

MINUTES  
TAX INCREMENT FINANCE COMMITTEE  
August 21, 2007

MEMBERS PRESENT: Tom Johnson, Bill Okrepkie, Gary Brown, Peter Anderson, Bob DeMersseman, Marcia Elkins, Jim Preston, Joel Landeen

OTHERS PRESENT: Jennifer Lage-Landguth, Doug Sperlich, Kale McNaboe, Alan Hanks, Dirk Jablonski, Robert Ellis, Stacey Titus, Karen Bulman, Sharlene Mitchell

Call to Order

Elkins called the meeting to order at 11:35 a.m.

The Villaggio TID #61 – Project Plan Revision (07TIF017 / 07TIF018)

Elkins indicated that increased project costs for the area sewer mains to both the Villaggio developer and the City have resulted in the need to request a reallocation of costs within the Project Plan.

Bulman addressed the request by Villaggio to reallocate funding from their Necessary and Convenient line item to their Sewer Lift Station line item. Bulman indicated that project costs for Developer II remains unchanged.

Bulman indicated that the City of Rapid City is requesting to reallocate all project funding from the Phase II and Phase III project costs to the sewer main, engineering and easement project costs in Phase I. Bulman indicated that this reallocation would eliminate the Catron Boulevard Turn Lanes noting that the City will realize an interest rate reduction from the reallocation. Bulman indicated that the amortization term for the Developer I and the City remains at eight years.

In response to a question from Johnson, Titus indicated that enterprise funding will be utilized for the City project costs noting that the advertising authority has been approved by the City Council.

Elkins provided a brief review of the original sewer design and the subsequent design modifications extending the sewer main along Catron Boulevard to Golden Eagle Drive and the easement purchase required to extend the sewer main along Vineyard Lane. Elkins indicated that the Vineyard Lane sewer extension was initially a Developer II project cost noting that it would now be funded by the City.

In response to a question from Johnson, Titus indicated that the water main extension project costs are not included in the Tax Increment District project costs.

In response to a question from Okrepkie, Elkins indicated that the sewer main would extend down Catron Boulevard to Golden Eagle Drive. Sperlich indicated that Villaggio will install the Lift Station and Force Main that will connect to the Catron Boulevard sewer main.

In response to a question from Jablonski, Lage-Landguth indicated that Villaggio would provide payment when the sewer main contract was let.

In response to a question from Johnson, Bulman reviewed the City's un-programmed Necessary and Convenient and Contingency Costs. Elkins clarified that the elimination of the Phase II Catron Boulevard Turn Lanes was required in order to fully fund the sewer main project.

Johnson recommended that the remaining City un-programmed funding be allocated to the Catron Boulevard Turn Lanes and Water Line project costs to allow the City to recapture the project expenditures. Discussion followed regarding allocating funding to the water project and the anticipated sewer main project costs.

Titus addressed the estimated cost of the water main project. Johnson voiced his support for utilizing the City's un-programmed project costs to incorporate the water project in to the Tax Increment District Project Plan.

In response to a question from Preston, Elkins clarified that the reallocation of the City's project costs results in significant up-front costs for the City.

In response to a question from Anderson, Elkins indicated that the sewer main design has significantly changed resulting in the reallocation of the Developer I and the City's project costs. Elkins indicated that incorporating those costs into the Tax Increment District will allow the City to be reimbursed for the expenditures. In response to a question from Titus, Elkins addressed Developer II's project status.

Sperlich addressed the progress of The Villaggio development noting the need to move the sewer main project forward.

**Landeen moved to recommend approval of the requested funding reallocation for Developer I and the City of Rapid City for The Villaggio at Golden Eagle Tax Increment District Project Plan #61 with the addition of the water main project in the amount of \$30,000 to be funded from the City's Necessary and Convenient costs. DeMersseman seconded the motion.**

Discussion followed regarding the ability to reallocate the Necessary and Convenient and Contingent line item funding to future projects.

In response to a question from Okrepkie, Titus addressed the impact the sewer main project will have on Catron Boulevard noting that under road boring will be utilized for all crossings.

In response to a question from Preston, Elkins indicated that the requested funding reallocation does not impact the Tax Increment Financing percentage calculation.

**The motion to recommend approval of the requested funding reallocation for Developer I and the City of Rapid City for The Villaggio at Golden Eagle Tax Increment District Project Plan #61 with the addition of the water main project in the amount of \$30,000 to be funded from the City's Necessary and Convenient costs carried unanimously.**

Approval of Minutes

**Landeen moved, Okrepkie seconded and carried unanimously to approve the minutes of the August 3, 2007 meeting.**

Other Business

In response to a question from Elkins, Johnson recommended that the meeting agendas be posted and that the committee continue to function as a non-public meeting.

**Okrepkie moved, Landeen seconded and the motion carried unanimously to recommend:**

- 1. That the Tax Increment Finance Committee continue to function as a public meeting;**
- 2. That the applicant determine if interested individuals are allowed to attend and listen to the presentation of individual requests; and,**
- 3. That the Tax Increment Finance Guidelines Review Committee consider the current Committee function in their review.**

Adjourn

There being no further business the meeting was adjourned at 12:03 p.m.