

SOUTH RAPID CITY TAX INCREMENT DISTRICT

8- PROJECT EVALUATION CRITERIA:

1- The project is located in an area that more than 25% can be determined to be "blighted". Improvements identified within the TIF will enhance the value of all real properties within the district. For the purposes of the TIF this project meets criteria for blighted area as listed below:

B. This area impairs the sound growth of the community. The unsafe street layouts make this a blighted property. None of this property can be developed without the proposed improvements identified in the TIF or delaying the needed improvements and passing them to future generations or compromising the safety of the travelling public.

C. This TIF will provide for effective use of existing utilities and road systems in Rapid City.

- 2- The proposed improvements comply with adopted comprehensive plans and all other appropriate plans and regulations.
- 3- The use of the TIF for this project will not result in the net loss of pre-existing tax revenues to the city and other taxing Jurisdictions.

In addition this project meets the additional requirements and criteria listed below:

- 1- The Performa provided with this application clearly shows that this project is not economically feasible without the use of TIF. In today's economic conditions several communities are offering huge incentives for large retailers to attract them to their communities. This project will not occur in Rapid City without a TIF.
- 2- The project will eliminate a potential traffic safety hazard in the area of Fifth Street. It will also provide for the construction of safer and efficient traffic infrastructure.
- 3- South Rapid City is desperate for retail facilities. The project will provide for such facilities. There are no other retailers competing with this project in the south side of Rapid City.
- 4- The project will provide for new employment opportunities during the construction. It will also provide more than 500 permanent service related jobs when it is completed.

The project also meets the following Discretionary Criteria:

- 1- The project will generate more than 500 jobs or more than one full time job for every \$10,000 in principle value of TIF.
- 2- All TIF proceeds are used for the construction of public improvements.
- 3- More than 25% of the TIF area displays conditions of blighted established by the provisions of SDCL 11-9 because of the unsafe street layout and insufficient transportation facilities
- 4- The project involves expansion of an existing business located in Rapid City.

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- 5- The project costs are limited to those specific costs associated with the site that exceed the typical or average construction costs. The costs are limited to improvement of existing public transportation system.
- 6- The developer for this property agrees to waive the five-year tax abatement.

9- Conceptual Plans:

Attached is a copy of the TIF boundary and the project components to be funded by the TIF.