

ORDINANCE NO. 5847

AN ORDINANCE IMPOSING ADDITIONAL REQUIREMENTS FOR PROJECTS APPROVED THROUGH THE RAPID CITY ECONOMIC DEVELOPMENT AND CIVIC IMPROVEMENTS FUND (THE “VISION FUND”) BY AMENDING SECTION 3.16.020 OF THE RAPID CITY MUNICIPAL CODE.

WHEREAS, the City has created the Rapid City Economic Development and Improvements Fund, commonly known as the Vision Fund; and

WHEREAS, money from this fund is used to construct municipal infrastructure and civic improvements; and

WHEREAS, the purpose of the Vision Fund is to facilitate projects and programs that benefit the citizens of Rapid City; and

WHEREAS, many of the projects paid for out of the vision have ongoing operation and maintenance costs; and

WHEREAS, it is important when selecting projects and programs for inclusion in the funds five year plan that the ongoing costs are properly identified and accounted for; and

WHEREAS, the Common Council of the City of Rapid City deems it to be in the City’s best interests to establish guidelines which address ongoing maintenance and operation costs for future Vision Fund projects by amending Section 3.16.020 of the Rapid City Municipal Code.

NOW THEREFORE, BE IT ORDAINED, by the City of Rapid City that Section 3.16.020 of the Rapid City Municipal Code be amended to read as follows:

3.16.020 Rapid City Economic Development and Civic Improvements Fund.

There is established the Rapid City Economic Development and Civic Improvements Fund to be used as follows:

A. The Council shall adopt, by resolution, a plan for projects or programs to be funded, in whole or in part, from the Rapid City Economic Development and Civic Improvements Fund. Prior to the adoption of the plan, the Council shall comply with subsections C. and D. of this section. No portion of the Rapid City Economic Development and Civic Improvements Fund shall be used to fund any project or program not included in the plan; any project or program which does not reside within the municipal boundaries of the City of Rapid City; or does not provide a benefit to the community as a whole. The Council shall at least annually conduct public hearings, after giving notice thereof, to consider proposed amendments to the plan, and may, by resolution, approve amendments to the plan, except as provided in subsection C. to this section. Every fifth year, the Council shall adopt a new plan, following procedures set forth in this section of the Rapid City Municipal Code.

B. The Council shall be authorized to issue revenue bonds, to be paid from the Rapid City Economic Development and Civic Improvements Fund, to fund projects or programs contained in the plan.

C. For the 5-year plan to be prepared in the year 2005, 50% of the funds anticipated to be available within the fund shall be used for municipal infrastructure, 25% of the funds anticipated to be available within the fund shall be used for civic improvements, and 25% of the funds anticipated to be available within the fund shall be used for economic development.

D. The categories identified in subsection C. of this section shall have the following meanings:

1. MUNICIPAL INFRASTRUCTURE. The construction or reconstruction of streets, sanitary sewer, storm sewer, water and drainage facilities, municipally owned structures, municipal parking facilities, the acquisition of water and water rights, and the funding of programs that facilitate the construction of infrastructure, as defined in this section.

2. CIVIC IMPROVEMENTS. Facilities or programs that add to the quality of life within the community, and have an identified long-term funding source for the operation and maintenance of the improvement or project financed from this source.

3. ECONOMIC DEVELOPMENT FUNDS. Funds dedicated to specific economic development project(s) or program(s) or loaned for a specific economic development project(s) or program(s).

a. Any money loaned for economic development projects or programs under this subsection shall be repaid to the city, upon such terms and conditions as shall be determined by the City Council.

b. The recipient of money loaned under this subsection shall make a report of its construction and repayment progress to the Council, at a regular Council meeting, on a quarterly basis or more often if requested by the Council.

E. Prior to the adoption of a 5-year plan and, for 5-year plans to be adopted subsequent to 2005, after approval of the resolution described in subsection C. of this section, the Mayor shall appoint, with the consent of the Council, a Municipal Infrastructure Committee, a Civic Improvement Committee and an Economic Development Committee. The Council shall, by resolution, determine the number of members of each committee, and all committee members must be residents of the city. Each committee shall elect a chair. Each committee shall hold at least 2 public hearings, giving 10 days notice in the legal newspaper of the city, to take public comment on how the funds identified within the committee's category should be expended. After taking the public input, each committee shall make its recommendation to the Council for the expenditure of the funds within its category within the next 5-year plan. ~~Each committee's recommendation shall consist of a list of projects, with the estimated cost of each project included in the recommendation.~~

F. For all permanent structures, buildings, or facilities, each committee's recommendation shall include an estimate of the project costs. Estimates shall include all costs associated with the initial construction, operations and maintenance of said project including all of the following:

- a. Construction cost estimates for said project or program, shall include all costs associated with the excavation and building of said project or program.
- b. Maintenance cost estimates resulting from the extension of City services, to include street, water, sewage, and other City services, shall be reviewed by the relevant City departments or divisions. Upon such review, the relevant City departments or divisions shall report the added cost estimates to include such review within the recommendations before the Council. Upon approval of said project or program, these costs shall be added into the City's budget.
- c. Operational and/or administrative annual cost estimates for said project or program shall be clearly delineated within the recommendation before the Council. Unless otherwise stated within the proposal, the entity proposing said project or program will incur all costs associated with the operations and/or administration of said project or program. Upon approval of said project or program from the Council, the proposing entity shall sign an agreement with the City stating it will incur the operational and/or administrative costs or the City will incur these costs and include this within the annual budget as additional expenses.

G. After considering the recommendations of the Municipal Infrastructure Committee, the Civic Improvement Committee and the Economic Development Committee, the Council shall adopt a 5-year plan. The Council shall accept, amend or reject the recommendations made by any of the 3 committees.

~~G~~H. Once a person, group, entity or organization is approved for funding as part of a five year plan, they will enter into a contract with the city which will outline the project scope and expectations of the city with relation to payments from the fund. The contract will include a timeframe by which the project will be completed or by which certain benchmarks will be reached. The contract will include a provision which allows the city to terminate the agreement and reallocate any funds committed to the project if the timeframes or benchmarks are not met. For any projects funded in the five year plan which was approved in 2005, they shall have until December 31, 2013, to either complete the project, be under contract for construction of the project or enter into an agreement with the city that establishes specific completion dates or benchmarks to ensure that the project is completed in a timely fashion. For the projects funded in the five year plan approved in 2010, they shall have five years from the year their project is scheduled to be funded. The five years will be deemed to have expired on December 31 of the fifth year.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

First Reading:

Second Reading:

Published:

Effective: