

**COMMUNITY PLANNING & DEVELOPMENT SERVICES**

City of Rapid City  
 300 Sixth Street, Rapid City, SD 57701-2724  
 Phone: (605) 394-4120 Fax: (605) 394-6636 Web: www.rcgov.org

**APPLICATION FOR  
 TAX INCREMENT  
 FINANCING**

**LEGAL DESCRIPTION**

Legal Description <i>(Attached additional sheets as necessary)</i>	See attached Exhibit 6
Location	Elk Vale Road & Hwy 44
Size of Site-Acres	

**APPLICANT**

Name Yasmeen Dream, LLC Phone (605) 348-0538  
 Address 528 Kansas City Street Fax (605) 348-0545  
 City, State, Zip Rapid City, SD 57701

**PROJECT PLANNER - AGENT**

Name KTM Design Solutions, Inc. Phone (605) 791-5866  
 Address 528 Kansas City Street Fax (605) 791-5863  
 City, State, Zip Rapid City, SD 57701

<u>Hani Shafai</u> <u>6-22-16</u>			
<b>Property Owner Signature</b>	<b>Date</b>	<b>Property Owner Signature</b>	<b>Date</b>
<b>Applicant Signature</b> <small>(if difference from Property Owner)</small>	<b>Date</b>	<b>Applicant Signature</b> <small>(if difference from Property Owner)</small>	<b>Date</b>
<b>Print Name:</b> <u>Hani Shafai</u>		<b>Print Name:</b>	
<b>Title*</b> <u>Managing Member</u>		<b>Title*</b>	
<small>*required for Corporations, Partnerships, Etc.</small>		<small>*required for Corporations, Partnerships, Etc.</small>	

An application for the use of Tax Increment Financing must include the following information or the project will not be processed. **Attachments may be provided in order to fully provide the following information.**

<b>APPLICATION INFORMATION</b> <i>(attach additional sheets as necessary)</i>	<b>Submitted</b>
1. A detailed project description.	<input checked="" type="checkbox"/>
2. Purpose of the Tax Increment Financing.	<input checked="" type="checkbox"/>
3. List of project costs to be funded by the Tax Increment Financing including identification of typical developer costs, exceptional costs and oversizing costs. The applicant shall provide written justification when the sum of the Necessary and Convenient Costs and Contingency Cost line items exceed 10% of the total Project Costs. The proposed project costs shall include an itemized list of all Estimated Costs, including the Professional Fees.	<input checked="" type="checkbox"/>
4. A preliminary development financing plan, including sources of funds, identification of lender, interest rates, financing costs and loan terms.	<input checked="" type="checkbox"/>
5. The applicant shall identify all persons and entities that have an interest in the project and/or in the entity applying for the tax increment financing district. The disclosures shall require identification of all members of an LLC or LLP, other partners, investors, shareholders and directors of a corporation or any other person who has a financial interest in the project or in the entity applying for the tax increment financing. This provision requires identification of all persons who have an interest in the project, including those whose interest exists through, an LLC, LLP, corporation (whether as a director or shareholder) or other legal entity. The applicant shall be under a continuing obligation to update this disclosure within thirty (30) days of any changes throughout the application process and throughout the	<input checked="" type="checkbox"/>

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life of the developer's agreement. If the applicant is a publicly traded company, the applicant shall be deemed to have complied with this provision if it has provided the City a copy of its most recent annual report with the application.	
6. A pro forma indicating projected costs and revenues.	<input checked="" type="checkbox"/>
7. A statement and demonstration that the project would not proceed without the use of Tax Increment Financing.	<input checked="" type="checkbox"/>
8. A statement identifying the specific Statutory, Other Local and Discretionary evaluation criteria that the applicant believes the request meets. <i>(Please refer to the Tax Increment Financing Guide for specific evaluation criteria).</i>	<input checked="" type="checkbox"/>
9. Conceptual plans, sketches, maps or site plans for the project.	<input checked="" type="checkbox"/>
10. A development time schedule including specific phasing of improvements and project costs.	<input checked="" type="checkbox"/>
11. A list of the specific public improvements and a list of the specific private improvements proposed to be constructed along with the project.	<input checked="" type="checkbox"/>
12. Corporation, LLC, partnership papers or other business documents identifying the parties with ownership interest in the corporation and property involved in the project, including land ownership, contract for deed or other contractual information relating to control of the property and the applicant's ability to complete the project.	<input checked="" type="checkbox"/>
13. A financial statement of the corporation, partnership, or individual for the most recent five years or life of the company.	<input checked="" type="checkbox"/>
14. A copy of the proposed wage scale, employee benefits package, and full and part time employment levels or, in the case of an affordable housing project, a copy of the applicable federal housing grant program.	<input checked="" type="checkbox"/>
15. The applicant shall notify by certified, return receipt mail every owner of property contained within the proposed boundaries of a tax increment district and shall notify by first class mail every owner of property that is adjacent to the proposed boundaries of the tax increment district. The notification shall contain the proposed boundaries as well as a description of the proposed improvements. The Growth Management Department shall provide the applicant with a list of property owners to be notified. The return receipts shall be directed to the Growth Management Department. The applicant shall pay a fee of \$20.00 per list for the cost of compiling the two property owners lists.	<input type="checkbox"/>
16. A \$1,000 non-refundable application fee.	<input checked="" type="checkbox"/>
17. Other information that may be required by the Tax Increment Finance Project Review Committee.	<input type="checkbox"/>

