

## Preliminary Review of Proposed Tax Increment Project

**Applicant:** Doyle Estes / Kathy Johnson

**Project Title:** 16TIF003 – **Amendment #2** Cost Reallocation (TID #38 Heartland Retail Center)

**Purpose of Tax Increment District:** The creation of and Project Plan implementing Tax Increment District #38 were approved in February 2003 to facilitate commercial development east of Elk Vale Drive. The tax increment funds were utilized to extend a water main/loop from Beale Street to East Anamosa Street, construct a detention pond and construct Eglin Street road improvements.

**Amendment #2**

The proposed Amendment #2 reallocates the project costs by increasing the water main costs to \$386,962.03; Eglin Street Phase I costs to \$589,788.35; increasing the water main loop by \$150,943.51; increasing the Water Main from E Anamosa by \$8,000; Increasing Eglin Street Phase II by \$736,055.48; increasing the Phase II Detention Dam by \$135,887.09; and increasing the Engineering Design, Construction and Administrative costs for Phase II. The costs for the Lift Station (\$350,000), Sewer Force Main (\$210,000), Signaling the Intersection (\$120,000), Phase I Contingency Costs (\$300,400) and Phase II Contingency Costs (\$90,000) have been removed from the Project Plan. Additionally, the Financing Costs have been decreased by \$229,050.63.

In May 2004, the Council approved an Amendment to include funding up to \$100,000 for an 880’ water main installation from Eglin Street south to Anamosa Street.

An additional \$20,000 Imputed Administrative Fee paid to the City has been added in accordance with the Tax Increment Financing Guidelines.

The anticipated commercial development in the area has been generating approximately \$850,000 in yearly revenues. The majority of properties included within the District are zoned General Commercial District, and classifies the District as an economic development Tax Increment District.

**Boundary:** The District boundary includes property generally lying south of U.S. Interstate 90 between Lowry Lane east to N DeGeest Dr.

**Base Valuation:** \$8,730,800 as determined by the South Dakota Department of Revenue

### TID #38 Proposed Project Cost Reallocation

	Apr-03	May-04		Jul-16	Oct-16
	Project Plan	Amendment #1	Amendment #1 Project Plan Costs	Amendment #2 Reallocation	Amendment #2 Project Plan Costs
<b>Developer Items</b>					
Water Main	300,000.00		300,000.00	86,962.03	386,962.03
Eglin Street (Phase I)	460,000.00		460,000.00	129,788.35	589,788.35
Gravity Sewer	132,000.00		132,000.00		132,000.00

Deceleration Lane	30,000.00		30,000.00		30,000.00
Detention Dam (Phase I)	100,000.00		100,000.00		100,000.00
Lift Station	350,000.00		350,000.00	(350,000.00)	-
Force Main	210,000.00		210,000.00	(210,000.00)	-
Signalization Intersection	120,000.00		120,000.00	(120,000.00)	-
Water Main Loop	300,000.00		300,000.00	150,943.51	450,943.51
Water Main from East Anamosa		67,000.00	67,000.00	8,000.00	75,000.00
Road Crossing at Anamosa		25,000.00	25,000.00		25,000.00
Eng Design, Construction & Admin Phase I	200,200.00		200,200.00	(12,899.29)	187,300.71
Eglin Street (Phase II)	350,000.00		350,000.00	736,055.48	1,086,055.48
Detention Dam (Phase II)	100,000.00		100,000.00	135,887.09	235,887.09
Eng Design, Construction & Admin Phase II	45,000.00		45,000.00	72,713.46	117,713.46
Contingency Costs Phase I	400,400.00	(100,000.00)	300,400.00	(300,400.00)	-
Contingency Costs Amendment		8,000.00	8,000.00	(8,000.00)	-
Contingency Costs Phase II	90,000.00		90,000.00	(90,000.00)	-
Imputed Admin Fee				20,000.00	20,000.00
<b>Construction Total</b>	<b>3,187,600.00</b>	<b>-</b>	<b>3,187,600.00</b>	<b>249,050.63</b>	<b>3,436,650.63</b>
<b>Financing</b>	<b>3,623,279.13</b>		<b>3,623,279.13</b>	<b>(249,050.63)</b>	<b>3,374,228.50</b>
<b>Total Construction &amp; Financing</b>	<b>6,810,879.13</b>	<b>-</b>	<b>6,810,879.13</b>	<b>-</b>	<b>6,810,879.13</b>

**Identified Funding Sources:** Financed by Developer

**Anticipated Payoff:** December, 2026