DRAFT

PROJECT PLAN

TAX INCREMENT DISTRICT #65
REVISED
MINNESOTA STREET
CITY OF RAPID CITY

Revision #1 – December 2018

Prepared by the

Rapid City Department of Community Development

September 2007

Revision #1 – December 2018

INTRODUCTION

Tax Increment Financing is a method of financing improvements and development in an area which has been determined to be blighted according to the criteria set forth in SDCL 11-9. All this is done without incurring a general obligation for the taxpayers of the entire City.

The assessed value of a district is determined by the South Dakota Department of Revenue at the time the district is created by the City Council. This valuation is termed the Tax Increment Base Valuation for the district, or simply the "base valuation." As the property taxes for the property are paid, that portion of the taxes paid on the Base Valuation continue to go to those entities, (City, County, School, etc.), which levy property taxes.

When in succeeding years, the assessed valuation of the district increases, the total property taxes paid by the owners of property in the district will increase accordingly. That increase in taxable valuation is the "increment." When the tax bills are paid, only that portion of the tax bill which results from the Base Valuation, is paid to the taxing entities. The remainder of the tax bill, known as the tax increment, is deposited in a special fund. It is this plan which determines how these accumulated funds will be used.

It is anticipated that one or more of the properties in this proposed Tax Increment District will be used for commercial purposes. The creation of this Tax Increment District for economic development purposes will not require an additional levy to make up for the School District's share of the property taxes included in the Tax Increment.

This financing method is invaluable for encouraging growth and development of blighted properties with special re-development problems, since the amount of funds available for use by the project plan is directly related to the increase in valuation which a given project or development will create.

OVERVIEW

This plan proposes that a Tax Increment District be created to assist in the future development of property adjacent to Plum Creek and Elks Country Estates by extending Minnesota Street along the southern boundary of Plum Creek and Elks Country Estates. The Tax Increment Funds would be utilized for the extension of Minnesota Street, grading, storm sewer, underground utilities, a traffic signal, a drainage facility and an irrigation pipe. The proposed boundaries are located south and west of Elks Country Estates and east of Elk Vale Road. The estimated cost of the improvements is$10,361,200.

The Tax Increment Financing Committee met on February 9, 2007, February 22, 2007, March 16, 2007, April 3, 2007 and April 17, 2007 to discuss this proposed Project Plan for Tax Increment District #65 and recommended approval of the Project Plan. The Tax Increment District will be financed by two independent developers.

The development of the public improvements will enhance the ability for new development to occur in this area increasing the community's economic vitality and expanding the City's property tax base.

The first developer's share of the estimated cost of the improvements will be financed at an estimated 9% interest rate. The second developer's share of the estimated cost of the improvements will be financed at an estimated 9% interest rate. All project expenditures must be completed within five years of the creation of the district. Should the tax increment revenues exceed the anticipated loan payments, the district debt would be retired early resulting in the full value of the property being returned to the tax rolls more quickly.

PROJECT PLAN SUMMARY

This plan establishes the total project costs, as well as the Tax Increment District funded costs.

Elements of the Project Plan

This Project Plan, as required by SDCL 11-9-13, will address the following elements:

1) Public Works and Other Improvements;
2) Economic Feasibility Study;
3) Project Costs;
4) Fiscal Impact Statement; and,
5) Financing Method Description.

Additionally, the following exhibits are offered:

I. General Vicinity map;
II. Tax Increment District Boundary Map;
III. Map of Existing Zoning;
IV. Map of Existing Land Use; and,
V. Map of Public and Other Improvements.

The Statement of Method for Relocating Displaced Persons, as well as the Statement of Changes Needed in Master Plan, Building Codes and Ordinances do not apply to this Project Plan and have not been included in this document.

ELEMENTS OF THE PROJECT PLAN

1. PUBLIC WORKS AND OTHER IMPROVEMENTS

The project plan includes$8,681,000 in capital costs associated with funding Minnesota Street and public improvements.

2. ECONOMIC FEASIBILITY STUDY

Current Valuation – Tax Increment District Number Sixty Five has been created in accordance with SDCL 11-9-2 to 11-9-11. A vicinity map as well as a boundary map is attached. As of this date, the assessed valuation for the proposed district is projected as$920,927. In accordance with SDCL 11-9-20, the certification of the base value has been received from the South Dakota Department of Revenue following creation and approval of the district by the City Council.

ANTICIPATED CERTIFIED BASE VALUATION OF PROPERTY IN TID #65
$920,927

Expected Increase in Valuation –

ESTIMATED FUTURE VALUATION OF PROPOSED DISTRICT

Estimated Assessed Value of District	$920,927
Estimated Assessed Value of project (year 20)	$181,400,000
Other Anticipated Increases in Assessed Value	$0
Estimated Increase in Assessed Value of Land*	$0
Estimated Total Valuation (year 20)	$182,320,927

*For purposes of this Tax Increment District, the increase in land value is not included in these estimates. Any additional value will pay off the loan earlier than anticipated.

