

MAXWELL DEVELOPMENT, LLC  
3011 Sierra Court SW  
Iowa City, IA 52240

August 19, 2011

Mayor and City Council  
City of University Heights, Iowa  
1004 Melrose Avenue  
University Heights, Iowa 52246

Re: City of University Heights-One University Place Project

Dear Mayor From and City Councilors:

As a result of the Johnson County Board of Supervisors decision to not participate in the Tax Increment Financing of One University Place and the continued resistance from community members to certain aspects of the project I have reevaluated the project and the requested financial support from the City and submit the following modification for your consideration.

**Scope of Project**

To address the concerns of certain community members I am willing to reduce the scale of the project by reducing the footprint of each of the two buildings. This will result in a reduction in the maximum number of residential units from 79 to 69, and reduce the amount of commercial space on the first floor of the mixed use building by approximately 1470 square feet.

## **Improvement of the Sunset/Melrose intersection**

In an attempt to mitigate the financial impact of the County's unwillingness to participate in the TIF financing, and to respond to certain Council and community member input that the Sunset intersection does not need to be improved, I propose that the intersection not be improved or modified as a part of the One University Place project.

## **Revised TIF Proposal**

I respectfully request the City Council consider the following modifications to the TIF proposal provided to you dated June 6, 2011:

\$6,500,000 reimbursement ceiling.

An initial commitment by the City of an amount equal to 80% of its allowable debt ceiling, with the balance reaffirmed annually by the City until such time as the entire \$6,500,000 has been paid or the reimbursement time frames have sooner expired.

Earmark of 90% of the incremental taxes collected on the property toward the TIF obligation until it is retired.

The commercial space set aside for the community center will be reduced to 2,500 square feet based on feedback received from the Council. As a result of the county's unwillingness to participate in the agreement, title of the community center will be retained by the developer until the full TIF obligation has been committed to, as detailed in section 13 of the June 6<sup>th</sup> letter. As an additional incentive to the community, I am willing to build out the community center to a commercial acceptable level of finish at no cost to the city.

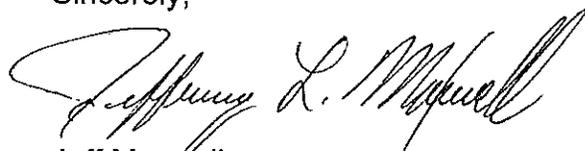
Elimination of the additional proposal for the neighborhood market/deli marketing incentive.

## **Summary**

This proposal is being offered to the Council as an attempt to reach out to the opposition within the community. I believe we have addressed the significant objections we have heard at Council meetings and work sessions, including the request to reduce the density, not modify the Sunset intersection and the preservation of the large oak tree.

I appreciate your consideration of this alternative proposal and look forward to discussing it with you at the work session on August 23<sup>rd</sup>.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey L. Maxwell". The signature is written in black ink and is positioned above the printed name.

Jeff Maxwell

CC: Steve Ballard, City Attorney  
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