

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

May 2, 2018

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, May 2, 2018, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Amanda Scott, Steve Laurenti, Laura Armstrong, Becky Drury, and Chad Lewis. Absent: none.

(NOTE: For sake of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents are on file with the Master Agenda.)

ADOPTION OF AGENDA

Motion was made by Drury, second by Armstrong and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Motion was made by Armstrong second by Laurenti and carried to approve Items 1-12 as they appear on the Consent Items with the exception of Item Nos. 10 and 12.

- 1) Approve Minutes for April 11, 2018

FIRE DEPARTMENT

- 2) LF050218-09 – Approve Resolution No. 2018-035 a Resolution Supporting the Month of May 2018 as South Dakota Wildfire Awareness Month

POLICE DEPARTMENT

- 3) LF050218-06 – Authorize Mayor and Finance Officer to Sign AXON Body Worn Camera Contract for 5 Years for the Total Amount of \$666,446.00
- 4) LF050218-12 – Authorize Mayor and Finance Officer to Sign AXON Sales, Terms, and Conditions Fleet Agreement for 5 Years for the Total Amount of \$191,135.49

FINANCE DEPARTMENT

- 5) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Marcia Osborn (RSVP+), Diane MacDonald (RSVP+)
- 6) LF050218-01 – Approve Resolution No. 2018-027B a Resolution Levying Assessment for Cleanup of Miscellaneous Property
- 7) LF050218-02 – Acknowledge March 2018 General Fund Cash Balance Report
- 8) LF050218-05 – Ratify Lien & Agreement for Assignment of Proceeds of Real Estate Sales by Red Rock Development Company, LLC to the City of Rapid City
- 9) LF050218-11 – Approve Resolution No. 2018-036A a Resolution Fixing Time and Place for Hearing on Assessment Roll for Cleanup of Miscellaneous Property

May 2, 2018

COMMUNITY DEVELOPMENT

- 10) LF050218-04 – Armstrong asked Finance Officer Pauline Sumption to explain this item further. Sumption explained a few years back the City detected a water leak at this residence, the occupant would not let us in to inspect which led to the accumulation of the water bills. They finally let us go in and shut off the water. The City ended up demolishing the house due to the water damage and other issues so there is a special assessment on the property for the demolition of the property as well as the outstanding water bill. The family has offered this for sale to the City to be used for affordable housing with Community Development Block Grant paying for the purchase price. In the meantime we would receive the \$1,500 for the water bill and we would also receive the special assessment for the demolition costs of the house. Community Development Specialist Barb Garcia stated the assessment was in the \$1,400 range and that is in with the tax liens on the property. She believes the demolition cost was \$7,500. The water bill is not attached because it was not in the owner's name. Drury moved to Approve Purchase Agreement for 627 Saint Cloud Street to Include Reduction of Unpaid Water Bill in the Amount of \$6,147.61 to \$1,500 and Forgiveness of Balance Owed of \$4,647.61 and Authorize Mayor and Finance Officer to Sign the Purchase Agreement and Closing Documents. Second by Laurenti. Motion carried.
- 11) LF050218-07 – Authorize Mayor and Finance Officer to Sign Amendment with Walker Consultants for \$9,000.00 for Additional Services for the Downtown Parking Study and Strategic Plan.

CITY ATTORNEY'S OFFICE

- 12) LF050218-08 – Laurenti would like to point out a couple of things. Previously this has not received his vote when it was reapproved over and over. He stated this is TIF District 38, this TIF is old and it is not fully developed or fully paid. He stressed that we need to make sure that we are being very tight on the number of years that we are allowing these developers and developments sit out there unpaid. We need to make sure to bring down those years to encourage development to get done as quickly as possible so that the tax payers are not on the hook for as long as we have been sitting on these. Drury asked Community Development Director Ken Young if the new TIF policy that he is proposing, if it would tighten up situations like this so they don't happen? Young stated yes, there would be a five year maximum timeframe for payout. Sumption explained we have actually been paying on it, it has been certified and they did do a plan amendment not long ago and had reassigned the proceeds to Cor-Trust Bank for a lower interest rate. This assignment would again allow for an even lower interest rate. The developer actually paid some of the project plan costs out of pocket so it was outside of the loan with any of the banks. The developer is entitled to about \$500,000 plus any accrued interest personally. This roll that back in to the bank loan as well so we only have to pay one entity. The payoff is projected to be next year. Lewis moved to approve Authorize Mayor and Finance Officer to Sign Fourth Assignment for Tax Increment District No. 38 Between the City of Rapid City, Heartland Retail Center, LLC, and First Interstate Bank. Second by Armstrong. A vote was taken with Scott, Armstrong, Drury and Lewis voting "yes" and Laurenti voting "no". Motion carried 4-1.

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – **Items 13 – 16**

Public Comment opened – **Items 13 – 16**
Public Comment closed

COMMUNITY DEVELOPMENT

- 13) 18OA012 – Drury moved to approve Introduction and First Reading of Ordinance No. 6250 an Ordinance Amendment to Adopt Regulations Concerning Mobile Food Vendors by Adopting Provision in Title 17 of the Rapid City Municipal Code. Second by Laurenti. Motion carried.

LEGAL AND FINANCE COMMITTEE

May 2, 2018

- 14) LF050218-10 – Lewis moved to approve Introduction and First Reading of Ordinance No. 6251 an Ordinance to Amend Provisions Concerning the Planning Commission by Amending Chapter 2.60 of the Rapid City Municipal Code. Second by Laurenti. Motion carried.

FINANCE DEPARTMENT

- 15) LF050218-03 – Lewis moved to approve Introduction and First Reading of Ordinance No. 6248 an Ordinance Regarding Supplemental Appropriation #3 for 2018. Second by Laurenti. Motion carried.

CITY ATTORNEY'S OFFICE

- 16) LF032818-04 – Laurenti moved to approve Second Reading and Recommendation of Ordinance No. 6247 an Ordinance Amending Sections of the Rapid City Municipal Code Relating to Nuisances. Second by Drury. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Laurenti second by Drury and carried to adjourn the meeting at 12:43 p.m.