Revenue Estimates from Tax Increments

The Plan anticipates 40 semi-annual payments over 20 years. The potential negative short-term impact on the various taxing entities will be offset by the increase in the tax base in future years.

2006 Non-Agriculture Tax Levies and Percentage of Total Levy

Taxing Entity	Tax Levy	Percentage of Total Levy
Rapid City Area School District	15.1624	66.8%
Pennington County	4.5471	20.0%
City of Rapid City	2.9680	13.1%
West Dakota Water District	0.0281	0.1%
Total Mill Levy	22.7056	100.0%

Anticipated 2006 Non-Agriculture Tax Rate: 0.0227056

2006 Owner Occupied Tax Levies and Percentage of Total Levy

Taxing Entity	Tax Levy	Percentage of Total Levy
Rapid City Area School District	9.6045	56.0%
Pennington County	4.5471	26.6%
City of Rapid City	2.9680	17.3%
West Dakota Water District	0.0281	0.1%
Total Mill Levy	17.1477	100.0%

Anticipated 2006 Owner Occupied Tax Rate: 0.0171477

The estimated tax increment available to pay for project costs in the Plan can be calculated by multiplying the anticipated tax rate by the increment in valuation. This calculation results in the following tax increments, which become available as taxes are paid for the applicable periods.

PROJECTED TAX INCREMENT INCOME

ASSESSMT DATE	YEAR TAXES PAID	PROJECTED INCREMENT IN VALUATION	TAX INCREMENT PAYMENTS	TOTAL	6 MONTH TOTAL
Nov. 2007	2009	$0	$0	$0	$0
Nov. 2008	2010	$5,600,000 (OO)	$96,027	$96,027	$48,013
Nov. 2009	2011	$11,200,000 (OO)	$192,054		
		$7,500,000 (NA)	$170,292	$362,346	$181,173
Nov. 2010	2012	$16,800,000 (OO)	$288,081		
		$15,000,000 (NA)	$340,584	$628,665	$314,332
Nov. 2011	2013	$22,400,000 (OO)	$384,108		
		$22,500,000 (NA)	$510,876	$894,984	$447,492
Nov. 2012	2014	$28,000,000 (OO)	$480,135		
		$30,000,000 (NA)	$681,168	$1,161,303	$580,651
Nov. 2013	2015	$33,600,000 (OO)	$576,162		
		$37,500,000 (NA)	$851,460	$1,427,622	$713,811
Nov. 2014	2016	$39,200,000 (OO)	$672,189		
		$45,000,000 (NA)	$1,021,752	$1,693,941	$846,970
Nov. 2015	2017	$44,800,000 (OO)	$768,216		
		$52,500,000 (NA)	$1,192,044	$1,960,260	$980,130
Nov. 2016	2018	$50,400,000 (OO)	$864,244		
		$60,000,000 (NA)	$1,362,336	$2,226,580	$1,113,290
Nov. 2017	2019	$56,000,000 (OO)	$960,271		
		$67,500,000 (NA)	$1,532,628	$2,492,899	$1,246,449
Nov. 2018	2020	$61,600,000 (OO)	$1,056,298		
		$75,000,000 (NA)	$1,702,920	$2,759,218	$1,379,609
Nov. 2019	2021	$67,200,000 (OO)	$1,152,325		
		$75,000,000 (NA)	$1,702,920	$2,855,245	$1,427,622
Nov. 2020	2022	$72,800,000 (OO)	$1,248,352		
		$75,000,000 (NA)	$1,702,920	$2,951,272	$1,475,636
Nov. 2021	2023	$78,400,000 (OO)	$1,344,379		
		$75,000,000 (NA)	$1,702,920	$3,047,299	$1,523,649
Nov. 2022	2024	$84,000,000 (OO)	$1,440,406		
		$75,000,000 (NA)	$1,702,920	$3,143,326	$1,571,663
Nov. 2023	2025	$89,600,000 (OO)	$1,536,433		
		$75,000,000 (NA)	$1,702,920	$3,239,353	$1,619,676
Nov. 2024	2026	$95,200,000 (OO)	$1,632,461		
		$75,000,000 (NA)	$1,702,920	$3,335,381	$1,667,690
Nov. 2025	2027	$100,800,000 (OO)	$1,728,488		
		$75,000,000 (NA)	$1,702,920	$3,431,408	$1,715,704
Nov. 2026	2028	$106,400,000 (OO)	$1,824,515		
		$75,000,000 (NA)	$1,702,920	$3,527,435	$1,763,717

TOTAL TAX INCREMENT EXPECTED TO ACCRUE BY 12/31/28:
$41,234,564

NOTE: Tax increment payments are calculated using 100% of estimated future property valuation and 100% of expected 2006 mill levy.

