, and public/private schools.
 - Most all of the programs, tournaments, and clinics should be offered as in-house programs rather than being contracted to outside groups or organizations. For camps, having a name baseball (or other players for other sports) player endorse and coach the camps will help sell these camps, especially for out of town participants.
 - There are no known indoor sports facilities with full sized Little League fields and quality baseball fields in the mid-west. However, there are a number of other indoor sports facilities in the Quad Cities area as well as the mid-west that can be adapted for baseball practice, clinics, camps and informal games. So there is some competition for these types of activities.
 - Youth baseball (and Little League in particular) is somewhat seasonal in nature with practice and training beginning as early as January and the season wrapping up in July. There is often a short fall season but little activity in November and December. Combine this with the fact that most youth baseball moves outside as soon as the weather warms up means that the “prime season” for indoor baseball is January through April. This is a short time span.
 - Consideration should be given to contracting for certain programs or services, especially those that are very specialized in nature. Any contracted programs or services should require a payment of a percentage of the fees collected (at least 30%) back to the facility.

Keys to Success:

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- The “Tournament Center” will have to be a first class facility with a great turf/infield playing surface, fields that are well lighted, and a facility that is well managed.
- There will need to be strong partnerships established with Little League Baseball on a local and regional basis (maybe even on a national level). In addition, forming strong partnerships with USSA and its girls’ softball division, local school districts, colleges and other institutions will be important as well.
- The playing field area of the facility will need to have some form of climate control for cooling the center in the summer (it does not have to be air conditioned but evaporative cooling or other options will need to be considered) and heating in the winter months to maximize use for a variety of programs and services.
- Having an indoor facility that is easily and quickly adaptable for many sports uses as well as for other events and activities. This will be the key to financial success.
- While focusing on youth baseball is fine, the center will need to offer programs and services in a variety of other sports. This should start with complimentary sports such as:
 - Girls softball
 - Adult kick-ball
 - Adult whiffle ball

If these activities are not enough to adequately fill the available time in the center then consider adding the following sports:

- Soccer/Futsal
 - Flag Football
 - Lacrosse
- For anything beyond basic concession sales, the center should contract out food service operations to other operators.
 - Retail operations are often difficult to support from just facility use itself. A significant retail component will need to have a strong market presence from the general community as well.
 - It will be absolutely essential that the center has a comprehensive marketing plan and a robust marketing budget.
 - The ability to expand the center with other amenities in the future (hard-court area, etc.). The key is to not over-build a first phase.
 - Programs for youth and adults as well as males, females and also coed play will need to be offered.

Operational Characteristics Review

The following is a preliminary assessment of the type and number of activities and events that could be offered at the “Tournament Center”. In addition, preliminary estimates of potential gross revenues from these activities have also been determined. This is all based on 4 baseball fields (200 ft. fences), 2 lighted outdoor baseball fields (200 ft. fences) and 1 lighted outdoor rectangular sports field.

Potential Activities and Events

This estimate is based on the 2nd full year of operation. It should be anticipated that the first year of operation could be 25% less while there will be additional growth in years 3 and 4. **This is a reasonably aggressive scenario that is being shown.**

Youth Baseball

Tournaments

Leagues – off season leagues

Training Sessions

Camps

Clinics

Girls Softball

Tournaments

Leagues – off season leagues

Camps

Clinics

Other Youth Sports (limited opportunities)

Soccer (tournaments, leagues, camps, clinics)

Lacrosse (tournaments, leagues, camps, clinics)

Flag Football (tournaments, leagues, camps, clinics)

Adult Sports

Soccer (tournaments, leagues)

Kickball (tournaments, leagues)

Flag Football (tournaments, leagues)

Other

Programs

Birthday Parties

Sports Specific Training

Drop –in Use

Rentals

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Sponsorships

Potential Revenue

Youth Baseball Tournaments

Teams	Fee	Tourn.	Total Revenue
32 teams	\$500.00	1	\$16,000
Admission	\$5.00	1,152/tourn.	\$5,760
16 teams	\$400.00	7	\$44,800
Admission	\$5.00	576/tourn.	\$20,160
TOTAL			\$86,720

Youth Baseball Leagues

Title	Teams	Fee	Leagues	Seasons	Total Revenue
<i>Fall</i>	9 teams	\$600.00	3	1 season	\$16,200
<i>Winter</i>	9 teams	\$600.00	3	1 season	\$16,200
TOTAL					\$32,400

