

STAFF REPORT
September 23, 2004

No. 04TI007 - Resolution Creating Tax Increment District No. 47

ITEM 26

GENERAL INFORMATION:

PETITIONER	Wyss Associates, Inc.
REQUEST	No. 04TI007 - Resolution Creating Tax Increment District No. 47
EXISTING LEGAL DESCRIPTION	N1/2 SE1/4 less Walpole Heights Subdivision and less right-of-way; and, Lots A-B of SE1/4 SE1/4, Lots B-C of SW1/4 SE1/4, Lot 1 of SE1/4 SW1/4; and all of Tower Road right-of-way located in the SE1/4 and SW1/4 all located in Section 11, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 122 acres
LOCATION	Tower Road west of U.S. Highway 16
EXISTING ZONING	General Agriculture District/Park Forest District/Low Density Residential District (PRD)/Medium Density Residential District (PRD)/Office Commercial District (PCD)/General Commercial District (PCD)
SURROUNDING ZONING	
North:	Park Forest District/Low Density Residential District/General Commercial District (PCD)
South:	Park Forest District
East:	General Commercial District
West:	Park Forest District
PUBLIC UTILITIES	To be extended
DATE OF APPLICATION	8/24/2004
REVIEWED BY	Karen Bulman / Curt Huus

RECOMMENDATION: The Tax Increment Financing Committee recommends approval of the attached resolution creating Tax Increment District #47.

GENERAL COMMENTS: The applicant has requested the creation of a Tax Increment District to assist in funding the reconstruction of Tower Road and public infrastructure improvements. The applicant has proposed that the City finance the estimated cost of the improvements. A funding source for the cost of the improvements has not been determined at this time. The street and public improvements will enhance the ability of new development to occur and will, therefore, increase the community's economic vitality and expand the City's property tax base.

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The proposed District boundaries incorporate approximately 122 acres located along Tower Road west of U.S. Highway 16.

STAFF REVIEW: The Tax Increment Financing Review Committee reviewed this proposal on August 24, 2004 and found that the proposed project complies with all applicable statutory requirements as well as the City's adopted Tax Increment Policy. In addition to the mandatory criteria, the proposal met the following two optional criteria:

Criteria #1: The project must demonstrate that it is not economically feasible without the use of Tax Increment Financing.

Criteria #2: The project will eliminate actual or potential hazard to the public. Hazards may include condemned or unsafe buildings, sites, or structures.

Additionally, the following discretionary criteria are met:

Criteria #2: All Tax Increment Fund proceeds are used for the construction of public improvements.

Criteria #9: The project costs are limited to those specific costs associated with a site that exceed the typical or average construction costs (i.e. excessive fill, relocation costs, additional foundation requirements associated with unusual soil conditions, extension of sewer or water mains, on-site or off-site vehicular circulation improvements, etc.)

Copies of the adopted Tax Increment Financing Policy are attached for your reference.

The Tax Increment Financing Project Review Committee recommends approval of the attached resolution approving the creation of Tax Increment District #47 with the understanding that there is no guarantee of City funding.