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CHECKLIST

TAX INCREMENT FINANCING IN RAPID CITY
A Guide for Applicants

Purpose of TIF. The City of Rapid City recognizes the following purposes for the use of Tax Increment Financing:

- 1. To encourage the redevelopment of deteriorated, or otherwise blighted real property in Rapid City through the investment of public funds;
2. To stimulate economic development in the community by assisting projects that promote the long term economic vitality of the community;
3. To stimulate increased private investment in areas that would have otherwise remained undeveloped or under-developed and which will, in the long term, provide a significant source of additional tax revenues to all taxing entities;
4. To stimulate the construction of safe and affordable housing units for low and moderate income residents and workers in the community; and,
5. To facilitate the reconstruction, maintenance and completion of the City's existing infrastructure network to support the existing growth and guide of the future growth of the community.

Uses of TIF. Tax Increment Financing may be used for the following purposes in Rapid City:

- 1. Oversizing costs for sewer, water and streets required by the City of Rapid City;
2. Extension of off-site sewer, water, street and public improvements to the development site;
3. Oversizing costs for storm drainage detention and transmission facilities to accommodate storm water runoff beyond that generated by the development;
4. Reconstruction of existing streets, water, sewer, sidewalks or other public infrastructure;
5. Regional lift stations, pump stations or other public facilities to be owned by the City of Rapid City;
6. Public playgrounds, parks and recreational improvements to be owned by the City of Rapid City;
7. Demolition costs for the removal of existing structures or infrastructure;
8. Interest and financing fees;
9. Imputed administrative fees due to the City;
10. Removal and replacement of contaminated soils;
11. Professional service fees limited to engineering, design, survey and construction management associated with the allowable project costs; and,
12. Costs, at the discretion of the governing body, which are found to be necessary or convenient to the creation of the Tax Incremental District or the implementation of the Project Plan.

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**Criteria for Evaluation.** Projects applying for assistance through TIF must qualify by meeting certain criteria. Some criteria are mandatory and must be met in order for the Committee to consider the project for assistance. Others are discretionary, and enable the Committee to determine the benefits of the project. The project application must demonstrate how the project meets the required criteria.

- |  | Applies                             |
|--|-------------------------------------|
| 1. The project must be located within a proposed district in which a minimum of twenty-five percent (25%) of the area of the District is determined to be "blighted" and the improvements are likely to enhance the value of substantially all of the other real property in the district. For the purposes of TIF, a "blighted area" is defined as: | <input checked="" type="checkbox"/> |
| A. An area in which the structures, buildings, or improvements are conducive to ill health, the transmission of disease, infant mortality, juvenile delinquency, or crime, and which is detrimental to the public health, safety, morals, or welfare; or,  | <input type="checkbox"/>            |
| B. An area that substantially impairs or arrests the sound growth of the municipality, retards the provision of adequate housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, or morals, or welfare as a result of substandard, unsafe or deteriorating development; or,             | <input checked="" type="checkbox"/> |
| C. An open area which because of the need for infill development and cost effective use of existing utilities and services, obsolete platting, diversity of ownership, deterioration of structures or site improvements, or otherwise is determined to be blighted, substantially impairs or arrests the sound growth of the community.              | <input checked="" type="checkbox"/> |
| 2. The project must comply with the adopted Comprehensive Plan and all other appropriate plans and regulations.  | <input checked="" type="checkbox"/> |
| 3. The use of TIF for the project will not result in the net loss of pre-existing tax revenues to the City and other taxing jurisdictions.   | <input checked="" type="checkbox"/> |

