

STAFF REPORT  
November 8, 2007

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**No. 07TI020 - Revised Project Plan for Tax Increment District #42 - ITEM 65  
Elk Vale Water / Timmons Blvd**

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GENERAL INFORMATION:

APPLICANT/AGENT	City of Rapid City
REQUEST	<b>No. 07TI020 - Revised Project Plan for Tax Increment District #42 - Elk Vale Water / Timmons Blvd</b>
EXISTING LEGAL DESCRIPTION	NE1/4NE1/4 less ROW, GL2, SW1/4NE1/4, N1/2GL3, GL 4 less ROW, E1/2SW1/4NW1/4, S1/2GL3 less Big Sky Subdivision, SE1/4NW1/4 less Big Sky Subdivision, W1/2SW1/4NW1/4 including private Drive and less ROW, all located in Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Tract A, Big Sky Subdivision, Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot 2 and Lot 8 including ROW, Block 13, Big Sky Subdivision, Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lots 2, 3, 4, and 5 including ROW, Block 14, Big Sky Subdivision, Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, NE1/4SE1/4, NW1/4SE1/4, SW1/4SE1/4, SE1/4NW1/4, SW1/4NW1/4 less ROW, N1/2SW1/4 less ROW, S1/2SW1/4 less Lot 1 of Neff Subdivision #3 less ROW, all located in Section 34, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot 1, Neff Subdivision #3, Section 34, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot H1 in SW1/4NW1/4, Lot H2 in SW1/4NW1/4, Lot H1 in W1/2SW1/4, Lot H2 in N1/2W1/2SW1/4, and Lot H3 in S1/2SW1/4, all located in Section 34, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot H2 in N1/2 of Government Lot 4, Lot H3 in S1/2 of Government Lot 4, Lot H2 in W1/2SW1/4NW1/4, Lot H1 in NW1/4NW1/4, and Lot H1 in SW1/4NW1/4, all located in Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot H1 in E1/2NE1/4, Lot H2 in E1/2NE1/4, Lot H2 in E1/2SE1/4, and Lot H1 in SE1/4, all located in Section 33, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Lot H1 in NE1/4, and Lot H2 in Government Lot 1 and the SE1/4NE1/4, all located in Section 4, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Elk Vale Road right-of-way between SE1/4NE1/4, Section 33, and SW1/4NW1/4, Section 34, all in T2N, R8E, BHM, Rapid City, Pennington County, South Dakota; and, Elk Vale



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The District boundaries are located south of U.S. Interstate 90, north of Twilight Drive and east of Elk Vale Road.

The City is requesting reallocation of funds from the Water Tower line item, Professional Services line item for Engineering costs for the Tower, and Necessary and Convenient costs to fund additional Water Reservoir costs, Engineering costs for the Reservoir, and Other Necessary and Convenient costs.

STAFF REVIEW: On October 24, 2007, the Tax Increment Financing Review Committee reviewed the City's request for the changes to the Project Plan for Tax Increment District #42 due to costs increasing beyond the original estimate.

The City is requesting that \$1,500,000 be added to the Water Reservoir line item and \$425,000 be added to the Professional Service line item for Engineering costs for the Reservoir by reducing the costs for the Water Tower. In addition, the City requests that the balance of the Necessary and Convenient costs be allocated for Access Road - \$400,000, Land Purchase - \$50,000, Water Lines and Appurtenances - \$450,000, Electrical - \$150,000, and Security - \$250,000. All Financing Interest costs in the amount of \$3,157,916.36 will remain the same. The Water Tower line item of \$2,500,000 and the Professional Service line item for Engineering costs for the Tower will be reduced to zero. In addition, the Other Necessary and Convenient costs for Water Tower Contingency of \$225,000 and Water Reservoir Contingency of \$225,000 and the Other Costs of \$25,000 will be reduced to zero. The City will fund the capital improvement costs with approximately \$3,500,000 from the .16 Utility Fund and the balance through the Water Enterprise Fund.

All other costs remain the same. The total costs will not change, so the tax increment base will not be re-established.

The Tax Increment Financing Project Review Committee recommends approval of the attached resolution approving the Revised Project Plan for Tax Increment District #42.