

STAFF REPORT  
February 9, 2012

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**No. 02TI001 - Resolution Dissolving Tax Increment District #35**

**ITEM 2**

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GENERAL INFORMATION:

APPLICANT	City of Rapid City
REQUEST	<b>No. 02TI001 - Resolution Dissolving Tax Increment District #35</b>
LEGAL DESCRIPTION	<p>The west 340 feet of the unplatted portion of the S1/2 NW1/4 SW1/4, Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Lot A of NE1/4 NW1/4 &amp; NW1/4 NE1/4, Lots A and B of Lot 1 of Lot D of NW1/4 NE1/4, Lot B of NW1/4 NE1/4, Lot 2 of Lot D of NW1/4 NE1/4, Lot C of NW1/4 NE1/4, Lot 1 less Lot H1 in Block 1, Lots 2-4 less Lot H1 in Lot 4 in Block 1, Lot 9 less Lot H1 in Block 1, Lots 6-8 less Lot H1 of Lot 6 in Block 1, Lot 1 less Lot H1 in Block 2, Lot 2 in Block 2, Lot 3 less Lot H1 in Block 2, all located in Johnson School Subdivision, Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; School Lot &amp; Lot "RS" in NW1/4 NE1/4, Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; the balance of SE1/4 less Lot H1, less Lot H3 of W1/2 SE1/4 &amp; less Lots H3 &amp; H4 of E1/2 SE1/4, Section 4, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Lot H6 in the Hawthorne Ditch located in the NE1/4 NW1/4 of Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Lot H1 in the east 88 feet of Lot D of the NE1/4 NW1/4 of Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Lots H1 in Lots 6, 7, &amp; 8 in Block 2, Lot H1 in Lot 6 in Block 1, Lots H1 in Lots 4 &amp; 5 in Block 1, and Lots H1 in Lots 3, 4, &amp; 5 in Block 2, all located in the Johnson School Subdivision of the NW1/4 NE1/4 of Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Lots H1 in Lots A &amp; B of the Johnson School Subdivision in the NE1/4 NW1/4 and Lot A of the Johnson School Subdivision in the NW1/4 NE1/4, all in Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; School Drive right-of-way south of Lot H1 in the east 88 feet of Lot D of the NE1/4 NW1/4 and south of Lot H1 in Lot 8 in Block 2 of the Johnson School Subdivision of the NW1/4 NE1/4 and south of Inca Drive right-of-way, and the vacated School Drive right-of-way south of Lot C of NW1/4 NE1/4 and south of School Lot &amp; Lot "RS" in NW1/4 NE1/4, all located in Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota; Shadow Drive and Inca Drive rights-of-way in Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, and Jolly</p>

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	Lane Road right-of-way in Section 4, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 65.58 acres
LOCATION	West of Elk Vale Road and north of SD Highway 44 East
EXISTING ZONING	General Commercial District - Light Industrial District (Planned Industrial Development) - Office Commercial District (Planned Commercial Development)
SURROUNDING ZONING	
North:	Light Industrial District
South:	General Agriculture District - Suburban Residential District (Pennington County)
East:	Suburban Residential District (Pennington County)
West:	General Agriculture District - Light Industrial District - Low Density Residential District
PUBLIC UTILITIES	City sewer and water
DATE OF APPLICATION	1/20/2012
REVIEWED BY	Karen Bulman / Ted Johnson

**RECOMMENDATION:**

Staff recommends that the Resolution Dissolving Tax Increment District #35 be approved.

**GENERAL COMMENTS:** The resolutions creating Tax Increment District #35 and the Project Plan for Tax Increment District #35 were approved by the City Council on March 18, 2002. Tax Increment District #35 was established to fund drainage improvements in the Race Track and Unnamed Tributary Drainage Basins adjacent to Elk Vale Road. The Tax Increment Funds were to be utilized for the construction of a storm drainage pipe to transport the storm drainage from a detention cell east of Elk Vale Road. A Revised Project Plan for TID #35 was approved on September 7, 2010 to reallocate additional Capital and Professional Service Costs based on the actual project costs for the improvements. The Tax Increment District was anticipated to be paid off by June 2013.

The base valuation of the property in 2002 was \$502,300.00. The property now has an assessed valuation of \$11,921,300.00, for an increase of \$11,419,000.00 in ten years.

The City Finance Office has indicated that all eligible expenditures have been made in accordance with the adopted Project Plan and all outstanding financial obligations of the Tax Increment District have been met. Therefore, the City is required to officially dissolve this Tax Increment District.

**STAFF REVIEW:** Staff has reviewed this proposed Resolution Dissolving Tax Increment District #35 and is recommending approval of the resolution dissolving the Tax Increment District.