Youth Baseball Camps

Title	Registrants	Fee	Camps	Total Revenue
<i>Fall</i>	40 kids	\$150.00	1 camp	\$6,000
<i>Winter</i>	40 kids	\$150.00	1 camp	\$6,000
<i>Spring</i>	40 kids	\$150.00	1 camp	\$6,000
<i>Summer</i>	100 kids	\$150.00	1 camp	\$15,000
TOTAL				\$33,000

Youth Baseball Clinics

Title	Registrants	Fee	Clinics	Total Revenue
<i>Fall</i>	50 kids	\$50.00	2 clinics	\$5,000
<i>Winter</i>	50 kids	\$50.00	2 clinics	\$5,000
<i>Spring</i>	50 kids	\$50.00	2 clinics	\$5,000
<i>Summer</i>	50 kids	\$50.00	2 clinics	\$5,000
TOTAL				\$20,000

Youth Baseball Training Sessions

Title	Registrants	Fee	Days	Total Revenue
<i>Nov.-March</i>	20 kids	\$1,000	2 day/wk.	\$20,000
<i>Nov.-March</i>	20 kids	\$500	1 day/wk.	\$10,000

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TOTAL	\$30,000
Total Youth Baseball - Girls Softball Tournaments	\$202,120

Teams	Fee	Tourn.	Total Revenue
32 teams	\$500.00	1	\$16,000
Admission	\$5.00	1,152/tourn.	\$5,760
16 teams	\$400.00	4	\$25,600
Admission	\$5.00	576/tourn.	\$11,520
TOTAL			\$58,880

Girls Softball Leagues

Title	Teams	Fee	Leagues	Seasons	Total Revenue
<i>Fall</i>	9 teams	\$600.00	2	1 season	\$10,800
<i>Winter</i>	9 teams	\$600.00	2	1 season	\$10,800
TOTAL					\$21,600

Girls Softball Camps

Title	Registrants	Fee	Camps	Total Revenue
<i>Fall</i>	30 kids	\$150.00	1 camp	\$4,500
<i>Spring</i>	30 kids	\$150.00	1 camp	\$4,500
<i>Summer</i>	30 kids	\$150.00	1 camp	\$4,500
TOTAL				\$13,500

Girls Softball Clinics

Title	Registrants	Fee	Clinics	Total Revenue
<i>Fall</i>	30 kids	\$50.00	1 clinic	\$1,500
<i>Winter</i>	30 kids	\$50.00	1 clinic	\$1,500
<i>Spring</i>	30 kids	\$50.00	1 clinic	\$1,500
<i>Summer</i>	30 kids	\$50.00	1 clinic	\$1,500
TOTAL				\$6,000

Total Girls Softball - \$99,980

Other Youth Sports

Youth Tournaments (outdoor)

Teams	Fee	Tourn.	Total Revenue
16 teams	\$300.00	2	\$9,600
Admission	\$5.00	480/tourn.	\$4,800
TOTAL			\$14,400

Youth Leagues (outdoor)

Title	Teams	Fee	Leagues	Seasons	Total Revenue
<i>Soccer</i>	9 teams	\$400.00	1	2 season	\$7,200
<i>Lacrosse</i>	9 teams	\$400.00	1	1 season	\$3,600
<i>Flag Football</i>	9 teams	\$400.00	1	1 season	\$3,600
TOTAL					\$14,400

Youth Sports Camps

Title	Registrants	Fee	Camps	Total Revenue
<i>Soccer</i>	20 kids	\$150.00	2 camps	\$6,000
<i>Lacrosse</i>	20 kids	\$150.00	2 camps	\$6,000
<i>Flag Football</i>	20 kids	\$150.00	2 camps	\$6,000
TOTAL				\$18,000

Youth Sports Clinics

Title	Registrants	Fee	Clinics	Total Revenue
<i>Soccer</i>	20 kids	\$50.00	3 clinics	\$3,000
<i>Lacrosse</i>	20 kids	\$50.00	2 clinics	\$2,000
<i>Flag Football</i>	20 kids	\$50.00	2 clinics	\$2,000
TOTAL				\$7,000

Total Other Youth Sports -

\$53,800

Adult Sports

Adult Tournaments

Teams	Fee	Tourn.	Total Revenue
16 teams	\$400.00	3	\$19,200
Admission	\$5	100/tourn.	\$1,500
TOTAL			\$20,700

Adult Leagues

Title	Teams	Fee	Leagues	Seasons	Total Revenue
<i>Soccer</i>	9 teams	\$700.00	2	2 seasons	\$25,200
<i>Kickball</i>	9 teams	\$700.00	2	2 seasons	\$25,200
<i>Flag Football</i>	9 teams	\$700.00	1	1 season	\$6,300
TOTAL					\$56,700

