



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-5035

Department of Community Development

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MEMORANDUM

TO: Rapid City Planning Commission

FROM: Patsy Horton, Long Range Planning Division Manager

DATE: January 2, 2020

RE: 19OA002 – Resolution #2019-015 adopting the Rapid City Tax Increment Financing Policy and Ordinance #6310 amending Chapter 3.26 of the Rapid City Municipal Code

On November 6, 2019, staff hosted an open house to accommodate the development community's request for additional time to review the proposed policy and provide additional public input. This open house is the twenty-first opportunity for reviewing the various proposed policy iterations, via public agendas or input gathering sessions since 2013 when staff began embarking on the task to enhance the TIF Policy originally adopted in 2006. On November 21, 2019, the Planning Commission continued action on the Policy to allow the public another opportunity to provide written comments. As of this writing, staff has not received any additional written comments since the open house held on November 6, 2019. However, the public comments regarding clarifications to the certification process as provided at the November 21, 2019, meeting are incorporated in the Policy draft attached to the agenda.

Since 1978, Rapid City has administered a tax increment financing program to assist and promote new development in the community. To date, there have been 81 district numbers assigned within Rapid City. Here is a quick overview of those 81 districts with assigned "TID" numbers:

- 81 TID district numbers assigned
 - 66 Project Plans approved
 - 12 Districts dissolved with no expenditures
 - 44 viable districts with a project plan approved
 - 22 active districts

The proposed Policy revisions include an enhanced pre-application process, a shortened approval timeline consistent with the SDCL 11-9 public hearing requirements, options for third party application review, and an evaluation chart to assist in determining the project's compatibility with the Policy objectives.

Several changes have been included in the Policy to address comments from the Planning Commission and the development community. A summary of those changes as well as a comparison between the revised policy provisions and the current policy provisions is attached for reference.

Recommendation: Staff recommends approving Resolution #2019-015 adopting the new Rapid City Tax Increment Financing Policy and Ordinance #6310 amending Chapter 3.26 of the Rapid City Municipal Code.