**In addition, a project must meet two of the following six criteria:**

- |  | Applies                             |
|--|-------------------------------------|
| 1. The project must demonstrate that it is not economically feasible without the use of TIF. In addition, if the project has site alternatives, the proposal must demonstrate that it would not occur in Rapid City without TIF. | <input checked="" type="checkbox"/> |
| 2. The project will eliminate actual or potential hazard to the public. Hazards may include condemned or unsafe buildings, sites, or structures.   | <input checked="" type="checkbox"/> |
| 3. The project will not provide direct or indirect assistance to retail or service businesses competing with existing businesses in the Rapid City trade area.   | <input checked="" type="checkbox"/> |
| 4. The project will bring new or expanded employment opportunities as demonstrated by proposed wage scales, employee benefits and mixture of full and part-time employees.   | <input checked="" type="checkbox"/> |
| 5. The project will result in additional redevelopment in the following Tax Increment Financing Target Areas:  | <input type="checkbox"/>            |
| A. Downtown District (see Appendix A for description)  | <input type="checkbox"/>            |
| 6. The project will result in the construction of affordable housing units defined as housing where the occupant is paying no more than thirty percent (30%) of gross income for housing costs including utilities               | <input type="checkbox"/>            |

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and complies with the following requirements:

A. Affordable housing projects must target residents at or below eighty percent (80%) of median income with rents at thirty percent (30%) of the tenants income or the Fair Market Rent (FMR) for the Section 8 Program whichever is greater. A minimum of 51% of the dwelling units of the proposed development shall be occupied by households meeting this income guideline;

B. Affordable housing is required to remain affordable as defined above for ten (10) years. If affordability is less than ten (10) years, repayment of prorata share of increment benefit will be due and payable to the City.

**Discretionary Criteria.** In addition, the project should meet several of the following criteria. The project will be evaluated relative to the criteria outlined below. The extent to which a project meets these criteria will be used in evaluation of the project including the length of time a district may run.

- |  | <b>Applies</b>                      |
|--|-------------------------------------|
| 1. The project will generate at least one full-time job for each \$10,000 in principal value of the TIF; or would create a minimum of 50 new jobs.   | <input checked="" type="checkbox"/> |
| 2. All TIF proceeds are used for the construction of public improvements.  | <input checked="" type="checkbox"/> |
| 3. The project involves the rehabilitation of a building listed on or eligible for listing on the National Register of Historic Places.  | <input type="checkbox"/>            |
| 4. The project will directly benefit low and moderate income people, as defined by the U.S. Department of Housing and Urban Development as applied to the Community Development Block Grant Program. A project will meet this criterion if at least 51% of the jobs created will be held by or available to low and moderate income people.                | <input type="checkbox"/>            |
| 5. The building or site that is to be redeveloped itself displays conditions of blight as established by the provisions of SDCL 11-9.  | <input checked="" type="checkbox"/> |
| 6. The project involves the start-up of an entirely new business or business operation within the City of Rapid City.  | <input checked="" type="checkbox"/> |
| 7. The project involves the expansion of an existing business located within Rapid City.   | <input checked="" type="checkbox"/> |
| 8. The project site has displayed a recent pattern of declining real property assessments, as measured by the Pennington County Director of Equalization.  | <input type="checkbox"/>            |
| 9. The project costs are limited to those specific costs associated with a site that exceed the typical or average construction costs (i.e. excessive fill, relocation costs, additional foundation requirements associated with unusual soil conditions, extension of sewer or water mains, on-site or off-site vehicular circulation improvements, etc.) | <input checked="" type="checkbox"/> |
| 10. The developer agrees to waive the five-year tax abatement.   | <input checked="" type="checkbox"/> |

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Completed Application for Tax Increment Financing & Checklist

Project Background ..... 1-4

Purpose of the Tax Increment District Financing .....5

Project Description & Costs .....5

Preliminary Development Financing Plan .....6

List of Entities Involved.....6

Project Financial Feasibility (Pro-Forma) .....6

Project Feasibility.....7

Statutory Criteria..... 7-8

Conceptual Plans .....8

Development Time Schedule.....8

List of Public and Private Improvements.....9

LLC Articles of Corporation..... 10

Financial Information ..... 10

Wage Scale..... 10

**ATTACHED:**

- EXHIBIT 1 – Estimated Probable TIF Costs
- EXHIBIT 2 – Property Owners’ List
- EXHIBIT 3 – Project Pro Forma
- EXHIBIT 4 – Estimated Probable Costs
- EXHIBIT 5 – Estimated TIF Cashflow Projections
- EXHIBIT 6 – Legal Description