Total Adult Sports -

\$77,400

Other

Title	Classes	Fee	Sessions/ Weeks	Total Revenue
<i>Youth Movement</i>	3 classes/6 per class	\$40.00/sess.	4 sessions	\$2,880
<i>Birthday Parties</i>	10 per week	\$150/pty.	50 weeks	\$75,000
<i>Other Programs</i>	6 classes/6 per class	\$40.00/sess.	4 sessions	\$5,760
<i>Sports Specific Training</i>	20 per week	\$50/hour	48 weeks	\$48,000
<i>Drop-in Use</i>	50/week	\$6.00	50 weeks	\$15,000
TOTAL				\$146,640

Total Other -

\$146,640

Rentals

Title	Number/Week	Fee	Sessions/ Weeks	Total Revenue
<i>Full Field-baseball (Indoor)</i>	5/week	\$125/hour Prime	26 weeks	\$16,250
<i>Full Field-baseball (Indoor)</i>	5/week	\$95/hour Non-Prime	26 weeks	\$12,350
<i>Full Field-day Tournament (Indoor)</i>	2 Fields	\$750 Day/Field	10 days	\$15,000
<i>Full Field-baseball (outdoor)</i>	5/week	\$25/hour	30 weeks	\$3,750
<i>Full Field-day Tourn. (outdoor)</i>	2 Fields	\$250 Day/Field	6 days	\$3,000
<i>Rectangular Field (outdoor)</i>	3/week	\$25/hour	30 weeks	\$2,250
<i>Meeting Room</i>	2/week	\$30/hour	48	\$2,880
<i>Batting Cage</i>	150/week	\$20/half hour	30 weeks	\$90,000
<i>Pitching Tunnel</i>	110/week	\$25/half hour	30 weeks	\$82,500
TOTAL				\$227,980

Sponsorships

Type	Fee/Yearly	Number	Total Revenue
Website	\$2,500	6	\$15,000
Digital Signage	\$3,000	12	\$36,000
Banners	\$2,000	16	\$32,000
Scoreboard	\$3,000	4	\$12,000
Center Signage	\$4,000	2	\$8,000
Primary Facility	\$20,000	1	\$20,000
TOTAL			\$123,000

Note: No revenue from potential naming rights of the entire center have been shown.

Total Revenue

Source	Total
Youth Baseball	\$202,120
Girls Softball	\$99,980
Other Youth Sports	\$53,800
Adult Sports	\$77,400
Other	\$146,640
Rentals	\$227,980
Sponsorships	\$123,000
Grand Total	\$930,920

Note: No revenue has been shown from parking or lease payments for restaurants or retail.

*Activity Totals*Tournaments

Sport	Yearly
Baseball-Youth	8
Softball- Girls	5
Other Youth Sports	2
Adult Sports	3
Sub-Total	18
Rentals	8
Total	26

Leagues

Sport	Per Season	Yearly Total	Total Teams
Baseball-Youth	3	6	54
Softball- Girls	2	4	36
Other Youth Sports	3	4	36
Adult Sports	5	9	81
Total	13	23	207

Camps

Sport	Yearly
Baseball-Youth	4
Softball- Girls	3
Other Youth Sports	6
Adult Sports	0
Total	13

Clinics

Sport	Yearly
Baseball-Youth	8
Softball- Girls	4
Other Youth Sports	7
Adult Sports	0
Total	19

Operational Structure

It is anticipated that the center will be run by a General Manager that is hired by the owner. This position will need to be supported by a Program Supervisor and an Operations Supervisor. There will also need to be an in-house Marketing/Event Coordinator.

Most sports instructors, umpires and maintenance staff should be part-time employees or contract providers.

Economic Impact Projections

It must be recognized that is difficult to project the true economic impact of the “Tournament Center” this early in the planning process. Economic impact is based in large part on the number of users that the facility will attract, their length of stay and reason for the visit. As a result projecting the economic impact for a future sports center requires general estimates of these factors.

With this in mind, listed below is a preliminary estimate of the possible economic impact of the center and its facilities based on the operations characteristics that have been developed. These calculations do not note from where in the area the economic impact is being drawn (City of Davenport or other neighboring communities). The level of expenditure for day and overnight visitors has been provided by the Quad Cities Convention and Visitors Bureau.

What follows are aggressive economic impact projections based on the full use numbers indicated in the previous section.

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Tournaments – The greatest number of users from outside of the Quad Cities market area will be from tournaments held at the facility. Below is shown the economic impact from the various tournaments that are projected to be conducted at the center. Each tournament has been divided between local and out of town teams with the potential economic impact figured for both.