3. PROJECT COSTS

Capital Costs – The capital costs of$8,681,000 included in the Project Plan are for Minnesota Street, site grading, storm water pipe, land costs for an oversized detention pond, irrigation pipe, drainage pond, power line relocation, and traffic signal. Included in the$6,145,200 cost of Minnesota Street are approximately$578,000 for water lines and$578,000 for sewer lines.

Financing Costs – The financing costs for this Project Plan are dependent on the interest rate obtained. The anticipated interest rate used for this projection by both the first and second developer is 9%. It is estimated that the financing costs will total$23,594,976.65. If a lower interest rate is obtained, the project costs will be repaid more quickly and the property will be returned to the tax rolls sooner.

Professional Service Costs – Professional service costs in the amount of$840,100 are anticipated in this Project Plan.

Relocation Costs – No relocation costs are anticipated in the Project Plan.

Organizational Costs – No organizational costs are anticipated in the Project Plan.

Contingency Costs – Contingency costs in the amount of$840,100 are anticipated in the Project Plan.

Necessary and Convenient Payments – No necessary and convenient costs are anticipated in the Project Plan.

Imputed Administrative Costs – All Tax Increment District actions require municipal staff time to prepare and enact. The City shall be reimbursed on June 1, 2012, for its administrative costs in the amount of$2,050. However, in no case shall the City be reimbursed less than$1 on June 1, 2012.

TOTAL ESTIMATED PROJECT COSTS TO BE PAID BY THE TAX INCREMENT DISTRICT

Capital Costs:	
Minnesota Street	$5,505,200.00
Plum Creek Site Grading	$713,800.00
Storm Water Pipe	$425,000.00
Land Costs for oversize detention pond	$280,000.00
Drainage Pond	$450,000.00
Irrigation Pipe	$220,000.00
Minnesota Street – Shared Costs	$640,000.00
Power Line relocation	$307,000.00
Traffic Signal	$140,000.00
Professional Service Costs	$840,100.00
Financing Costs:	
Financing interest	$23,594,976.65
Contingency Costs:	$840,100.00

Relocation Costs:	$0
Organizational Costs:	$0
Necessary and Convenient Costs:	$0
TOTAL	$33,956,176.65

Imputed Administrative Costs*

City of Rapid City	$2,050

*The imputed administrative costs are interest-free, are not included in the total project costs, and are to be paid from the balance remaining in the TID #65 fund available to the City Finance Officer on June 1, 2012.

DEVELOPER I FUNDED PROJECT COSTS:

Capital Costs:	
Minnesota Street	$3,050,000.00
Plum Creek Site Grading	$713,800.00
Storm Water Pipe	$425,000.00
Land Costs for oversize detention pond	$280,000.00
Minnesota Street – Shared Costs	$320,000.00
Power Line relocation	$153,500.00
Traffic Signal	$70,000.00
Professional Service Costs	$473,230.00
Financing Costs:	
Financing interest	$13,572,265.03
Contingency Costs:	$473,230.00
Relocation Costs:	$0
Organizational Costs:	$0
Necessary and Convenient Costs:	$0
TOTAL	$19,531,025.03

DEVELOPER II FUNDED PROJECT COSTS:

Capital Costs:	
Minnesota Street	$2,455,200.00
Drainage Pond	$450,000.00
Irrigation Pipe	$220,000.00
Minnesota Street – Shared Costs	$320,000.00
Power Line relocation	$153,500.00
Traffic Signal	$70,000.00
Professional Service Costs	$366,870.00
Financing Costs:	

Financing interest	$10,022,711.62
Contingency Costs:	$366,870.00
Relocation Costs:	$0
Organizational Costs:	$0
Necessary and Convenient Costs:	$0
TOTAL	$14,425,151.62

4. FISCAL IMPACT STATEMENT

The impact on taxing entities can be derived from determining the tax increment anticipated during the life of the district. The true impact on taxing entities of the Plan is the increase in valuation of the property within the Tax Increment District. The taxing entities are only foregoing that income during the life of the district and will realize that income as soon as the debt from the project costs in the Plan is retired. The purpose of this Plan is to encourage that increase in valuation.

At first glance it may appear that the negative impact on the various entities is notable. But when it is considered that without the use of the Tax Increment Finance proposed in this plan it is very likely that there would be no increase in the taxable value of the property within this district or, at least, any increase would be significantly delayed, the impact can be considered truly positive.

