

Planning Commission Agenda Memo

From: Mike Struck, Community Development Director

Council Meeting: November 2, 2020

Subject: Tax Increment District #10 Project Plan

Person(s) Responsible: Mike Struck, Community Development Director

Summary:

Adoption of a project plan detailing the proposed improvements, associated costs, and the plan for financing the improvements.

Background:

The City of Brookings is proposing the creation of Tax Increment District #10 to construct public improvements for the construction of 15th Street South and 7th Avenue South and associated water, sanitary sewer, storm sewer, and detention pond improvements. The improvements will complete the connection of two collector streets and expand the street network by connecting 20th Street South and 12th Street South via 7th Avenue South and Main Avenue to Medary Avenue with the completion of 15th Street South.

State law (SDCL 11-9-13) requires the Planning Commission adopt a project plan for each tax increment district and submit the plan to the governing body. The plan must contain specific information as stated in SDCL Chapter 11.

The City is responsible to front the costs of the project improvements and will only be reimbursed property tax increment generated from development occurring within the district. The aggregate assessed value of the taxable property in Tax Increment District #10 plus the tax increment base of all other existing districts is 1.4% of the total assessed value of all taxable property in the City. State law restricts the maximum percentage to ten (10%) percent.

Item Details:

The Project Plan provides an estimate of property tax increment generated from private development within the district, a schedule of the project improvements and costs, criteria meeting the state statutes for determination of a blighted area, economic feasibility of the project, and additional items satisfying the statutory requirements for a project plan.

Options and Recommendation:

The Planning Commission has the following options:

1. Approve as presented
2. Approve as amended
3. Deny

The Development Review Team (DRT) recommends approval of the project plan as presented.

Supporting Documentation

1. Project Plan
2. Memo