

From: [Horton Patsy](#)
To: [Kent Hagg](#)
Cc: [Young Ken](#); [Sumption Pauline](#); [John L. Way](#); [Tom Johnson](#); [Karen Bulman](#); [Allender Steve](#); [Roberts John](#)
Subject: RE: Comments re Proposed TIF Guidelines
Date: Tuesday, January 7, 2020 10:05:57 AM
Attachments: [image001.png](#)
[190A002 TIF Policy Revision Analysis 11 6 19.pdf](#)

Thanks so much Kent for your comments.

As you may recall, one of the links for the TIF Policy agenda item from the November 21, 2019 Planning Commission included a TIF Policy Revision Analysis of the proposed Policy comparing it to the existing TIF Policy, organized by the proposed policy format. I have attached this analysis for easy reference. Based on staff analysis, there are only four additions to the new policy: performance measures, market analysis, legal review and participation rates. I look forward to the opportunity to review your written comprehensive review of the comparison that you also completed.

I believe, however, that the stated objectives that you referenced below including infill/revitalization, affordable housing and economic development are still identified as objectives within the proposed policy. For example, Targeted Uses and Areas include specific reference to infill within items 1(a)(4) on page 3 and 4(a) on page 4. Both of these items were identified to meet the intent and purpose of the goals identified in [Plan Rapid City](#), our comprehensive plan goals (for reference in this document, the Implementation section of the comp plan begins on page 179).

It's a great idea for your group to gather and develop a TIF policy proposal. The current proposal was based on at least 22 public input opportunities, with the Frequently Asked Questions compiled based on that input. I look forward to reviewing your group's proposal once it is drafted.

Patsy

From: Kent Hagg <kent.hagg@amatteroflaw.com>
Sent: Sunday, January 5, 2020 4:01 PM
To: Horton Patsy <Patsy.Horton@rcgov.org>
Cc: Young Ken <Ken.Young@rcgov.org>; 'John L. Way' <John.Way@bankwest-sd.bank>; tom.johnson@elevaterapidcity.com; Karen Bulman <kbulman2@rap.midco.net>; Allender Steve <Steve.Allender@rcgov.org>; Roberts John <John.Roberts@rcgov.org>
Subject: RE: Comments re Proposed TIF Guidelines

Hi Patsy,

As requested by the Planning Commission, I started the process of preparing specific comments and recommendations regarding the proposed TIF Guidelines. As part of that process, I completed a comprehensive review of the proposed TIFD Guidelines and compared it with the statutory authority under SDCL 9-11 which grants municipalities the ability to offer "customized" economic incentives through utilization of the Tax Increment Financing mechanism. During this process, it became increasingly apparent that most of the provisions in the proposed Guidelines serve not only to

severely limit the City's broad discretion but also do little to actually promote the City's stated objectives, including; infill/revitalization of the City Core, creation of affordable housing and stimulation of economic development. Instead of offering additional positive incentives to achieve certain goals, the proposed Guidelines restrict that which is currently available to all areas of the City and then merely allow much the same as "incentives" to be used only in certain "targeted areas".

I have discussed many of my concerns with individuals from key sectors of the community who attended the two round table discussions and understand and/or have been involved in the TIF process. There is a strong Consensus that there has been minimal input from stakeholder sectors and that the drafting of any new TIFD Guidelines should be a joint effort between City staff and a TIF Guideline Recommendation Committee charged with the task of promulgating/redrafting new proposed Guidelines. The Committee would have representatives from key industries often or always involved in the TIF process, including; banking, development, construction, real estate, non-profits and community economic development such as Elevate Rapid City. Each member of the Committee would have a vote in the new TIF Guidelines to be proposed to the planning Commission and City Council.

Most respectfully, my recommendation is to redraft the proposed Guidelines utilizing a collaborative approach as set forth above. I know it will take more time, but this is too important not to have a comprehensive effort from as many stakeholders in the community as possible. Frankly, I thought you may have been inferring this type of committee approach in your December 10 email response to my December 10 email.

Kindest regards.

Kent Hagg

From: Horton Patsy [<mailto:Patsy.Horton@rcgov.org>]
Sent: Thursday, January 02, 2020 8:53 AM
To: 'John L. Way'; Kent Hagg
Cc: Young Ken
Subject: RE: Comments re Proposed TIF Guidelines

Good morning!