Category:	Visits	\$/Visit	Total Amount
<i>Youth Baseball</i>			
10 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 1 tournament	960	\$35	\$33,600
22 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 1 tournament	2,112	\$180	\$380,160
5 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 7 tournaments	3,360	\$35	\$117,600
11 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 7 tournaments	7,392	\$180	\$1,330,560
<i>Girls Softball</i>	0		0
10 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 1 tournament	960	\$35	\$33,600
22 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 1 tournament	2,112	\$180	\$380,160
5 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 4 tournaments	1,920	\$35	\$67,200
11 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 4 tournaments	4,224	\$180	\$760,320
<i>Youth Tournaments (outdoor)</i>	0		0
6 <u>local</u> teams x 15 players/coaches x 3/family x 2 days x 2 tournament	1,080	\$35	\$37,800
10 <u>out of town</u> teams x 15 players/coaches x 3/family x 2 days x 2 tournament	1,800	\$180	\$324,000
<i>Adult Tournaments</i>	0		0
6 <u>local</u> teams x 13 players x 1.5/family x 2 days x 3 tournaments	702	\$35	\$24,570
10 <u>out of town</u> teams x 13 players x 1.5/family x 2 days x 3 tournaments	1,170	\$180	\$210,600
Total	27,792		\$3,700,170

Other Tournaments (Rentals)

In addition to the in-house tournaments noted above, it is also estimated that there will be fields rented for tournaments organized and operated by other groups.

Category:	Visits	\$/Visit	Total Amount
<i>Youth Baseball/Girls Softball (Indoor)</i>			
8 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 5 tournaments	3,840	\$35	\$134,400
8 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 5 tournaments	3,840	\$180	\$691,200
<i>Youth Baseball/Girls Softball (Outdoor)</i>	0		0
8 <u>local</u> teams x 16 players/coaches x 3/family x 2 days x 3 tournaments	2,304	\$35	\$134,400
8 <u>out of town</u> teams x 16 players/coaches x 3/family x 2 days x 3 tournaments	2,304	\$180	\$414,720
Total	12,288		\$1,374,720

Camps

The other activity at the “Tournament Center” that could draw out of town visitors are the camps that would be offered by the facility.

Category:	Visits	\$/Visit	Total Amount
<i>Youth Baseball</i>			
35 <u>local</u> players x 5 days x 3 camps	525	\$35	\$18,375
5 <u>out of town</u> players x 1.5/family x 5 days x 3 camps	113	\$180	\$20,250
70 <u>local</u> players x 5 days x 1 camp	350	\$35	\$12,250
30 <u>out of town</u> players x 1.5/family x 5 days x 1 camp	225	\$180	\$40,500
<i>Girls Softball</i>	0		0
25 <u>local</u> players x 5 days x 3 camps	375	\$35	\$13,125
5 <u>out of town</u> players x 1.5/family x 5 days x 3 camps	113	\$180	\$20,340
<i>Youth Sports</i>	0		0
18 <u>local</u> players x 5 days x 6 camps	540	\$35	\$18,900
2 <u>out of town</u> players x 1.5/family x 5 days x 6 camps	90	\$180	\$16,200
Total	2,331		\$159,940

Total Economic Impact from Tournaments and Camps

The following is a total summation of the expected economic impact as well as expected hotel nights from tournaments and camps taking place at the “Tournament Center”.

Category:	Visits	Total Amount	Total Hotel/Nights
Tournaments	27,792	\$3,700,170	6,660
Other Tournaments	12,288	\$1,374,720	2,048
Camps	2,331	\$159,940	360
Total	42,411	\$5,234,830	9,068

Tournament Center Programs and Services

Leagues/Programs – It is projected that the vast majority of participants in leagues and programs at “Tournament Center” will be individuals from the Quad Cities market area. As a result there is a much lower estimate for economic impact from these activities. In fact it should be known that some organizations do not recognize any direct economic impact from these sources. As a result Ballard*King & Associates has reduced the per visit dollars spent to 25% of the daily total.

