



MAYOR'S MEMO

Community Updates, Directly From Your Mayor

Welcome To The Fifth Edition!

TOPICS: Legislative Collaboration & Budget Impacts, Threats to TIF & City Development, Plus Meet K-9 Kilo



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Before diving into the details, I want to thank Rep. Brooke Boden for engaging in late-session conversations via text. She requested data related to property tax legislation and other bills impacting cities. We also provided her with information on Tax Increment Financing (TIF).

In collaboration with other cities, we shared TIF data not only from Indianola but also from Carlisle and Knoxville. Thanks to those city administrations for delivering timely data. We also informed Rep. Boden that Indianola stands to lose \$540,000 annually if utility franchise fees are reduced from 5% to 3%.

These efforts were crucial because all cities are affected by House File 718, which limits the ability to capture increased property values, especially for newly-improved properties. It caps growth and mandates lower city levies, creating a financial strain on municipalities. Additional proposed legislation would have compounded the impact on city, county and school budgets.

THE REALITIES OF PROPERTY TAX

Nobody enjoys paying property taxes. I don't either. But they allow us to spread the cost of services across all residents and lower the individual burden. When revenue declines, as it has under HF 718, cities must make difficult choices: Reduce or eliminate services,

or charge users more. Indianola has done all three to balance our budget.

To offset reduced revenue, we've implemented or will implement higher fees and service cuts. Examples include increased yard waste and brush disposal fees, higher admission at the Veterans Memorial Aquatic Center, reduced funding for street maintenance and equipment replacement and adjustments to fees at the Indianola Wellness Campus. Previously, a small portion of property taxes helped fund these services that helped spread the costs more evenly.

TAX INCREMENT FINANCING (TIF) AT RISK

As it is currently written, legislation under consideration would essentially dismantle TIF as we know it and stifle new development. Nearly all development north of Hillcrest Avenue is tied to TIF agreements some dating back to 2012. TIF allows cities to fund infrastructure like roads, sewer, water and fiber through bonds and are repaid by the increased property tax revenue generated by development. Most TIF funds support these critical services.

One proposed bill, still eligible next session, would cap TIF growth at 2% and effectively end both new and existing agreements. Without protections, cities could be forced to repay existing commitments out-of-pocket. For Indianola, that is roughly \$29 million. For Carlisle, it's around \$650,000, and the same can be said for Knoxville.

While Indianola has had the foresight to include escape clauses in our TIF agreements should lawmakers make substantial changes, not all cities have done this. No bank, developer or city is going to want to take the risk of losing the amounts of money these developments take to complete. This could mean not only the loss of a development, but loss of jobs and even a contractor's business.



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MEET KILO, INDIANOLA'S K-9 OFFICER

Did you know that the Indianola Police Department has a four-legged officer on the team? Kilo, our certified police K-9, has played a vital role in law enforcement efforts across the community. Yes, dogs can hold the title of "officer," and Kilo has certainly earned it alongside K-9 handler Officer Treyton Nixon.

Since joining the force, Kilo has been instrumental in a wide range of operations. He has helped apprehend suspects in 62 misdemeanor cases and 20 felony arrests. His keen senses have contributed to 30 total

arrests and assisted in 47 traffic stops. Kilo is also a key partner in narcotics enforcement. He has helped seize illegal substances ranging from heroin and methamphetamine to prescription drugs like Xanax. In addition, Kilo has worked with the Drug Task Force on 39 separate arrests.

Beyond his impressive stats, Kilo serves as a symbol of teamwork and commitment, helping to keep our streets safe while building strong relationships between law enforcement and the community. Be sure to follow Kilo on Instagram: [@k9kilo_ipd](https://www.instagram.com/k9kilo_ipd).

