

ORDINANCE NO. 5042

AN ORDINANCE TO AMEND THE RAPID CITY ECONOMIC DEVELOPMENT AND CIVIC IMPROVEMENTS FUND BY AMENDING SECTION 3.16.020 OF THE RAPID CITY MUNICIPAL CODE.

WHEREAS, the Rapid City Economic Development and Civic Improvements Fund currently receives its funding from the revenue generated by the second penny of sales tax; and

WHEREAS, the use of the second penny of sales tax is currently restricted by state law; and

WHEREAS, after January 1, 2004, the restrictions imposed by state law on the use of the second penny of sales tax will be repealed; and

WHEREAS, the Rapid City Common Council finds that it is in the best interests of the City of Rapid City to maintain certain restrictions on the use of the funds deposited into the Rapid City Economic Development and Civic Improvements Fund.

NOW, THEREFORE, BE IT ORDAINED by the City of Rapid City that section 3.16.020 of the Rapid City Municipal Code is hereby amended to read as follows:

3.16.020 Rapid City economic development and civic improvements fund.

There is established the Rapid City economic development and civic improvements fund to be used as follows:

A. The council shall adopt, by resolution, a plan for projects or programs to be funded, in whole or in part, from the Rapid City economic development and civic improvements fund. Prior to the adoption of such plan the council shall comply with subsections (C) and (D) of this section. No portion of the Rapid City economic development and civic improvements fund shall be used to fund any project or program which is not included in the plan. The council shall at least annually conduct public hearings, after giving notice thereof, to consider proposed amendments to the plan and may, by resolution, approve amendments to the plan, except as provided in subsection (C) of this section. Every fifth year the council shall adopt a new plan, following the procedures of this section of the Rapid City Municipal Code.

B. The council shall be authorized to issue revenue bonds to be paid from the Rapid City economic development and civic improvements fund to fund projects or programs contained in the plan; however, no bonds shall be issued in an amount greater than can be expected to be repaid with seven years anticipated revenue to the Rapid City economic development and civic improvements fund.

C. For the five-year plan to be prepared in the year 2005, fifty percent of the funds anticipated to be available within the fund shall be used for municipal infrastructure, twenty-five percent of the funds anticipated to be available within the fund shall be used for civic improvements and twenty-five percent of the funds anticipated to be available within the fund shall be used for economic development. Prior to adopting a subsequent plan for projects or programs to be funded from the Rapid City economic development and civic improvements fund, the council shall, by resolution, determine the percentage of the fund to be allocated for municipal infrastructure, civic improvements, and economic development. Upon approval of any five-year plan, no amendment shall be permitted to the percentages as determined by the council without a two-thirds vote of the entire council.

D. The categories identified in subsection (C) of this section shall have the following meanings:

1. "Municipal infrastructure" means the construction or reconstruction of streets, sanitary sewer, storm sewer, water and drainage facilities and municipal buildings.

2. "Civic improvements" must be facilities or programs that add to the quality of life within the community and must have an identified long term funding source for the operation and maintenance of the improvement or project financed from this source.

3. "Economic development.funds" must be dedicated to specific economic development project(s) or program(s) or loaned for a specific economic development project(s) or program(s).

a. Any money loaned for economic development projects or programs under this subsection shall be repaid to the city of Rapid City upon such terms and conditions as shall be determined by the city council.

b. The recipient of money loaned under this subsection shall make a report to the council at a regular council meeting of its construction and repayment progress on a quarterly basis or more often if requested by the council.

E. Prior to the adoption of a five-year plan and, for five year plans to be adopted subsequent to 2005, after approval of the resolution described in subsection (C) of this section, the mayor shall appoint, with the consent of the council, a municipal infrastructure, committee, a civic improvement committee and an economic development committee. Each committee shall consist of nine members who are residents of the city of Rapid City. No member shall serve on more than one committee. Each committee shall elect a chair. Each committee shall hold at least two public hearings, giving ten days notice in the legal newspaper of the city, to take public comment on how the funds identified within the committee's category should be expended. After taking the public input, each committee shall make its recommendation to the council for the expenditure of the funds within its category within the next five-year plan. Each committee's recommendation shall consist of a list of projects and the estimated cost of each project included in the recommendation.

F. After considering the recommendations of the municipal infrastructure committee, the civic improvement committee and the economic development committee, the council shall adopt a five year plan. The council shall accept, amend or reject the recommendations made by any of the three committees.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

First Reading:

Second Reading:

Published:

Effective: