



February 20, 2014

Pauline Sumption
Finance Director
City of Rapid City
300 6th Street
Rapid City, SD 57701

Re: Request to Transfer Funds from IDPF to OCF

Pauline,

During the last Vision Fund (formerly known as the City's 2012 Fund) request cycle in the summer of 2010, the Rapid City Economic Development Partnership made a request to seed 2 important funds with resources to be used for economic development purposes. The Vision Fund committee granted \$1.5M (\$300K/year for 5 years) for Opportunity Capture Fund (OCF) and \$1.0M (\$200K/year for 5 years) for Infrastructure Development Partnership Fund (IDPF). We are currently in year 4 of 5.

Over the past 3 years, we have used the OCF to generate an impressive track record of success in using these funds to incentivize the best kind of economic development activity – creating jobs and driving capital investment – activities which create a powerful economic benefit which ripples throughout the community for years in the form of wages, construction activity and ongoing tax generation.

During this same time period, the IDPF tool has yet to be used and is thus not being put to work as it was originally intended and not having the same positive impact that OCF has had.

Therefore, based on the historical use of funds in the IDPF and the OCF, both of which can be summarized in the attached documents, I am recommending the following action be taken:

Make a request of the City Council or Vision Fund Committee to move the \$1,000,000 currently allocated in IDPF into the OCF, which will continue to be used for same intended purposes and which utilizes the same city-appointed economic development committee as the OCF.

Sincerely,

Benjamin L. Snow, President

Cc: Mayor Sam Kooiker
Attachments