

STAFF REPORT

December 6, 2001

No. 01TI006 - Resolution Creating Tax Increment District No. 33

ITEM 28

GENERAL INFORMATION:

PETITIONER	Rapid City Economic Development Partnership and Fenske Media
REQUEST	No. 01TI006 - Resolution Creating Tax Increment District No. 33
LEGAL DESCRIPTION	Lot 3 of Block 1 Rushmore Business Park, Section 4, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 15.08 acres
LOCATION	South of Homestead Street and east of Conseco Finance
EXISTING ZONING	Light Industrial District
SURROUNDING ZONING	
North:	Light Industrial District
South:	Light Industrial District
East:	Light Industrial District
West:	Light Industrial District
PUBLIC UTILITIES	City water and Rapid Valley Sanitary District
REPORT BY	Karen Bulman

RECOMMENDATION: The Tax Increment Financing Committee recommends that the Planning Commission recommend approval of the attached resolution creating Tax Increment District No. 33.

GENERAL COMMENTS: The applicant has requested the creation of a Tax Increment District to facilitate the acquisition of 15 acres of land for the construction of a 50,000 square foot building in the Rushmore Business Park.

The project will facilitate the expansion of the Fenske Media business in Rapid City, resulting in the retention of 18 jobs and the hiring of ten additional employees. The estimated cost of the improvements is \$392,000.

Private financing will be obtained to fund the acquisition of the land, and will be repaid by the Tax Increment District. The applicant will be responsible for any shortfall in funding.

STAFF REVIEW: Pursuant to the adopted Tax Increment Policy, the Tax Increment Financing Review Committee found that the proposed project complied with all applicable statutory requirements as well as the City's adopted Tax Increment Policy. Specifically, the Committee found that in addition to the mandatory criteria, the proposal met the following

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three optional criteria:

Criteria #1: The project must demonstrate that it is not economically feasible without the use of Tax Increment Financing.

Criteria #3: The project will not provide direct or indirect assistance to retail or service businesses competing with existing businesses in the Rapid City trade area.

Criteria #4: The project will bring new or expanded employment opportunities as demonstrated by proposed wage scales, employee benefits and mixture of full and part-time employees.

Additionally, the following discretionary criteria is met:

Criteria #7: The project involves the expansion of an existing business located within Rapid City.

Criteria #10: The developer agrees to waive the five-year tax abatement.

Copies of the adopted Tax Increment Financing Policy are attached for your reference.

Based on the Tax Increment Financing Review Committee's recommendation, Staff recommends approval of the attached resolution approving the creation of Tax Increment District Number Thirty-Three.