NET IMPACT ON TAXING ENTITIES

Year Paid	Valuation Increase	Schools	County	City	Water	Total
2009	$0	$0	$0	$0	$0	$0
2010	$5,600,000 (OO)	$0	$25,543	$16,612	$96	$96,027
2011	$11,200,000 (OO)	$0	$51,086	$33,225	$192	$192,054
	$7,500,000 (NA)	$0	$34,058	$22,308	$170	$170,292
2012	$16,800,000 (OO)	$0	$76,629	$49,838	$288	$288,081
	$15,000,000 (NA)	$0	$68,116	$44,616	$340	$340,584
2013	$22,400,000 (OO)	$0	$102,172	$66,450	$384	$384,108
	$22,500,000 (NA)	$0	$102,175	$66,924	$510	$510,876
2014	$28,000,000 (OO)	$0	$127,715	$83,063	$480	$480,135
	$30,000,000 (NA)	$0	$136,233	$89,233	$681	$681,168
2015	$33,600,000 (OO)	$0	$153,259	$99,676	$576	$576,162
	$37,500,000 (NA)	$0	$170,292	$111,541	$851	$851,460
2016	$39,200,000 (OO)	$0	$178,802	$116,288	$672	$672,189
	$45,000,000 (NA)	$0	$204,350	$133,849	$1,021	$1,021,752
2017	$44,800,000 (OO)	$0	$204,345	$132,901	$768	$768,216
	$52,500,000 (NA)	$0	$238,408	$156,157	$1,192	$1,192,044
2018	$50,400,000 (OO)	$0	$229,888	$149,514	$864	$864,244
	$60,000,000 (NA)	$0	$272,467	$178,466	$1,362	$1,362,336
2019	$56,000,000 (OO)	$0	$255,432	$166,126	$960	$960,271
	$67,500,000 (NA)	$0	$306,525	$200,774	$1,532	$1,532,628
2020	$61,600,000 (OO)	$0	$280,975	$182,739	$1,056	$1,056,298
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920

2021	$67,200,000 (OO)	$0	$306,518	$199,352	$1,152	$1,152,325
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2022	$72,800,000 (OO)	$0	$332,061	$215,964	$1,248	$1,248,352
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2023	$78,400,000 (OO)	$0	$357,604	$232,577	$1,344	$1,344,379
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2024	$84,000,000 (OO)	$0	$383,147	$249,190	$1,440	$1,440,406
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2025	$89,600,000 (OO)	$0	$408,691	$265,802	$1,536	$1,536,433
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2026	$95,200,000 (OO)	$0	$434,234	$282,415	$1,632	$1,632,461
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2027	$100,800,000 (OO	$0	$459,777	$299,028	$1,728	$1,728,488
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920
2028	$106,400,000 (OO	$0	$485,320	$315,641	$1,824	$1,824,515
	$75,000,000 (NA)	$0	$340,584	$223,082	$1,702	$1,702,920

*The Plan anticipates 40 semi-annual payments over 20 years.

5. FINANCING METHOD

The financing method to be used in the funding of this Plan is to be obtained by the applicants. The applicants will be responsible for any interest payments due that are not available from Tax Increment District #65. If the tax increment revenues exceed the anticipated loan payments, the debt will be retired early.

The debt on the Tax Increment District Project Costs covered in the Plan will be retired by deposits made in the Tax Increment District as taxes are paid on the property in succeeding years. The City of Rapid City Finance Officer will make the disbursements from that fund in accordance with this Plan. Fifty seven and one half percent (57.5%) of the revenues received will be disbursed to the first developer for project costs incurred by that developer and forty two and one half percent (42.5%) will be disbursed to the second developer for project costs incurred by that developer. According to SDCL 11-9-25, positive tax increments will be allocated to that fund until the debt from the project costs is retired or fifteen years following the last expenditure from the Project Plan whichever comes first. The final payment from this Plan is scheduled to be made on December 1, 2026.

There are two projected amortization rate schedules listed below. Schedule #1 shows the amount to be borrowed by Developer I using a 9% interest rate. Schedule #2 shows the amount to be borrowed by Developer II using a 9% interest rate.

PROJECTED AMORTIZATION RATE

Schedule #1: Developer I

TABLE

No.	Payment Date	Beginning Balance	Interest	Total Due	Capital Int Payment	Tax Inc Payment	Total Pay	Loan Balance	Cumulative Interest
1	6/1/2007	5,958,760.00	268,144.20	6,226,904.20	268,144.20	0.00	268,144.20	6,226,904.20	268,144.20

