The proposed tax increment district will provide tax increment funding to design, grade and install a 16” and 20” water main from E North Street to Elk Vale Road within the E Anamosa Street corridor, grade portions of North Valley Drive, relocate utilities along the E Anamosa Street, North Valley Drive and Mickelson Drive corridors, design and construct four regional detention ponds, provide funding for the City to conduct a feasibility study and design and construct a regional water booster station per the Infrastructure Design Criteria Manual (location and TIF eligibility dependent upon the associated feasibility study), and construct a portion of Mickelson Drive south of the section line near Western Dakota Tech.

Funding Source & Fiscal Impact (if applicable):

<table>
<thead>
<tr>
<th>Funding</th>
<th>Cost Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>$13,191,040.15</td>
<td>TIF Financed Public Improvements</td>
</tr>
<tr>
<td>$1,039,504.02</td>
<td>Professional/Construction Admin Fees</td>
</tr>
<tr>
<td>$1,039,504.02</td>
<td>Contingency costs/Necessary-Convenient</td>
</tr>
<tr>
<td>$13,565,806.33</td>
<td>Financing / Interest (7.0%)</td>
</tr>
<tr>
<td>$20,000</td>
<td>Imputed Administrative Fee (interest free)</td>
</tr>
<tr>
<td>$28,855,854.52</td>
<td>Total TIF Financed Expenditures</td>
</tr>
</tbody>
</table>

Staff recommends approving the request to create the E Anamosa Street Water Extension tax increment district as it meets the intent of the Tax Increment Policy and SDCL 11-9-8 as follows:

**Tax Increment Policy:**

5. To facilitate the extension, reconstruction, maintenance and completion of the City’s existing infrastructure network

**SDCL 11-9-8:**

(1) Not less than twenty-five percent, by area, of the real property within the district is a blighted area or not less than fifty percent, by area, of the real property within the district will stimulate and develop the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, manufacturing, agricultural, or natural resources development; and

(2) The improvement of the area is likely to significantly enhance the value of substantially all other real property in the district.

### 20TIF006 Staff Review – Attachments & Links

- 20TIF006 Preliminary Review
- 20TIF006 Aerial Photo
- 20TIF006 Proposed TID Boundary
- 20TIF006 Public Improvements Map
- 20TIF006 Proposed TID Project Costs
- 20TIF006 Shepherd Hills Area Master Plan
- 20TIF006 E Anamosa Street Water Extension TID Application
- 20TIF006 Application Exhibits
- 20TIF006 Application Appendices

### Other Resources – Attachments & Links

- TIF Guidelines
- SDCL 11-9 – Tax Increment Financing
- 2019 TID Annual Report