Category:	Visits	\$/Visit	Total Amount
Youth Baseball			
<i>Leagues</i>			
9 teams x 16 players/coaches x 2/family x 8 games x 3 leagues x 2 seasons	13,824	\$8.75	\$120,960
<i>Clinics</i>			
50 kids x 2/family x 8 clinics	800	\$8.75	\$7,000
<i>Training Sessions</i>			
20 kids x 2/family x 2/wk x 20 weeks	1,600	\$8.75	\$14,000
20 kids x 2/family x 1/wk x 20 weeks	800	\$8.75	\$7,000
Girls Softball	0		0
<i>Leagues</i>			
9 teams x 16 players/coaches x 2/family x 8 games x 2 leagues x 2 seasons	9,216	\$8.75	\$80,640
<i>Clinics</i>			
30 kids x 2/family x 4 clinics	240	\$8.75	\$2,100
Other Youth Sports	0		0
<i>Leagues</i>			
9 teams x 13 players/coaches x 2/family x 8 games x 1 leagues x 2 seasons	3,744	\$8.75	\$32,760
9 teams x 13 players/coaches x 2/family x 8 games x 1 leagues x 2 seasons	3,744	\$8.75	\$32,760
<i>Clinics</i>			
20 kids x 2/family x 7 clinics	280	\$8.75	\$2,4500
Adult Sports	0		0
9 teams x 12 players x 1.5/family x 8 games x 4 leagues x 2 seasons	10,368	\$8.75	\$90,720
9 teams x 12 players x 1.5/family x 8 games x 1 league x 1 season	1,296	\$8.75	\$11,340
Other Programs	0		0
Youth Movement (3 classes x 6 per x 2/family x 4 sessions)	144	\$8.75	\$1,260
Birthday Parties (10/wk. x 15 per x 2/family x 50 weeks)	15,000	\$8.75	\$131,250
Other Programs (6 classes x 6 per x 2/family x 4 sessions)	288	\$8.75	\$2,520
Sports Specific Training (20/wk. x 2/family	1,920	\$8.75	\$16,800

Ballard*King & Associates

x 48 weeks)			
Drop-in Use (50/wk. x 1.5/family x 50 weeks)	3,750	\$8.75	\$32,813
Total	33,046		\$311,203

Rentals (Non-Tournament)

Category:	Visits	\$/Visit	Total Amount
<i>Baseball Indoor</i>			
5/week x 16 players/coaches x 2/family x 52 weeks	8,320	\$8.75	\$72,800
<i>Baseball Outdoor</i>	0		0
5/week x 16 players/coaches x 2/family x 30 weeks	4,800	\$8.75	\$42,000
<i>Rectangular Field Outdoor</i>	0		0
3/week x 15 players/coaches x 2/family x 30 weeks	2,700	\$8.75	\$23,625
<i>Meeting Room</i>	0		0
2/week x 15 per x 48 weeks	1,440	\$8.75	\$12,600
<i>Batting Cage</i>	0		0
150/week x 5 per x 2/family x 30 weeks	45,000	\$8.75	\$393,750
<i>Pitching Tunnel</i>	0		0
110/week x 5 per x 2/family x 30 weeks	33,000	\$8.75	\$288,750
Total	95,260		\$833,525

Total Estimated Economic Impact from Programs, Services and Rentals

The following is a total summation of the expected economic impact from programs, services and rentals taking place at the “Tournament Center”.

Category:	Visits	Total Amount
Programs and Services	33,046	\$311,203
Rentals	95,260	\$833,525
Total	128,306	\$1,144,728

Grand Total of Possible Economic Impact from the Tournament Center

The following is a grand total of the expected full economic impact as well as expected hotel nights from activities and events taking place at the “Tournament Center”.

Category:	Visits	Total Amount	Total Hotel/Nights
Tournaments	27,792	\$3,700,170	6,660
Other Tournaments	12,288	\$1,374,720	2,048
Camps	2,331	\$159,940	360
Programs and Services	33,046	\$311,203	0
Rentals	95,260	\$833,525	0
Total	170,717	\$6,379,558	9,068

Note: It is important to realize that the same individual (or family) could be counted as a “visit” in several categories based on how they utilize the center over the course of the day. Therefore overall economic impact revenue could be lower.

These economic impact projections are based on an aggressive use of the center and a significant number of tournaments taking place at the facility. If this type of use is not realized, then the overall dollar amount of the economic impact could be considerably lower. As a result, the \$6,379,558 in total expected economic impact should be considered at the high end of threshold.

Many calculations of economic impact take the \$6,379,558 number and use a multiplier to determine how many times a dollar will “roll over” in the community. There has been no attempt to develop a multiplier for this base number.

In addition to the economic impact from users of the facility, it is not unusual to determine the economic impact from expenditures at the center for staff and operating supplies and services. The possible financial impact from this source as not been calculated.

