Planning Commission Agenda
City Council Chambers, City Hall, 612 N. Main Street
January 8, 2024

1. **12:00 PM Call to Order**
2. **Roll Call**
3. **Declaration Of Conflicts Of Interests**
4. **Approve Agenda**
5. **Approval of Previous Minutes: December 11, 2023**
6. **Schedule Next Meeting: January 22, 2024**
7. **Plat: Tract 1A of Nedved Addition, in the NE 1/4 of the SE 1/4 of Section 8, T 102 N, R 60 W of the 5th P.M., Davison County, South Dakota; as requested by Jason Nedved**
8. **Plat: Lots 13 thru 21 and Meadows Court of Iverson's Addition, located in Lot B of the SE 1/4 of Section 33, T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota; as requested by Melisa Crago**
9. **Hearing and Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #32**
10. **Other Business:**
11. **Public Input:**
    If you need to address the Board on an item that was not on the agenda, excluding personnel items, please come forward to the podium and state your name and your concern. Presentations are limited to three minutes. Items will be considered but no action will be taken at this time.
12. **Adjourn**

Individuals with disabilities who require special assistance to take part in this meeting may contact one of the following at City Hall (605) 995-8420 at least 24 hours prior to the meeting with requests for assistance: Human Resources Officer or the City Administrator.

Planning Commission
City Council Chambers, City Hall, 612 N. Main Street
December 11, 2023

1. Call to Order

Chairperson Larson called the December 11, 2023 City Planning Commission Meeting to order at 12:00 P.M. noon in the Council Chambers, City Hall, 612 N Main Street.

2. Roll Call

Quorum is met, simple majority vote required for all items.
Present: Doescher, Jirsa (telephonically), Larson, Osterloo, Schmitz, Sonne.
Absent: Genzlinger, Penney.
Staff Present: Dammann, Jenniges, J Johnson, T Johnson, Schroeder.

3. Declaration Of Conflicts Of Interests

None.

4. Approve Agenda

Motion by Schmitz, seconded by Sonne to approve the proposed agenda. Roll call vote: Genzlinger – absent, Jirsa – aye, Larson – aye, Osterloo – aye, Penney – absent, Schmitz – aye, Sonne – aye. 5 aye, 0 nay, 2 absent; motion carried.

5. Approval of Previous Minutes: November 27, 2023

Motion by Osterloo, seconded by Sonne to approve the proposed minutes of the November 27, 2023 Planning Commission meeting. Roll call vote: Genzlinger – absent, Jirsa – aye, Larson – aye, Osterloo – aye, Penney – absent, Schmitz – aye, Sonne – aye. 5 aye, 0 nay, 2 absent; motion carried.

6. Schedule Next Meeting: January 8, 2024

Motion by Sonne, seconded by Osterloo to set the date for the next Planning Commission meeting for January 8, 2024. Roll call vote: Genzlinger – absent, Jirsa – aye, Larson – aye, Osterloo – aye, Penney – absent, Schmitz – aye, Sonne – aye. 5 aye, 0 nay, 2 absent; motion carried.

7. Variance Permit: Wayne Lambert

Wayne Lambert has applied for a Variance Permit for a side yard setback of 0' vs 3' and rear yard setback of 7' vs 16' for a 32' deep x 44' wide unattached accessory building with a door parallel to the alley being built in the same overall footprint of an existing garage being torn down; located at 909 E 1st Ave, legally described as Lot 4, Block 3, Applegate Addition, City of Mitchell, Davison County, South Dakota. The said real property is zoned R3 Medium Density Residential District.

Jenniges noted that a notice was sent out to the neighbors, it was published in the official newspaper and sign posted. There were five letters in favor that made the packet and one in favor that did not make the packet. The applicant was present to answer questions.

Lambert stated he has lived at the residence for 20 years and would like to tear down the existing garage and lean to and build a new garage using the same setbacks as the existing one.

Larson questioned the lot width, which he was correct with his guess of it being a 50' wide lot.