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**APPENDIX:**

- Articles of Incorporation for Yasmeen Dream, LLC
- Exhibit A - Public Improvements
- Exhibit B - Site Plan
- Exhibit C – Unnamed Tributary Regional Drainage Channel Reconstruction TID Boundary

# UNNAMED TRIBUTARY REGIONAL DRAINAGE CHANNEL RECONSTRUCTION TIF

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## 1. PROJECT BACKGROUND:

The City of Rapid City and the Pennington County Drainage Commission both adopted a drainage basin design plan to accommodate the storm runoff generated within the Unnamed Tributary drainage basin. The drainage basin design plan is titled the *Unnamed Tributary Drainage Basin Design Plan*. The design plan was prepared by Davis-Atkins and Associates, Inc. and is dated April, 1991.

Properties located within the Unnamed Tributary drainage basin include, among others, the Rushmore Business Park, Copperfield Subdivision, and what was formerly known as the Wally Byam property. The Wally Byam property is generally located at the southeast corner of the intersection of Elk Vale Road and South Dakota Highway 44; it is situated at the very downstream end of the Unnamed Tributary drainage basin, and is now the site of the Orchard Meadows development. The Orchard Meadows Subdivision is a mixed-use community which includes residential, commercial, medical, recreational and professional office land uses.

A storm water drainage utility fee was established by the City of Rapid City in 2014 to pay for the drainage improvements recommended in the drainage basin design plan. The design plan recommended constructing a drainage channel, identified in the design plan as Element No. 8, across the full length – north to south – of the Wally Byam property. Being the most downstream conveyance element identified in the design plan, the channel is a critical hydraulic element and must accommodate all of the Unnamed Drainage Basin's storm runoff.

The storm water conveyance improvements at the Wally Byam property were designed and constructed sometime around 1994. The design and construction of the drainage improvements at the Wally Byam property were not consistent with the drainage basin design plan's recommendations and the existing channel does not perform as intended. As the Orchard Meadows Subdivision was being designed and constructed, the deficiencies in – and the problems caused by – the existing drainage channel at the site became evident. Some of the deficiencies include:

*(continued on following page)*

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- a. The current capacity of the constructed channel is only about one-third of the required capacity of 537 cubic feet per second noted in the design plan. This results in a breach of the channel and flooding of platted developed property outside the channel platted drainage easement. (See photo below)



**FIG. 1**

*Channel Breach  
Flooding Private  
Property*

- b. The access to Dr. Joe Lytle's home required a channel crossing. The single 30-inch diameter culvert installed to construct the crossing further limited the capacity of the conveyance system and resulted in recurrent flooding of the property.



**FIG. 2**

*Flooding of Lytle  
Property Driveway*

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- c. In addition to the local flooding mentioned above, the undersized channel with undersized crossings also forces runoff into the Murphy Irrigation Ditch and results in additional downstream flooding and property damage.



**FIG. 3**

*Channel Overflow  
into Murphy  
Irrigation Ditch*

- d. Two additional channel crossings (access for agricultural operations) were also installed on the site, each using just a single 30-inch diameter culvert. Those crossings exacerbated the flooding of the site. Ultimately, several acres at the site were permanently damaged by the frequent flooding; the result being the unintentional creation of man-made (volunteer) wetland areas.



**FIG. 4**

*Murphy Ditch  
Downstream  
Flooding*

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- e. The channel outlet at the discharge to Rapid Creek was likely poorly constructed as there currently is obvious evidence of severe erosion and undercutting of the banks. Consequently, a large amount of silt and sediment is continuously being washed into Rapid Creek, adversely impacting the eco-system along the downstream stretch of Rapid Creek.



FIG. 5

*Channel Erosion &  
Undercutting*

The Orchard Meadows site is being developed in accordance with the following:

- i. Comprehensive Future Land Use Plan adopted by the City Council- April 23, 2014;
- ii. Major Street Plan adopted by the City Council – July 7, 2014;
- iii. Unnamed Tributary Drainage Basin Design Plan Adopted 1991

The storm water management system for the Orchard Meadows Subdivision was designed to include onsite storm water collection, conveyance, treatment and detention systems. The design also includes erosion control and protection measures at the system's outlet to Rapid Creek. The developer of Orchard Meadows Subdivision has already constructed and funded these facilities.

