

From: rm70@q.com

Sent: 7/1/2013 11:20 AM

To: [Scott Amanda](#); [Clayton Bill](#); bonny.peterson@rcgov.org; [Estes Brad](#); [Lewis Chad](#); [Doyle Charity](#); [Wright Jerry](#); [Roberts John](#); [Nordstrom Ritchie](#); [Laurenti Steve](#); [Kooiker Sam](#)

Subject: Items No. 13-TI002 and No. 13-T1003 Tax Increment Districts

Dear Council Members;

My name is Ron Davis of Davis Engineering, Inc. I am the developer of a subdivision by the name of Murphy Ranch Estates Subdivision. I am sending this objection to the two tax districts referenced above for the following reasons taken directly from your TIF Checklist:

My most urgent concern is item No 3 under the heading "in addition, a project must meet two of the following six criteria"

The project will not provide direct or indirect assistance to retail or service businesses competing with the existing businesses in the Rapid City trade area.

My project, Murphy Ranch Estates, is located within the "trade area". I view the approval of this TIF district as direct competition with my development. With the TIF funds paying for the infrastructure in a new development the per lot cost is only a small percentage of my cost to develop. That allows the TIF project to either offer property at a greatly reduced cost or gives the developer excessive profit at the tax payers expense. Either way it is not the way things should be done.

If we use TIF districts for the original intended purposes, the city will still grow as the population increases and development becomes feasible. I know I am only one small voice but I am excessively damaged by the competitive aspects of this TIF district. I hope you will consider my concerns and vote NO on the approval of these TIFs.

Regards;

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ADDITIONAL CONCERNS ARE LISTED BELOW:

Purpose of TIF:

1. The area within this TIF is in no way blighted. Almost all of the property in this TIF is open pasture land and would have no problem being developed if it was economically feasible. I had to construct approximately \$250,000 dollars of sewer and water systems just to get to the area where I could develop Murphy Ranch Estates Subdivision. And, my project was still profitable.

2. If the project is not economically feasible I am not sure that it will meet the definition of "long term economic vitality. The construction of the new housing units and commercial development will only cause existing housing and existing businesses to fail and relocate to the new areas leaving an equivalent blighted area somewhere else in Rapid City.

3. If the TIF is not approved, the area will develop when it becomes feasible. The approval of this TIF will only create development that is not needed at this time. The city council should stick to the original intent of the TIF districts and should be used for blighted areas and not as a financing instrument to create unnecessary development just to line pockets of private developers.

4. There is always a need for affordable housing and even without the TIFs it will be provided.

5. The reconstruction, maintenance and completion of city infrastructure is always important and if TIF dollars were not removed from the Tax income for Rapid City, there would be plenty of funds available for these items. By spending the tax dollars from TIF projects on new construction the old infrastructure must be funded with increased taxes on the citizens of the city of Rapid City.

Uses of TIF;

Most of the uses of TIF funding listed as 1 thru 12 make sense. They all apply to "blighted areas and systems" that need to be updated. Non of the uses apply to providing funding to private developers to develop property that will eventually be developed when it becomes feasible.