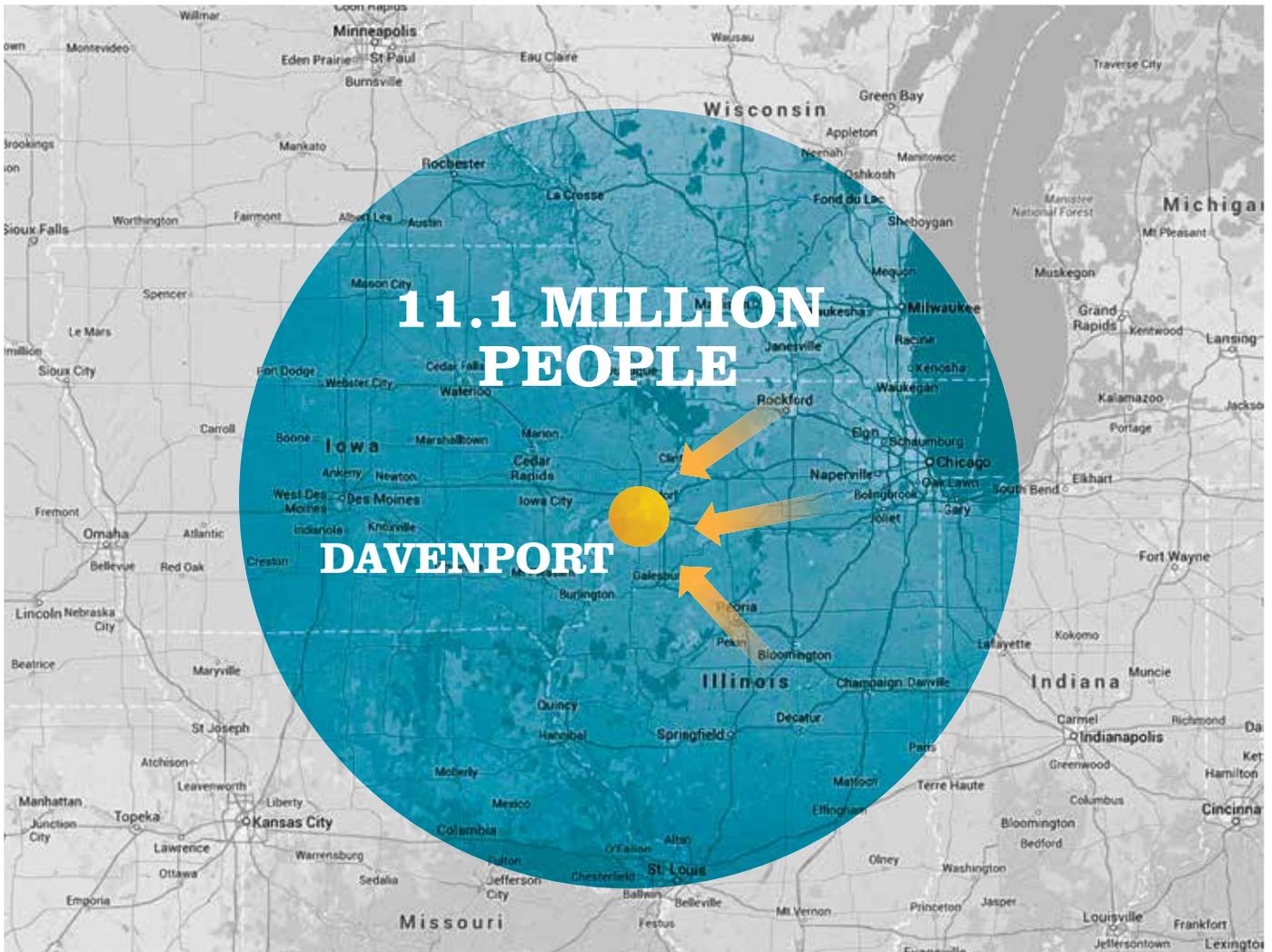
SECTION D | Unique in Nature

THE RIVER 80 REINVESTMENT DISTRICT IS UNIQUE IN FOUR WAYS.

1 IDEAL LOCATION:

The interchange of Interstates 80 and 74 is a location unlike any other in Iowa. Interstate 74 is the economic spine of the Quad Cities and Interstate 80 is the most traveled road in the state. Together, Interstate 74 and Interstate 80 carry nearly 75,000 cars per day. Equidistant between the Des Moines and Chicago metro regions, Davenport lies within a 3 hour drive of more than four million households and eleven million people. By a wide margin, I-74 and I-80 is the Interstate location closer to more people and more market capacity than any other location in Iowa.

Local access is similarly efficient. The District is bounded by two Interstates and two regional arterials, now being extended. \$45 million of recent and currently underway road improvements have solidified the location as the undisputed retail center of the Quad City regional market.