2	12/1/2007	6,226,904.20	280,210.69	6,507,114.89	280,210.69	0.00	280,210.69	6,507,114.89	548,354.89
3	6/1/2008	6,507,114.89	292,820.17	6,799,935.06	292,820.17	0.00	292,820.17	6,799,935.06	841,175.06
4	12/1/2008	6,799,935.06	305,997.08	7,105,932.14	305,997.08	0.00	305,997.08	7,105,932.14	1,147,172.14
5	6/1/2009	7,105,932.14	319,766.95	7,425,699.08	319,766.95	0.00	319,766.95	7,425,699.08	1,466,939.08
6	12/1/2009	7,425,699.08	334,156.46	7,759,855.54	334,156.46	0.00	334,156.46	7,759,855.54	1,801,095.54
7	6/1/2010	7,759,855.54	349,193.50	8,109,049.04	321,585.50	27,608.00	349,193.50	8,081,441.04	2,150,289.04
8	12/1/2010	8,081,441.04	363,664.85	8,445,105.89	336,056.85	27,608.00	363,664.85	8,417,497.89	2,513,953.89
9	6/1/2011	8,417,497.89	378,787.40	8,796,285.29	274,612.40	104,175.00	378,787.40	8,692,110.29	2,892,741.29
10	12/1/2011	8,692,110.29	391,144.96	9,083,255.26	286,969.96	104,175.00	391,144.96	8,979,080.26	3,283,886.26
11	6/1/2012	8,979,080.26	404,058.61	9,383,138.87	223,317.61	180,741.00	404,058.61	9,202,397.87	3,687,944.87
12	12/1/2012	9,202,397.87	414,107.90	9,616,505.77	233,366.90	180,741.00	414,107.90	9,435,764.77	4,102,052.77
13	6/1/2013	9,435,764.77	424,609.41	9,860,374.19	167,301.41	257,308.00	424,609.41	9,603,066.19	4,526,662.19
14	12/1/2013	9,603,066.19	432,137.98	10,035,204.16	174,829.98	257,308.00	432,137.98	9,777,896.16	4,958,800.16
15	6/1/2014	9,777,896.16	440,005.33	10,217,901.49	106,130.33	333,875.00	440,005.33	9,884,026.49	5,398,805.49
16	12/1/2014	9,884,026.49	444,781.19	10,328,807.68	110,906.19	333,875.00	444,781.19	9,994,932.68	5,843,586.68
17	6/1/2015	9,994,932.68	449,771.97	10,444,704.65	39,329.97	410,442.00	449,771.97	10,034,262.65	6,293,358.65
18	12/1/2015	10,034,262.65	451,541.82	10,485,804.47	41,099.82	410,442.00	451,541.82	10,075,362.47	6,744,900.47
19	6/1/2016	10,075,362.47	453,391.31	10,528,753.79	0.00	487,008.00	487,008.00	10,041,745.79	7,198,291.79
20	12/1/2016	10,041,745.79	451,878.56	10,493,624.35	0.00	487,008.00	487,008.00	10,006,616.35	7,650,170.35
21	6/1/2017	10,006,616.35	450,297.74	10,456,914.08	0.00	563,575.00	563,575.00	9,893,339.08	8,100,468.08
22	12/1/2017	9,893,339.08	445,200.26	10,338,539.34	0.00	563,575.00	563,575.00	9,774,964.34	8,545,668.34
23	6/1/2018	9,774,964.34	439,873.40	10,214,837.74	0.00	640,142.00	640,142.00	9,574,695.74	8,985,541.74
24	12/1/2018	9,574,695.74	430,861.31	10,005,557.04	0.00	640,142.00	640,142.00	9,365,415.04	9,416,403.04
25	6/1/2019	9,365,415.04	421,443.68	9,786,858.72	0.00	716,708.00	716,708.00	9,070,150.72	9,837,846.72
26	12/1/2019	9,070,150.72	408,156.78	9,478,307.50	0.00	716,708.00	716,708.00	8,761,599.50	10,246,003.50
27	6/1/2020	8,761,599.50	394,271.98	9,155,871.48	0.00	793,275.00	793,275.00	8,362,596.48	10,640,275.48
28	12/1/2020	8,362,596.48	376,316.84	8,738,913.32	0.00	793,275.00	793,275.00	7,945,638.32	11,016,592.32
29	6/1/2021	7,945,638.32	357,553.72	8,303,192.05	0.00	820,883.00	820,883.00	7,482,309.05	11,374,146.05
30	12/1/2021	7,482,309.05	336,703.91	7,819,012.95	0.00	820,883.00	820,883.00	6,998,129.95	11,710,849.95
31	6/1/2022	6,998,129.95	314,915.85	7,313,045.80	0.00	848,490.00	848,490.00	6,464,555.80	12,025,765.80
32	12/1/2022	6,464,555.80	290,905.01	6,755,460.81	0.00	848,490.00	848,490.00	5,906,970.81	12,316,670.81
33	6/1/2023	5,906,970.81	265,813.69	6,172,784.50	0.00	876,098.00	876,098.00	5,296,686.50	12,582,484.50
34	12/1/2023	5,296,686.50	238,350.89	5,535,037.39	0.00	876,098.00	876,098.00	4,658,939.39	12,820,835.39
35	6/1/2024	4,658,939.39	209,652.27	4,868,591.66	0.00	903,706.00	903,706.00	3,964,885.66	13,030,487.66
36	12/1/2024	3,964,885.66	178,419.85	4,143,305.52	0.00	903,706.00	903,706.00	3,239,599.52	13,208,907.52
37	6/1/2025	3,239,599.52	145,781.98	3,385,381.50	0.00	931,314.00	931,314.00	2,454,067.50	13,354,689.50
38	12/1/2025	2,454,067.50	110,433.04	2,564,500.54	0.00	931,314.00	931,314.00	1,633,186.54	13,465,122.54
39	6/1/2026	1,633,186.54	73,493.39	1,706,679.93	0.00	958,922.05	958,922.05	747,757.88	13,538,615.93
40	12/1/2026	747,757.88	33,649.10	781,406.98	0.00	781,406.98	781,406.98	0.00	13,572,265.03

