



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Growth Management Department

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MEMORANDUM

TO: Rapid City Planning Commission

FROM: Karen Bulman, Planner I

DATE: **March 1, 2005**

RE: Tax Increment Financing Guidelines

The Planning Commission directed staff to review the criteria used to consider Tax Increment Financing Districts following the discussion on January 13, 2005 regarding the creation of Tax Increment District #51, Kateland Subdivision. The discussion of this Tax Increment District specifically revolved around the affordable housing projects that meet 60% of median income. Staff has reviewed the criteria and changed the language of Criteria 6A to read 80% rather than the current criteria of 60%. With a median income of **\$51,800 for a family of four**, this change means that people with incomes of 80% of median income, or **\$41,450**, would meet the eligible requirement. Currently, only people with 60% of median income, or **\$31,080**, would be eligible. This allows more citizens the ability to meet this income guideline and obtain affordable housing.

During this review, staff also corrected some language within the guidelines. Planning Department or Planning Director was changed to Growth Management Department or Growth Management Director and Common Council was changed to City Council. Language was also added to clarify the meaning of "majority of the Committee members" located on page 2, second paragraph under TIF Project Review Committee.

Staff is providing this information to the Planning Commission for discussion and for the Commission's recommendations to the City Council.



EQUAL OPPORTUNITY EMPLOYER