2 AMENITIES:

The Reinvestment District will include attractions unique in the Midwest, and nationally. Separately, the indoor / outdoor Sports Tournament Center and the indoor / outdoor “FlowRider” are unique in the Midwest. Together, they’ll create a nationally unique destination. Sports tournaments can be guaranteed, regardless of cold in the winter or rain in the summer. The “FlowRider” gives kids something to do when they’re not on the field and the restaurants are situated to overlook the fields, giving a uniquely comfortable perspective from which to watch the games. “Retail therapy” is available for those who need it, and hotels provide rest for the next day’s fun. There is nothing like the combination of attractions the River 80 District offers in Iowa, or the Midwest.



3 COMMUNITY TRANSFORMATION:

The River 80 Reinvestment District is a carefully planned destination within a larger 250 acre master planned mixed use development. The 250 acre area will add another \$180 million in tax base, beyond the \$73.8 million of investment within the 25 acre Reinvestment District itself.

The Sports Tournament Center, “FlowRider” and related hotels, retail and restaurants will combine to transform Davenport’s Interstate 80 gateway, as it transforms eastern Iowa to be a year round destination for youth and family sports and recreation tourism.

With the Reinvestment District program’s unique capacity to create the sports tourism assets in the 25 acre River 80 district, the City’s visionary idea to dedicate City hotel tax revenue to riverfront improvements is a further transformation. Davenport’s RiverVision planning, guided by internationally recognized Hargreaves Associates, is poised to welcome Viking Cruise Line customers to Iowa in 2017. **Supporting the River 80** application actually **creates two streams of new tourist revenue to Iowa**. One along I-80. One along our beloved riverfront. **“River, 80”**.

TURN THE PAGE TO SEE THE

TRANSFORMATION

BEFORE



AFTER



AFTER



AFTER



BEFORE



AFTER (MEANWHILE, DOWN ON THE RIVERFRONT)



BEFORE



AFTER (MEANWHILE, DOWN ON THE RIVERFRONT)



4 ECONOMIC IMPACT:

The unique location, unique amenities and transformative planning combine to create extraordinary impact for the Davenport community, QC region and state. Setting aside the income revenue from 970 projected new jobs, the **State** is projected to **receive \$38.6 million more** in hotel and sales tax **than it returns** in total through the River 80 Reinvestment District, while the community transforms both its Interstate 80 gateway and downtown riverfront.

THE NET ECONOMIC IMPACT OF THE 25 ACRE DISTRICT IS PROJECTED TO EXCEED \$2.5 BILLION, WHILE THE TRANSFORMATIVE IMPACT ON DAVENPORT'S ONE OF A KIND RIVERFRONT IS BEYOND MEASURE.



SECTION E | Certification and Release of Information

I hereby give permission to the Iowa Economic Development Authority (IEDA) to engage in due diligence, make credit checks, contact the applicant's financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IEDA state tax information pertinent to the state income tax, sales and use tax, and state tax credits involved with the Iowa Reinvestment District.

I understand that all information submitted to IEDA related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22).

I understand that IEDA reserves the right to negotiate the financial assistance.

I understand this application is subject to final approval by IEDA and the Project may not be initiated until final approval is secured.

I hereby certify that all representations, warranties, or statements made or furnished to IEDA in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

FOR THE APPLICANT:



Craig Malin, City Administrator

3/12/15

Date

APPENDIX

March 11, 2015

Debi Durham
Iowa Economic Development Authority
200 East Grand
Des Moines, IA 50309

Dear Ms. Durham:

The Downtown Davenport Partnership (DDP) writes to indicate our support for Davenport's revised "River80" application currently under consideration by IEDA.

The City's application is unique among all others in that it promotes new development at one of the most significant intersections in the region, while leveraging this new development to further enhance Davenport's riverfront revitalization. The City is pledging 2% of the hotel tax from the district to be allocated towards downtown riverfront improvements outlined in our RiverVision plan. This investment is estimated at \$4.4M over 20 years.

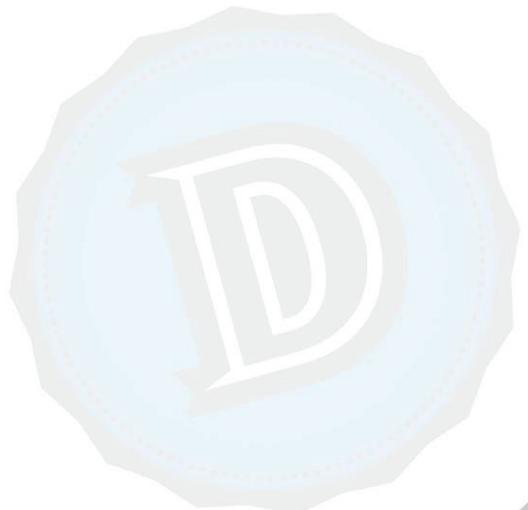
From the construction of a boat dock and sculpture garden, to increased public access on the riverfront, RiverVision would provide a wide array of amenities aimed at spurring greater investment downtown. The continued implementation of riverfront improvements via the River80 proposal is critical to our progress, and we applaud the City for leveraging interstate development to still benefit downtown.