Schedule #2: Developer II

TABLE

No.	Payment Date	Beginning Balance	Interest	Total Due	Capital Int Payment	Tax Inc Payment	Total Pay	Loan Balance	Cumulative Interest
1	6/1/2007	4,402,440.00	198,109.80	4,600,549.80	198,109.80	0.00	198,109.80	4,600,549.80	198,109.80
2	12/1/2007	4,600,549.80	207,024.74	4,807,574.54	207,024.74	0.00	207,024.74	4,807,574.54	405,134.54
3	6/1/2008	4,807,574.54	216,340.85	5,023,915.40	216,340.85	0.00	216,340.85	5,023,915.40	621,475.40
4	12/1/2008	5,023,915.40	226,076.19	5,249,991.59	226,076.19	0.00	226,076.19	5,249,991.59	847,551.59

5	6/1/2009	5,249,991.59	236,249.62	5,486,241.21	236,249.62	0.00	236,249.62	5,486,241.21	1,083,801.21
6	12/1/2009	5,486,241.21	246,880.85	5,733,122.06	246,880.85	0.00	246,880.85	5,733,122.06	1,330,682.06
7	6/1/2010	5,733,122.06	257,990.49	5,991,112.56	237,584.49	20,406.00	257,990.49	5,970,706.56	1,588,672.56
8	12/1/2010	5,970,706.56	268,681.80	6,239,388.35	248,275.80	20,406.00	268,681.80	6,218,982.35	1,857,354.35
9	6/1/2011	6,218,982.35	279,854.21	6,498,836.56	202,855.21	76,999.00	279,854.21	6,421,837.56	2,137,208.56
10	12/1/2011	6,421,837.56	288,982.69	6,710,820.25	211,983.69	76,999.00	288,982.69	6,633,821.25	2,426,191.25
11	6/1/2012	6,633,821.25	298,521.96	6,932,343.20	164,930.96	133,591.00	298,521.96	6,798,752.20	2,724,713.20
12	12/1/2012	6,798,752.20	305,943.85	7,104,696.05	172,352.85	133,591.00	305,943.85	6,971,105.05	3,030,657.05
13	6/1/2013	6,971,105.05	313,699.73	7,284,804.78	123,515.73	190,184.00	313,699.73	7,094,620.78	3,344,356.78
14	12/1/2013	7,094,620.78	319,257.94	7,413,878.72	129,073.94	190,184.00	319,257.94	7,223,694.72	3,663,614.72
15	6/1/2014	7,223,694.72	325,066.26	7,548,760.98	78,289.26	246,777.00	325,066.26	7,301,983.98	3,988,680.98
16	12/1/2014	7,301,983.98	328,589.28	7,630,573.26	81,812.28	246,777.00	328,589.28	7,383,796.26	4,317,270.26
17	6/1/2015	7,383,796.26	332,270.83	7,716,067.09	0.00	303,370.00	303,370.00	7,412,697.09	4,649,541.09
18	12/1/2015	7,412,697.09	333,571.37	7,746,268.46	0.00	303,370.00	303,370.00	7,442,898.46	4,983,112.46
19	6/1/2016	7,442,898.46	334,930.43	7,777,828.89	0.00	359,963.00	359,963.00	7,417,865.89	5,318,042.89
20	12/1/2016	7,417,865.89	333,803.96	7,751,669.85	0.00	359,963.00	359,963.00	7,391,706.85	5,651,846.85
21	6/1/2017	7,391,706.85	332,626.81	7,724,333.66	0.00	416,555.00	416,555.00	7,307,778.66	5,984,473.66
22	12/1/2017	7,307,778.66	328,850.04	7,636,628.70	0.00	416,555.00	416,555.00	7,220,073.70	6,313,323.70
23	6/1/2018	7,220,073.70	324,903.32	7,544,977.02	0.00	473,148.00	473,148.00	7,071,829.02	6,638,227.02
24	12/1/2018	7,071,829.02	318,232.31	7,390,061.32	0.00	473,148.00	473,148.00	6,916,913.32	6,956,459.32
25	6/1/2019	6,916,913.32	311,261.10	7,228,174.42	0.00	529,741.00	529,741.00	6,698,433.42	7,267,720.42
26	12/1/2019	6,698,433.42	301,429.50	6,999,862.93	0.00	529,741.00	529,741.00	6,470,121.93	7,569,149.93
27	6/1/2020	6,470,121.93	291,155.49	6,761,277.41	0.00	586,334.00	586,334.00	6,174,943.41	7,860,305.41
28	12/1/2020	6,174,943.41	277,872.45	6,452,815.87	0.00	586,334.00	586,334.00	5,866,481.87	8,138,177.87
29	6/1/2021	5,866,481.87	263,991.68	6,130,473.55	0.00	606,740.00	606,740.00	5,523,733.55	8,402,169.55
30	12/1/2021	5,523,733.55	248,568.01	5,772,301.56	0.00	606,740.00	606,740.00	5,165,561.56	8,650,737.56
31	6/1/2022	5,165,561.56	232,450.27	5,398,011.83	0.00	627,145.00	627,145.00	4,770,866.83	8,883,187.83
32	12/1/2022	4,770,866.83	214,689.01	4,985,555.84	0.00	627,145.00	627,145.00	4,358,410.84	9,097,876.84
33	6/1/2023	4,358,410.84	196,128.49	4,554,539.33	0.00	647,551.00	647,551.00	3,906,988.33	9,294,005.33
34	12/1/2023	3,906,988.33	175,814.47	4,082,802.80	0.00	647,551.00	647,551.00	3,435,251.80	9,469,819.80
35	6/1/2024	3,435,251.80	154,586.33	3,589,838.13	0.00	667,957.00	667,957.00	2,921,881.13	9,624,406.13
36	12/1/2024	2,921,881.13	131,484.65	3,053,365.78	0.00	667,957.00	667,957.00	2,385,408.78	9,755,890.78
37	6/1/2025	2,385,408.78	107,343.40	2,492,752.18	0.00	688,363.00	688,363.00	1,804,389.18	9,863,234.18
38	12/1/2025	1,804,389.18	81,197.51	1,885,586.69	0.00	688,363.00	688,363.00	1,197,223.69	9,944,431.69
39	6/1/2026	1,197,223.69	53,875.07	1,251,098.76	0.00	708,768.47	708,768.47	542,330.29	9,998,306.76
40	12/1/2026	542,330.29	24,404.86	566,735.15	0.00	566,735.15	566,735.15	0.00	10,022,711.62