Osterloo questioned what his hardship was and why the 0' of the side instead of 3' and 7' instead of 16' and stated he is not a fan of 0' setbacks. Lambert explained he wanted to have more room on the east side to get into his backyard and move trash cans easier. He also didn't want to attach the garage to the house and wanted to keep as much patio space between the new garage and the house. The existing apron would be extended to the east to the width of the garage but not into the alley right of way. Jenniges explained setbacks are from overhangs and not walls, also gutters are not included in the setback.

Jirsa question the distance between the two existing garages and Lambert said there is about two feet there and he keeps it clean from debris so he would do the same if the new garage was allowed.

Motion by Osterloo, seconded by Sonne to recommend approval of the variance. Roll call vote: Genzlinger – absent, Jirsa – nay, Larson – nay, Osterloo – aye, Penney – absent, Schmitz – nay, Sonne – aye. 2 aye, 3 nay, 2 absent; motion failed.

8. Plat: Tract 1 of Blindauer's Addition in the SE 1/4 of the SE 1/4 of Section 18, T 104 N, R 60 W of the 5th P.M., Davison County, South Dakota; as requested by Chad Blindauer

Jenniges stated this plat is outside the ETJ but within 3-miles of city limits. Zoning jurisdiction is the counties. The applicants land is currently described by measurements and per county ordinance a building permit cannot be obtained, so they are coming in compliance with their ordinance. County Planning Commission has reccommended approval of the plat and County Commission will hear it on December 12, 2023. The applicant was not present to answer questions.

Motion by Osterloo, seconded by Schmitz to approve the plat. Roll call vote: Genzlinger – absent, Jirsa – aye, Larson – aye, Osterloo – aye, Penney – absent, Schmitz – aye, Sonne – aye. 5 aye, 0 nay, 2 absent; motion carried.

9. Plan Approval: Sudz & The Outback Casino-508 E Havens Ave, zoned Highway Business District

Jenniges stated HT Construction requested a building permit to put an addition onto the building, but since this is within Highway Business District plans must be approved by Planning Commission. The contractor said he would use similar materials to the existing building, and it meets all setbacks. The applicant was not present to answer questions.

Motion by Sonne, seconded by Schmitz to approve the plat. Roll call vote: Genzlinger – absent, Jirsa – aye, Larson – aye, Osterloo – aye, Penney – absent, Schmitz – aye, Sonne – aye. 5 aye, 0 nay, 2 absent; motion carried.

10. Other Business:
None.

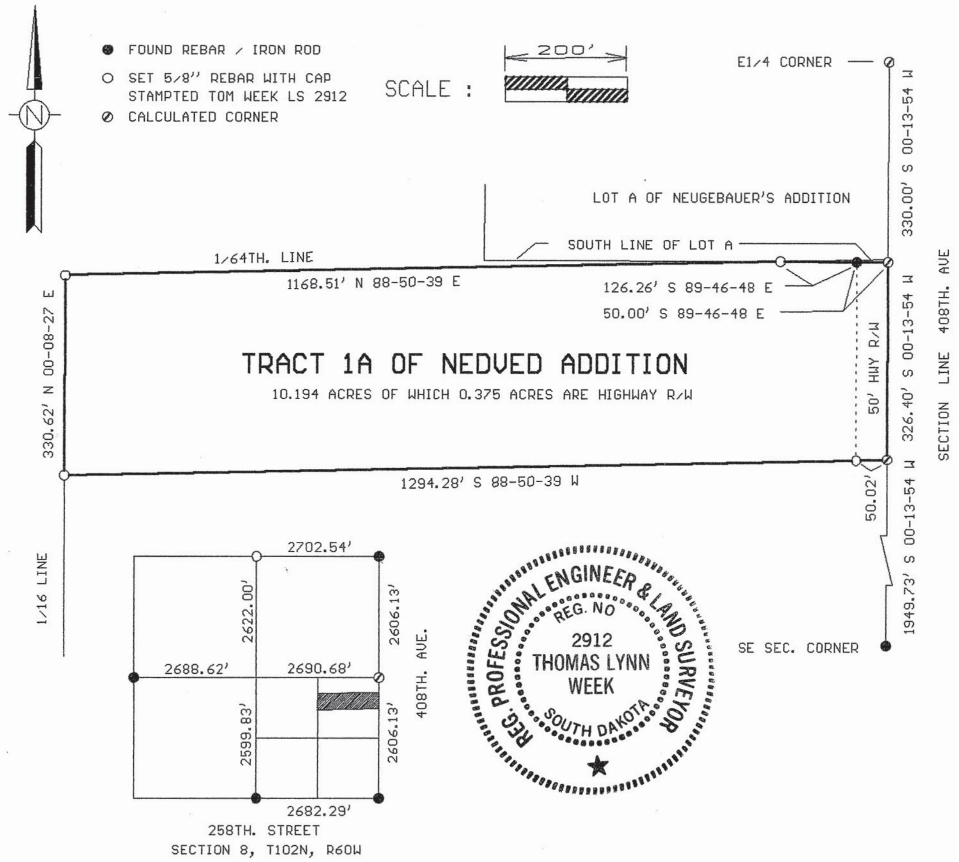
11. Public Input:
None.

