

STAFF REPORT
May 25, 2006

No. 05TI003 - Tax Increment District No. 36 Revised Project Plan

ITEM 24

GENERAL INFORMATION:

PETITIONER	Dream Design International, Inc.
REQUEST	No. 05TI003 - Tax Increment District No. 36 Revised Project Plan
EXISTING LEGAL DESCRIPTION	Lot 1 of Block 1, & Dedicated right-of-way, of Tires Plus Addition, located in the NE1/4 of the NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lots 1R and 2R of Five Star Subdivision and dedicated public right-of-way shown as Disk Drive, located in NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Tracts 4-C of Parcel #4, and Tracts 4-A, C and D, all located in the SE1/4 NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lots A, B & C of Lot 1 of Block 1 of Geld Subdivision and Lots 2 & 3 of Geld Subdivision, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Parcel #3 in SW1/4 NW1/4, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Parcel #7 in SW1/4 NW1/4, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota, described by metes and bounds as follows: Beginning on the West Section Line at the Northwest corner of the SW1/4 NW1/4 of said Section 25; thence East along the one-sixteenth line a distance of 350 feet to the TRUE POINT OF BEGINNING, thence due South a distance of 145 feet; thence North 76 degrees 15 feet East a distance of 610 feet to the East-West one-sixteenth line; thence West along the one-sixteenth line a distance of 592.6 feet to the true point of beginning; Lot 18 (except that portion of Lot 18 platted as Lot C of Pine View Subdivision, as shown on the plat filed in Plat Book 17, page 144), and all of Lots 19-22 together with the vacated Street abutting said lots as recorded in Miscellaneous Book 115, page 678, all located in Block 4, Pine View Subdivision, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lot 8R of Block 3 as recorded on Plat of Tract CR and Lot 8R of Block 3 formerly

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Tract C and Lot 8 of Block 3 located in the NW1/4 NE1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lot 1 and Lot 2 of Lowe's Subdivision, formerly Tract 1 of Martley Subdivision and Tract CR of the NW1/4 of the NE1/4 located in the NW1/4 of NE1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Balance of Parcel No. 8 in the NW1/4 NW1/4 of Section 25, T2N, R7E, BHM, Pennington County, South Dakota; Unplatted portion of NW1/4 NW1/4, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Unplatted Balance of NE1/4 NW1/4, Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lot H-1 in the S1/2 NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Plat of dedicated public right-of-way shown as Disk Drive, formerly a portion of Parcel 5 of NE1/4NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; All of dedicated Public right-of-way of Disk Drive located in the NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; A portion of Lot A of Howard Street/I-90 right-of-way located adjacent to Tracts 4-C of Parcel #4 and Tracts 4-A, C & D of the SE1/4NW1/4 and adjacent to Parcel #3 and Parcel #7 in the SW1/4NW1/4 and Lot 1R of Five Star Subdivision in the NW1/4 and Disk Drive right-of-way, all located in Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; The 100 foot Haines Avenue right-of-way beginning at the southern boundary of the Haines Avenue/Disk Drive intersection located in Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota, then traveling northward and ending at the intersection of the North/South and East/West quarter section lines of Section 24, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lot 1 and Lot 2, The New Park Subdivision, located in the NW1/4SW1/4 of Section 24, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; SW1/4SW1/4, NE1/4SW1/4, N1/2SE1/4SW1/4, all located in Section 24, T2N, R7E, BHM, Rapid City,

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Pennington County, South Dakota; Dakota Subdivision #1, located in the S1/2SE1/4SW1/4 of Section 24, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lakota Subdivision #1, Lakota Subdivision #2, and Lakota Subdivision #3, all located in the N1/2NW1/4 of Section 25, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota

LOCATION Extending north from Interstate 90 to Northridge Subdivision and from the east property boundary of Lowe's Subdivision to Bunker Drive

DATE OF APPLICATION 5/15/2006

REVIEWED BY Karen Bulman

RECOMMENDATION: If the Planning Commission believes reallocating costs between previously approved project costs for Revised Tax Increment District #36 is appropriate, the Planning Commission shall make the recommendation to approve the Second Revised Project Plan and the attached resolution.

GENERAL COMMENTS: Tax Increment District #36 was created in October 2002 to facilitate the development of commercial property located west of Haines Avenue through the extension of Phase I improvements including water, sanitary sewer and Disk Drive roadway improvements west of Haines Avenue. This portion of the Project Plan has been completed. A second phase was included in the original Project Plan to extend Bunker Drive, including water, sewer, and storm drainage improvements, from Disk Drive north to the City Park/School site. Funding was not available at the time to complete Phase II of this Project Plan.

On February 23, 2005, the Tax Increment Financing Review Committee recommended approval of Tax Increment District #36 Revised Project Plan. This revision extended the east/west road alignment at the northern edge of the Tax Increment District boundary to the City Park/School site from Haines Avenue in lieu of the north/south alignment along Bunker Drive indicated in the original Project Plan. It also included the balance of costs in Phase I and all of Phase II of the original Project Plan as amended and funded by the developer. On June 6, 2005, the City Council approved the Tax Increment District #36 Revised Project Plan.

STAFF REVIEW: The developer is now requesting a reallocation of the costs of the previously approved Revised Project Plan costs. The proposed cost for the road construction of Kathryn Avenue for Phase II has been reduced from \$1,460,000 to \$980,000. A cost of \$308,108 has been included under Necessary and Convenient Payments for Champion Drive extension. Added Engineering Design, Construction and Administration costs are \$30,818. The extension of Champion Drive to the

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south will provide additional road connection and access to the City Park/School site in the future. The proposed contingency costs as part of the Necessary and Convenient Costs have been changed from \$17,292.95 to \$222,051.21.

If the Planning Commission believes reallocating costs between previously approved project costs for Revised Tax Increment District #36 is appropriate, the Planning Commission shall make the recommendation to approve the Second Revised Project Plan and the attached resolution approving a reallocation of project costs for the revised Tax Increment District #36.