REVISION #1 PROJECT PLAN
DECEMBER 2018

Revision #1 reallocates Capital Costs, Professional Costs and Contingency Costs in order to reconcile approved project costs with actual expenditures.

The 2007 base valuation of the District as determined by the South Dakota Department of Revenue was established at $968,781 and will not change with this Revision. The State Department of Revenue has indicated that the 2017 year-end assessed valuation of the District was $72,325,700. This year-end valuation provides evidence that the District has stimulated the general economic welfare and prosperity of the state through the promotion and advancement of industrial and commercial development as required in South Dakota Codified Law 11-9-8.

This Revision reallocates the project costs as follows:

Developer I: This revision reallocates the project costs, decreasing the following line item amounts: $391,411.21 for Minnesota Street and $473,230 for Contingency Costs. The revision increases the following line item amounts: $390,800 for Plum Creek Site Grading; $190,917.19 for Stormwater Pipe; $252,499.82 for the shared Minnesota Street costs; $29,379.73 for the Power Line relocation; and $1,044.47 for the Traffic Signal.

Developer II: The revision reallocates the project costs, decreasing the following line item amounts: $126,870.00 for Phase II Contingency Costs and $156,054.02 for Phase III Contingency Costs. The proposal increases the following line item amounts: $252,499.82 for the shared Minnesota Street costs; $29,379.73 for the Power Line relocation; and $1,044.47 for the Traffic Signal.

Description	Project Plan Costs 2007	Reallocation	Revised Project Plan Costs
Developer I			
Capital Projects			
Minnesota Street	$3,050,000.00	($391,411.21)	$2,658,588.79
Plum Creek Site Grading	$713,800.00	$390,800.00	$1,104,600.00
Storm Water Pipe	$425,000.00	$190,917.19	$615,917.19
Land Costs - Detention Pond	$280,000.00	$0.00	$280,000.00
Minnesota Street - shared	$320,000.00	$252,499.82	$572,499.82
Power Line relocation	$153,500.00	$29,379.73	$182,879.73
Traffic Signal	$70,000.00	$1,044.47	$71,044.47
Total Capital Costs	**$5,012,300.00**		**$5,485,530.00**
Professional Service Costs	$473,230.00	$0.00	$473,230.00
Contingency Costs	$473,230.00	($473,230.00)	$0.00
Financing Costs	$13,572,265.03	$0.00	$13,572,265.03
Developer I Total	**$19,531,025.03**	**($0.00)**	**$19,531,025.03**

Description	Project Plan Costs 2007	Reallocation	Revised Project Plan Costs
Developer II			
Capital Projects			
Minnesota Street	$2,455,200.00	$0.00	$2,455,200.00
Drainage Pond	$450,000.00	$0.00	$450,000.00
Irrigation Pipe	$220,000.00	$0.00	$220,000.00
Minnesota Street - shared	$320,000.00	$252,499.82	$572,499.82
Power Line relocation	$153,500.00	$29,379.73	$182,879.73
Traffic Signal	$70,000.00	$1,044.47	$71,044.47
Total Capital Costs	**$3,668,700.00**		**$3,951,624.02**
Professional Service Costs	$366,870.00	$0.00	$366,870.00
Contingency Costs			
Phase II	$126,870.00	($126,870.00)	$0.00
Phase III	$240,000.00	($156,054.02)	$83,945.98
Financing Costs	$10,022,711.62	$0.00	$10,022,711.62
Developer II Total	**$14,425,151.62**	**($0.00)**	**$14,425,151.62**
TID #65 Revised Total	**$33,956,176.65**	**($0.00)**	**$33,956,176.65**

