

MINUTES  
TAX INCREMENT FINANCE PROJECT REVIEW COMMITTEE  
February 4, 2020

MEMBERS PRESENT: Lloyd LaCroix, Ron Rossknecht, Rachel Caesar and Ritchie Nordstrom

MEMBERS ABSENT: John Roberts and Coy Sasse

OTHERS PRESENT: Patsy Horton, Jeanne Nicholson and Ted Johnson

Called to Order

LaCroix called the meeting to order at 7:00 a.m.

Approve Minutes

**Motion by Caesar, seconded by Nordstrom and carried unanimously to approve the minutes of the September 10, 2019 meeting.**

TID #78 – Unnamed Tributary - Amendment #1 (20TIF001)

Applicant: Yasmeeen Dream LLC

Agent: KTM Design Solutions, Inc.

Horton informed the Committee that the applicant has withdrawn their application for an amendment to TID #78.

**Nordstrom moved to acknowledge the applicant's withdrawal of the application for an amendment to TID #78. The motion was seconded by Rossknecht and carried unanimously.**

TID #68 – Homestead – Amendment #1 (20TIF002)

Applicant: City of Rapid City

Agent: Michelle Lashley

Horton advised that this request is to reallocate costs and to add a project line item. She added that this tax increment district was created in 2008 and the developer and the City joined in together to make the public improvements, including a 16 inch water main that provides water to the airport. She addressed the aerial photos from 2008 and 2018 which identifies the development that has occurred within the tax increment district boundary. Horton explained that the applicant is trying to reallocate the convenient costs to match project expenditures, including the easement acquisition for the water main and temporary construction easements. She added that in 2008, the developer proposed a future phasing project for the road construction within the easement and advised that the plat was not signed until December 2019. Horton further explained that the applicant is also reallocating costs for the overage on professional fees and interest. She noted that the bottom line will not be effected by the amendment. She reviewed the public improvements that were made by both the applicant and the City for the road construction and the water main. She reviewed the easement documents and the drainage improvements that were made within the subdivision.

Horton stated that this application specifically identifies whether or not the project proposal as submitted complies with the Tax Increment Financing Policy and noted that this application does

not because real property including land acquisition must be approved by the City Council before the application is submitted. She advised that staff is recommending denial because that portion of the amendment referencing the easement acquisition does not comply, but if the Committee determines that it meets the intent of the policy because it provides water service to the airport, the Committee could recommend approval of the reallocation amendment and request that City Council authorize adding the Property Acquisition Costs to the Project Plan as allowable costs.

A brief discussion followed regarding the construction of the road, the installation of the water main and the water flow to the airport.

In response to a question from Rossknecht, Horton reviewed the Cost Reallocation Summary and noted that the easement acquisition costs are \$39,470. Additional discussion followed.

In response to a question from Nordstrom, Horton advised that the City can be reimbursed for all eligible costs that have been expended and reviewed the necessary and convenient costs.

In response to a question from Caesar, Horton advised that the Committee makes a recommendation to the Planning Commission and that a stipulation could be added that Council authorize adding the Property Acquisition Costs to the Project Plan as allowable costs. Additional discussion followed.

**LaCroix moved to recommend approval of the reallocation amendment and to request Council to authorize adding the Property Acquisition Costs to the Project Plan as allowable costs. The motion was seconded by Nordstrom.**

Horton clarified that this amendment allows the City full expenditure reimbursement for the water main costs, not the developer.

**The motion to recommend approval of the reallocation amendment and to request Council to authorize adding the Property Acquisition costs to the Project Plan as allowable costs carried unanimously.**

#### Other

Lacroix inquired as to the status of the proposed policy changes for the Tax Increment Financing Policy. Horton advised that the policy changes were denied. Additional discussion followed.

**There being no further business to come before the Committee, Nordstrom moved, Caesar seconded and motion carried unanimously to adjourn the meeting at 7:18 a.m.**