We respectfully request IEDA move Davenport's application forward.

Sincerely,



Kyle Carter
Executive Director, Downtown Davenport Partnership





March 12, 2015

Debi Durham
Iowa Economic Development Authority
200 East Grand Avenue
Des Moines, IA 50309

Dear Debi:

The Quad Cities Chamber of Commerce is pleased to voice support for the Reinvestment District application submitted by the City of Davenport. The **River 80** proposal for the I-80 / I-74 site has huge upside potential for northeast Davenport, the central business district downtown and the residents of Scott County.

As the regional economic development organization, the Chamber is interested in expanding the tax base in each of our Quad-City communities so that all local government partners can continue to provide and tout a wide array of services and amenities important to the growth and vitality of our region. Davenport's **River 80** project will drive new hotel and sales tax revenue, attract private sector investment and create jobs – all key elements that stimulate and contribute to a stronger regional economy. We especially appreciate the City's continued commitment to downtown / riverfront development while leveraging the interest of private sector investors in creating new spaces that will capture the interest of residents and visitors alike. This unique mix aligns with our commitment to support balanced growth in all parts of our community.

It is with high regard for our City of Davenport partners that we ask for your favorable consideration of their application.

Sincerely,

A handwritten signature in black ink that reads 'Tara E. Barney'.

Tara E. Barney
President and CEO



MARVELS ON THE MISSISSIPPI™

March 11, 2015

Re: Letter of Support

Dear Sirs:

The Quad Cities Convention & Visitors Bureau is excited to support the City of Davenport's River 80 application which is being considered by IEDA. The River 80 project involves significant private sector investment at one of the region's most significant interstate interchanges, while leveraging this investment to further enhance the revitalization of the community's riverfront. The dual-benefit of Davenport's application is unique and creates opportunities for enhanced tourism in our region.

Davenport's River 80 application presents a project that promotes family-oriented recreation opportunities locally, while creating a venue which will also attract visitors and enthusiasts from outside the region. Our local economy will receive a significant boost from the project's anticipated 9,000 hotel room nights.

This new venue, with all of the associated development including the Flowrider will create a hub of recreation and tourism activity which will allow us to be much more competitive in attracting regional and national sporting events.

We appreciate IEDA's consideration of this project.

Sincerely,

A handwritten signature in black ink that reads "Joe Taylor".

Joe Taylor
President/CEO
Quad Cities Convention & Visitors Bureau

BENTLEY SECURITIES CORPORATION

250 Park Avenue
New York, New York 10177

March 13, 2015

Mr. Rodney A. Blackwell
Managing Partner
Financial District Properties
201 N. Harrison Street
Suite 240
Davenport, IA 52701

Dear Mr. Blackwell:

We understand that Financial District Properties (the “Sponsor”) is contemplating the development of an approximate 200 acre parcel of land near the intersection of Interstates 74 and 80 in Davenport, Iowa (the “Development”). You have advised us that the purpose of the Development is to build a mixed use facility on the Development. It is our understanding that the estimated cost of the Development is approximately \$73.8 million (the “Financing”).

Based on the conversations we have had and written materials we have received to date, we are pleased to confirm that Bentley Securities Corporation (“Bentley”) believes that it will be able to arrange the Financing of the Development, subject to: (i) satisfactory market conditions and no material adverse change in the business or prospects of the Development; (ii) satisfactory completion of our due diligence the Development; (iii) Bentley’s receipt of an executed engagement agreement with terms, including indemnification, acceptable to Bentley; (iv) approval from our internal committees.

For the avoidance of doubt, this letter is not a guarantee of the availability of the Financing, which will be done on a “best efforts” basis. Nothing herein shall be deemed to constitute any commitment by Bentley to arrange the Financing; such commitment shall be evidenced only by the execution and delivery of, and shall be subject to the terms and conditions of, the definitive documentation referred to above.

Sincerely,

BENTLEY SECURITIES CORPORATION



Peter Marcil
Managing Director



Craig Malin, City Administrator

226 W. Fourth Street, Davenport, IA 52801

Phone: 563.326.6139

Email: ctm@ci.davenport.ia.us

3.13.15