In 2017, the District generated $1,062,073.05 in incremental revenue receipts, payable in 2018. Developer I receives 57.5% of this revenue, with Developer II receiving 42.5%. As of June 22, 2018, the TID 65 construction loan for Developer II was paid in full. As such, beginning with the December 1, 2018 payment, Developer I receives 100% of the incremental revenue in the amortization table that follows.

City of Rapid City
TID Debt Obligations - TID 65
Fund 0433-0048/0408
As of December 31, 2015

Annual Interest Rate	6.50%	
Expires 9/04/2027	4.95%	Effective in calculation for 2016 forward

Developer I - 57.5%

Pmt Date	Days Outstanding	Beginning Balance	Payment Amount	Interest Amount	Principal Amount	Ending Balance
6/30/2010		4,902,156.40				4,902,156.40
12/1/2010	154	4,902,156.40	8,270.63	134,439.96	(126,169.33)	5,028,325.73
6/1/2011	182	5,028,325.73	9,855.94	162,972.86	(153,116.92)	5,181,442.65
12/1/2011	183	5,181,442.65	8,105.91	168,858.25	(160,752.34)	5,342,194.99
6/1/2012	183	5,342,194.99	25,170.89	174,097.01	(148,926.12)	5,491,121.11
12/1/2012	183	5,491,121.11	18,087.26	178,950.37	(160,863.11)	5,651,984.22
6/1/2013	182	5,651,984.22	40,692.19	183,186.23	(142,494.04)	5,794,478.26
12/1/2013	183	5,794,478.26	44,276.91	188,836.49	(144,559.58)	5,939,037.84
6/1/2014	182	5,939,037.84	81,578.24	192,489.91	(110,911.67)	6,049,949.51
12/1/2014	183	6,049,949.51	65,031.42	197,162.05	(132,130.63)	6,182,080.14
6/1/2015	182	6,182,080.14	119,250.45	200,367.15	(81,116.70)	6,263,196.84
12/1/2015	183	6,263,196.84	130,638.12	204,111.58	(73,473.46)	6,336,670.30
6/1/2016	183	6,336,670.30	236,716.96	157,262.27	79,454.69	6,257,215.61
12/1/2016	183	6,257,215.61	236,716.96	155,290.38	81,426.58	6,175,789.02
6/1/2017	182	6,175,789.02	236,716.96	152,432.01	84,284.95	6,091,504.07
12/1/2017	183	6,091,504.07	236,716.96	151,177.78	85,539.18	6,005,964.89
6/1/2018	182	6,005,964.89	305,346.00	148,240.38	157,105.62	5,848,859.27
12/1/2018	183	5,848,859.27	531,036.53	145,155.87	385,880.66	5,462,978.61
6/1/2019	182	5,462,978.61	531,036.53	134,838.29	396,198.24	5,066,780.37
12/1/2019	183	5,066,780.37	531,036.53	125,746.38	405,290.14	4,661,490.23
6/1/2020	183	4,661,490.23	531,036.53	115,687.97	415,348.55	4,246,141.67
12/1/2020	183	4,246,141.67	531,036.53	105,379.93	425,656.60	3,820,485.08
6/1/2021	182	3,820,485.08	531,036.53	94,297.95	436,738.58	3,383,746.50
12/1/2021	183	3,383,746.50	531,036.53	83,977.17	447,059.35	2,936,687.14
6/1/2022	182	2,936,687.14	531,036.53	72,483.88	458,552.65	2,478,134.49
12/1/2022	183	2,478,134.49	531,036.53	61,501.87	469,534.66	2,008,599.84
6/1/2023	182	2,008,599.84	531,036.53	49,576.65	481,459.88	1,527,139.96
12/1/2023	183	1,527,139.96	531,036.53	37,900.27	493,136.26	1,034,003.70
6/1/2024	183	1,034,003.70	531,036.53	25,661.71	505,374.82	528,628.88
12/1/2024	183	528,628.88	531,036.53	13,119.41	517,917.11	10,711.77

6/1/2025	182	10,711.77	10,976.16	264.39	10,711.77	-
12/1/2025	183	-	-	-	-	-
6/1/2026	182	-	-	-	-	-
12/1/2026	183	-	-	-	-	-
6/1/2027	182	-	-	-	-	-
9/4/2027	95	-	-	-	-	-
Total		4,902,156.40	8,717,622.78	3,815,466.38	4,902,156.40	-

Max Interest 13,572,265.03