

STAFF REPORT

July 6, 2006

**No. 01TI005 - to allocate contingency funds from the Tax Increment
District No. 32 Project Plan**

ITEM 60

GENERAL INFORMATION:

PETITIONER Kevin Buntrock for The Estates and Golf Club at Red Rocks

REQUEST **No. 01TI005 - to allocate contingency funds from the Tax Increment District No. 32 Project Plan**

EXISTING LEGAL DESCRIPTION Lots 1-11, Block 1, Lots 1-19, Block 2, Lots 1-3, Block 3, Lot 1, Block 4, Lot 1, Block 5, Outlot 1, and dedicated streets, all in Red Rock Estates, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lot 1, 2, 3A, 3B, 4A, and 4B, Block 6, Red Rock Estates Phase 1A, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Lots 4-16, Block 3, Lot 2 and Lot 3, Block 4, Lots 1-6, Block 7, Lots 1-3, Block 8, all in Red Rock Estates Phase 2, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Outlot A of Tract A, Countryside Sub, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Well Lot, and Balance of Picardi Ranch Road, and Balance of Tract 1 (Less Red Rock Estates and Less ROW), all in Red Ridge Ranch, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; and Unplatted W1/2 NW1/4 NE1/4 less Red Ridge Ranch, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Unplatted E1/2 NW1/4 NE1/4 less Red Ridge Ranch and ROW, SW1/4 NE1/4 less Red Ridge Ranch, less Red Rock Estates, less Red Rock Estate Phase 1A, and Less Row, E1/2 NW1/4 less Red Rock Estates and Less ROW, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota; Unplatted N1/2 NW1/4 SW1/4 less Red Rock Estates and less Countryside Sub; N1/2 NE1/4 SW1/4 less Red Rock Estates & Less Countryside Sub; E1/2 NE1/4, and W1/2 NW1/4, Section 29, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota

PARCEL ACREAGE Approximately 360 Acres

LOCATION North of the intersection of Sheridan Lake Road and Muirfield Drive

EXISTING ZONING Low Density Residential District

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SURROUNDING ZONING

North:	General Agriculture District (County)
South:	Suburban Residential District (PUD) (County)
East:	Suburban Residential District (County)
West:	General Agriculture District (County)

PUBLIC UTILITIES City sewer and water

DATE OF APPLICATION 6/16/06

REVIEWED BY Karen Bulman

RECOMMENDATION: The Tax Increment Financing Committee recommends that allocating contingency funds from the Tax Increment District No. 32 Project Plan be approved.

GENERAL COMMENTS: Tax Increment District #32 was created in December 2001 to facilitate the development of the Red Rocks area through the construction of a water storage facility, water main extension and a storm water detention facility. On February 20, 2006, the City Council approved the relocation of three detention ponds in lieu of the original location of one detention pond.

On June 16, 2006, the Tax Increment Financing Review Committee recommended approval of Tax Increment District #32 Revised Project Plan.

STAFF REVIEW: The developer is requesting an allocation of the costs of the previously approved Project Plan costs. This revision of the Project Plan allocates funds from the contingency line item for the construction of a drainage structure. A current drainage structure located north of the Muirfield detention pond is an open channel that is not functioning adequately and is resulting in significant erosion problems. The proposed expenditure of \$96,270 for Muirfield drainage improvements will replace the open channel with an underground pipe. The contingency costs will allocate \$96,270 for drainage improvements. The balance will remain unallocated. The total Necessary and Convenient Cost line item will remain the same at \$463,000. As the total project costs will remain the same, the tax increment base will not be re-established.

The Tax Increment Financing Review Committee met June 16, 2006 and recommended approval of reallocation of costs identified in the Tax Increment District #32 Project Plan. As such, the Tax Increment Financing Review Committee recommends approval of the allocation of contingency funds from the project costs for the Revised Tax Increment District #32 Project Plan and the attached resolution.