The proposed TIF will provide for the design and construction of the most downstream channel element identified in the *Unnamed Tributary Drainage Basin Design Plan*. The TIF will also be utilized to construct a traffic signal at the subdivision entrance on South Dakota Highway 44. The design and operation of the traffic signal will be as prescribed by traffic engineers and the South Dakota Department of Transportation.

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**2. PURPOSE OF THE TAX INCREMENT DISTRICT FINANCING:**

- a. Construct City regional drainage facilities to provide improved flood control and storm water quality.
- b. Stimulate economic activity in the community with the development of new and much needed medical facilities on the east side of Rapid City, as well as new service offices, retail, and residential uses in an accessible and beautiful location.
- c. Develop a property on a highly visible gateway corridor to Rapid City.
- d. Provide safer traffic flow along SD Highway 44 and safer ingress and egress routes serving the development.
- e. Increase the safety of the community by providing secondary access from a signalized intersection to the existing homes and to the proposed development.

**3. PROJECT DESCRIPTION & COSTS:**

The project will include the design and construction of a regionally important storm drainage channel to serve the entire Unnamed Tributary Drainage Basin and the installation of a traffic signal system and associated electrical improvements on SD Highway 44. The estimated costs of the project include:

- 1. **Construction of the Unnamed Tributary drainage channel** ..... **\$856,194**  
A regional Drainage channel that has been identified in the drainage basin plan for Unnamed Tributary Drainage Basin Study adopted by the City and the County. The channel includes a drainage channel two road crossings and a maintenance path along the channel which will also serve as a future bike path as per the adopted bike path master plan adopted by the City. The City of Rapid City will provide \$464,000 to partially fund the construction of the drainage improvements. The developer is will fund the balance of the costs near \$1,300,000 and recover the costs from the tax increment district.
- 2. **Professional Fees and Professional studies for the channel design**..... **\$200,080**  
Includes all the design, drainage, grading, cultural resource surveys, environmental studies and FEMA and Army Corps of Engineers permits.
- 3. **Contingency for the channel construction**..... **\$42,800**  
Unknowns that may be encountered during the construction of the channel including stabilization and muck excavation and any other unforeseen items needed to complete the construction.

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4. **Traffic Signal and associated electrical**..... **\$300,000**  
Includes the materials and installation of a signal with arms stretching to meet the requirements across SD Highway 44.
5. **Professional Fees for design of the traffic signal** ..... **\$30,000**
6. **Contingency for the traffic signal**..... **\$30,000**  
Any unforeseen items during the construction of the signal.
7. **Financing Expenses estimate based on 7.0% interest**..... **\$795,953.62**
8. **The total costs anticipated for the project, including financing, are**..... **\$2,255,027.62**

It is anticipated that the TIF funding tool will be utilized for \$2,255,027.62 of the total project costs to cover the design and construction of the public improvements described and the financing expenses. Please see Exhibit "1".

**4. PRELIMINARY DEVELOPMENT FINANCING PLAN:**

The developer will fund the TIF component of the project through a loan at Black Hills Community Bank. The terms of the loans have not been finalized. It is anticipated that the interest rate over the life of the TIF will average near 7%. It is anticipated that the interest rate will not exceed 9% during the life of the TIF.

**5. LIST OF ENTITIES INVOLVED:**

The project is being proposed by Yasmeeen Dream, LLC. Corporate documents for this entity are attached. Exhibit "2" is a list of all current property owners' on record for the properties proposed to be included in this TIF.

**6. PROJECT FINANCIAL FEASIBILITY (PRO FORMA):**

The proposed public improvements are a marginal investment without the Tax Increment Financing. If the TIF is not approved, then it is likely the development will be significantly scaled back and the City would end up having to pay all the costs for the public improvements. Please see the attached Exhibit "3".

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## **7. PROJECT FEASIBILITY:**

The items being proposed to be covered by the Tax Increment Financing in this application are for public improvements that are regional in nature. They have been identified on City of Rapid City's master plans. Utilizing the TIF process to fund the public improvements would expedite this development and will free up taxpayer funds, including storm water drainage utility fee funds to be utilized by the City on other projects.

## **8. STATUTORY CRITERIA:**

The project meets the requirements for SDCL 11-9-8 as listed below:

- It is very likely the improvements of the area will significantly enhance the value of all the real property in the district.

The project meets the requirements for SDCL 11-9-10 as listed below:

- Deterioration of site or other improvement; the proposed project is located in a partially developed area of the City and the growth and development of the site is impaired by the blighted conditions at the site. The inadequate existing storm drainage conveyance through the site is causing ever-increasing deterioration of the site and creating unsafe and insanitary conditions, not only onsite, but affecting downstream properties as well.

