

STAFF REPORT

June 9, 2005

No. 05TI007 - Tax Increment District No. 53 Project Plan

ITEM 47

GENERAL INFORMATION:

PETITIONER	Centerline for Stoney Creek Plaza
REQUEST	No. 05TI007 - Tax Increment District No. 53 Project Plan
EXISTING LEGAL DESCRIPTION	Lots 1 through 4, Block 1 and Lots 3 through 7, Block 2, all located in Stoney Creek South Subdivision, Section 22, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 12.5 acres
LOCATION	Southeast corner of Catron Boulevard and Sheridan Lake Road
EXISTING ZONING	General Commercial (Planned Development Designation)
SURROUNDING ZONING	
North:	General Commercial (Planned Development Designation)
South:	General Commercial (Planned Development Designation)
East:	Low Density Residential District (Planned Development Designation)
West:	Low Density Residential District (Planned Development Designation)
PUBLIC UTILITIES	To be extended
DATE OF APPLICATION	5/24/2005
REVIEWED BY	Karen Bulman / Not Assigned

RECOMMENDATION: The Tax Increment Financing Committee recommends that the Project Plan for Tax Increment District #53 be approved.

GENERAL COMMENTS: The applicant has requested the creation of a Tax Increment District to assist in the development of Stoney Creek Plaza by providing storm water drainage improvements. The applicant will finance the estimated \$800,000 cost of improvements. The public improvements will enhance the ability of new development to occur and will, therefore, increase the community's economic vitality and expand the City's property tax base.

The proposed District boundaries incorporate approximately 12.5 acres located at the

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southeast corner of Catron Boulevard and Sheridan Lake Road.

It is anticipated that one or more of the properties in this proposed Tax Increment District will be used for commercial purposes. As such, the creation of this Tax Increment District would be an Economic Development Tax Increment District and will not require an additional levy to make up for the School District's share of the property taxes included in the Tax Increment District.

STAFF REVIEW: The Tax Increment Financing Review Committee reviewed this proposal on May 24, 2005 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 Committee found that 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.
- 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 that the Planning Commission recommend approval of the Tax Increment District No. 53 Project Plan and attached resolution.