

STAFF REPORT  
September 9, 2004

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**No. 04TI005 - Resolution Creating Tax Increment District #46**

**ITEM 36**

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GENERAL INFORMATION:

PETITIONER	Dream Design International, Inc. for Red Rock Meadows, LLC
REQUEST	<b>No. 04TI005 - Resolution Creating Tax Increment District #46</b>
EXISTING LEGAL DESCRIPTION	N1/2 NW1/4 NW1/4, Section 28, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; and, S1/2 NW1/4 NW1/4 and SW1/4 NW1/4, all located in Section 28, T1N, R7E, BHM, Rapid City Pennington County, South Dakota; and, Block 16, Lots 1-4 (Golf Course); Block 17, Lots 1-10; Block 15, Lots 1-8 (Golf Course); Block 18, Lots 1-17; Block 10, Lots 1-6 and Outlot G-1; Block 11, Lots 1-37; Block 7, Lots 7-9; Block 12, Lots 1-13; Block 9, Lots 1-6 (Golf Course); Block 8, Lots 4, 5A and 6; Block 2, Lots 1-21; Block 13, Lots 1A, 1B, 2-5; Block 14, Lots 1A, 1B, 2A, 2B, 3-6; Block 1, Lots 1-11; Block 4, Lot 1, 4 & 5; Block 3, Lots 1-3; Block 5, Lot 1; Outlot G less Lots 20 & 21 Block 2 & less Lots 4 & 5 Block 4; Outlot 1; Lot P (Utility Lot); All located in Red Rock Estates, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; and, Block 6, Lots 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8, 9A, 9B, 10A, 10B, 11A, 11B, 12, Red Rock Estates Phase 1A, Section 29, T1N, R7E, Rapid City, Pennington County, South Dakota; and, Block 3, Lots 4-16; Block 8, Lot 1-3; Block 7, Lots 1-6; Block 4, Lots 2-3; All located in Red Rock Estates Phase II, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; and, Well Lot; Balance of Tract 1 less Red Rock Estates & less ROW; Balance of Picardi Ranch Road; All located in Red Ridge Ranch Subdivision, Section 29, T1N, R7E, Rapid City, Pennington County, South Dakota; and, Outlot A of Tract A, Countryside Subdivision; Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; and, E1/2NW1/4NE1/4 less Red Ridge Ranch & less ROW; SW1/4 NE1/4 less Red Ridge Ranch less Red Rock Estates less Red Rock Estates Phase 1A & less ROW; E1/2 NW1/4 less Red Rock Estates & less ROW; W1/2 W1/4 NE1/4 less Red Ridge Ranch less Red Rock Estates & less ROW; E1/2 NE1/4; All rights-of-way located within Red Rock Estates, Red Rock Estates Phase 1A, Red Rock Estates Phase II, and Red Ridge Ranch Subdivision; All located in Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota

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PARCEL ACREAGE	Approximately 440 Acres
LOCATION	North of the intersection of Sheridan Lake Road and Muirfield Drive
EXISTING ZONING	General Agriculture District/Low Density Residential District
SURROUNDING ZONING	
North:	General Agriculture District / Suburban Residential District (Pennington County)
South:	Planned Unit Development / Highway Service District / Suburban Residential District (Pennington County)
East:	Suburban Residential District (Pennington County) / General Agriculture District (Rapid City)
West:	General Agriculture District (Pennington County)
PUBLIC UTILITIES	City sewer and water
DATE OF APPLICATION	8/16/2004
REVIEWED BY	Karen Bulman /

**RECOMMENDATION:** The Tax Increment Financing Committee recommends approval of the attached resolution creating Tax Increment District #46.

**GENERAL COMMENTS:** The applicant has requested the creation of a Tax Increment District to assist in the extension of sanitary sewer improvements, a well purchase and expansion and a park. The applicant will finance the estimated cost of the improvements in Phase I including sanitary sewer improvements and park improvements. It is proposed that the City will finance the estimated cost of the improvements in Phase II as funding may become available, including the purchase of a well site and well development. A funding source for the City's cost of the improvements has not been determined at this time. The Tax Increment Plan will facilitate the development of these vacant lands through the provision of infrastructure including sanitary sewer, water and park improvements. These improvements will facilitate new development along Sheridan Lake Road and will, therefore, increase the community's economic vitality and expand the City's property tax base.

The proposed District boundaries incorporate approximately 440 acres located north of the intersection of Sheridan Lake Road and Muirfield Drive

**STAFF REVIEW:** The Tax Increment Financing Review Committee reviewed this proposal on August 16, 2004 and found that the proposed project complies with all applicable statutory requirements as well as the City's adopted Tax Increment Policy. In addition to the mandatory criteria, the proposal met the following two optional criteria:

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

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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.

Additionally, the following discretionary criteria are met:

Criteria #2: All Tax Increment Fund proceeds are used for the construction of public improvements.

Criteria #9: The project costs are limited to those specific costs associated with a site that exceed the typical or average construction costs (i.e. excessive fill, relocation costs, additional foundation requirements associated with unusual soil conditions, extension of sewer or water mains, on-site or off-site vehicular circulation improvements, etc.)

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

The Tax Increment Financing Project Review Committee recommends approval of the attached resolution approving the creation of Tax Increment District #46.