The project also meets the requirements for SDCL 11-9-11 as listed below:

- The project site is predominantly open and subject to ongoing deterioration resulting from the inadequate, poorly constructed and malfunctioning storm drainage conveyance at the site. The project site, on account of the deteriorating channel improvements and the resultant adverse impacts to the site, meets the standard of a blighted area.

In addition, the project meets the following criteria:

- The project will eliminate potential safety hazards to the public due to the flooding of existing driveway, local properties and other offsite properties. The project will also eliminate the flooding of downstream properties along the Murphy ditch. The project

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will provide a regional storm water treatment feature to improve the quality of water discharged into Rapid Creek. The almost continuous flow of silt and other pollutants and contaminants from the Unnamed Tributary Drainage Basin into Rapid Creek will be eliminated or significantly reduced.

- The project will not provide assistance to retail or service business competing with existing businesses in Rapid City. The main anchor of the project will be new medical facilities offering services not currently available on the east side of Rapid City.
- The project will bring new or expanded employment opportunities, as the development will attract nearly 50 new professional and service industry jobs to the Rapid City economy.

#### **ADDITIONAL DISCRETIONARY CRITERIA:**

- This project will create a minimum of 50 new jobs.
- All TIF proceeds are to be used for the construction of public improvements.
- The project involves the startup of an entirely new business or business operations located within Rapid City.
- The project also involves the expansion of an existing business located within Rapid City.
- The project site has displayed a recent pattern of declining real property assessments, as measured by the Pennington County Director of Equalization.
- The developer agrees to waive the five year tax abatement.
- The project complies with the adopted Comprehensive Plan for the City of Rapid City and is consistent with the goals for the Gateway and Entrance Corridors into the City of Rapid City.

#### **9. CONCEPTUAL PLANS:**

Please see the attached conceptual master plans showing the proposed layout for public and private improvements.

#### **10. DEVELOPMENT TIME SCHEDULE:**

The TIF Components will be completed by the end of 2016.

**11. LIST OF PUBLIC AND PRIVATE IMPROVEMENTS:**

The TIF portion of the development project will include the design and construction of an important storm drainage channel to serve the entire Unnamed Tributary Drainage Basin and the installation of a traffic signal system and associated electrical improvements on SD Highway 44. The estimated costs for these public improvements are:

**Privately Funded (TIF) Public Infrastructure:**

- 1. Construction of the Unnamed Tributary drainage channel.....\$856,194
- 2. Professional Fees and Professional studies for the channel design.....\$200,080
- 3. Contingency for the channel construction..... \$42,800
- 4. Traffic Signal and associated electrical.....\$300,000
- 5. Professional Fees for design of the traffic signal..... \$30,000
- 6. Contingency for the traffic signal.....\$30,000
- 7. Financing Expenses estimate based on 7.0% interest .....\$795,953.62
- 8. The total costs anticipated for the project, including financing, are ..... \$2,255,027.62

The non-TIF portion of the development project includes the design and construction of the site preparation and infrastructure needed to support the property development. The infrastructure improvements include roadways, water and sanitary sewer systems, the upgrade of an offsite sanitary sewer lift station, and an onsite storm water management system including collection, conveyance, treatment, and detention capabilities. The estimated costs for these improvements are:

**Privately Funded (NON-TIF) Public Infrastructure:**

- 1. Local Streets including five (5) lane Concrete Road..... \$6,520,000
- 2. Grading and storm water management system .....\$360,000
- 3. Lift Station upgrade and offsite Sanitary Sewer .....\$170,000
- 4. Turn Lane on SD Highway 44.....\$120,000
- 5. Professional Fees for design, engineering and environmental studies .....\$680,000
- 6. Interest on the Investment..... \$2,355,000
- 7. The total costs anticipated for the non-TIF public infrastructure are.....\$10,205,000

The total costs for the public infrastructure installed with this project are \$13,733,690. It is anticipated that the TIF funding tool will be utilized for \$2,255,027.62 of the total project costs to cover the design and construction of the TIF public improvements, as described above, and the related financing expenses. Please see Exhibit "1".

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**12. LLC ARTICLES OF INCORPORATION:**

See attached.

**13. FINANCIAL INFORMATION:**

Yasmeen Dream financial information is attached.

**14. WAGE SCALE:**

The new businesses at the development will eventually employ a minimum of 50 employees at an average wage exceeding minimum wage.

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