Just to let you know this morning is the last day to get me your comments so that I can incorporate them into the information linked to next week's Planning Commission agenda.

Patsy

From: John L. Way <John.Way@bankwest-sd.bank>
Sent: Thursday, December 26, 2019 1:45 PM
To: Horton Patsy <Patsy.Horton@rcgov.org>; 'Kent Hagg' <kent.hagg@amatteroflaw.com>
Cc: Young Ken <Ken.Young@rcgov.org>; 'tom.johnson@elevaterapidcity.com' <tom.johnson@elevaterapidcity.com>; Allender Steve <Steve.Allender@rcgov.org>; 'Brian Hagg'

<brian.hagg@amatteroflaw.com>; Karen Bulman <kbulman2@rap.midco.net>

Subject: RE: [EXT] RE: Comments to Proposed TIFD Guidelines

On my list in the next two days.



John L. Way

Business Development Officer

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From: Horton Patsy <Patsy.Horton@rcgov.org>

Sent: Thursday, December 26, 2019 1:42 PM

To: 'Kent Hagg' <kent.hagg@amatteroflaw.com>; John L. Way <John.Way@bankwest-sd.bank>

Cc: Young Ken <Ken.Young@rcgov.org>; 'tom.johnson@elevaterapidcity.com'

<tom.johnson@elevaterapidcity.com>; Allender Steve <Steve.Allender@rcgov.org>; 'Brian Hagg'

<brian.hagg@amatteroflaw.com>; Karen Bulman <kbulman2@rap.midco.net>

Subject: [EXT] RE: Comments to Proposed TIFD Guidelines

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Kent / John –

Have you had a chance to put your written comments together yet?

As you know, Planning Commission will consider the Policy changes again on January 9. You both indicated that you could get those to me before Thanksgiving. I appreciate your efforts to forward me those written comments so that I can incorporate them into the draft as promised to the Planning Commission on 11/21/2019. I have included a copy of those minutes for your reference.

Patsy

From: Horton Patsy

Sent: Tuesday, December 10, 2019 7:22 AM

To: 'Kent Hagg' <kent.hagg@amatteroflaw.com>

Cc: Young Ken <Ken.Young@rcgov.org>; tom.johnson@elevaterapidcity.com; John L. Way

<John.Way@bankwest-sd.bank>; Allender Steve <Steve.Allender@rcgov.org>; Brian Hagg

<brian.hagg@amatteroflaw.com>; Karen Bulman <kbulman2@rap.midco.net>

Subject: RE: Comments to Proposed TIFD Guidelines

Thanks Kent.

Both Ken and I have reached out to Tom and provided him the November 6, 2019 Open House packet information so that he could review it, ask questions and/or provide any comments or concerns with the current proposal. I also visited with David Lust who was in attendance at the last two open houses/round table discussions and encouraged him to visit with Tom and the Elevate Board to find a representative for the TIF Committee until the proposed changes are adopted.

Again I look forward to receiving your written comments.

Patsy Horton, Manager

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Notable quote:

*It is easier to do a job right than to explain why you didn't.
President Martin Van Buren*

From: Kent Hagg <kent.hagg@amatteroflaw.com>

Sent: Monday, December 9, 2019 7:11 PM

To: Horton Patsy <Patsy.Horton@rcgov.org>

Cc: Young Ken <Ken.Young@rcgov.org>; tom.johnson@elevaterapidcity.com; John L. Way <John.Way@bankwest-sd.bank>; Allender Steve <Steve.Allender@rcgov.org>; Brian Hagg <brian.hagg@amatteroflaw.com>; Karen Bulman <kbulman2@rap.midco.net>

Subject: Comments to Proposed TIFD Guidelines

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Hi Patsy,

As requested by the Planning Commission, I will complete my comments regarding the proposed TIFD Guidelines before the end of the week. I had an opportunity to briefly discuss the same with Tom Johnson, President and CEO of Elevate Rapid City who expressed interest in Elevate being more involved and having significant input with the drafting process along with other stakeholders in the TIFD process including the financial, real estate and developer communities.

Thank you!

Kind regards,

Kent Hagg

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