12. Adjourn
Chairperson Larson adjourned the meeting at 12:15 P.M.

____
Jay A. Larson
Planning Commission Chairperson

PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

THIS PLAT VACATES THE PREVIOUSLY PLATTED TRACT 1 OF NEDVED ADDITION IN THE NE1/4 OF
OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.
RECORDED ON APRIL 1ST, 2019, IN BOOK 35, PAGE 7.



SURVEYORS CERTIFICATE

I, THOMAS LYNN WEEK, REGISTERED LAND SURVEYOR IN YANKTON, SOUTH DAKOTA, HAVE AT THE DIRECTION OF THE OWNERS, MADE A SURVEY OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA. SAID SURVEY AND PLAT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
I HAVE SET IRON PINS AS SHOWN AND SURVEY AND PLAT ARE CORRECT TO MY KNOWLEDGE AND BELIEF.

DATED THIS 17TH. DAY OF DECEMBER, 2023.

THOMAS LYNN WEEK
REGISTERED LAND SURVEYOR
REG. NO. 2912

CERTIFICATE OF STREET AUTHORITY

THERE IS AN EXISTING ACCESS TO TRACT 1A FROM 408TH. AVE.
DATED THIS_____DAY OF__________, ______.

COUNTY HIGHWAY REPRESENTATIVE

DIRECTOR OF EQUALIZATION CERTIFICATE

THE UNDERSIGNED, COUNTY DIRECTOR OF EQUALIZATION/DEPUTY DIRECTOR OF EQUALIZATION OF DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT HE/SHE HAS RECEIVED A COPY OF THE FOREGOING PLAT. DATED THIS____DAY OF__________, ______.

DIRECTOR OF EQUALIZATION/DEPUTY DIRECTOR OF EQUALIZATION, DAVISON COUNTY, S.D.

SHEET 1 OF 3

PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

OWNER'S CERTIFICATE AND AGREEMENT OF PROTECTION OF WATER

WE, JASON NEDVED AND AARYONA NEDVED, DO HEREBY CERTIFY THAT WE ARE THE ABSOLUTE AND UNQUALIFIED OWNERS OF TRACT 1 OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.
WE, STEVE NEDVED AND NANCY NEDVED, DO HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE S1/2N1/2NE1/4SE1/4 EXCEPT TRACT 1 OF NEDVED ADDITION AND THE S1/2 NE1/4 SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

TOGETHER WE ARE THE OWNERS OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.
THAT THE ABOVE SURVEY AND PLAT WERE MADE AT OUR REQUEST AND UNDER OUR DIRECTION FOR THE PURPOSE OF LOCATING, MARKING AND PLATTING THE SAME, AND THAT SAID PROPERTY IS FREE FROM ALL ENCUMBRANCES. THE DEVELOPMENT OF THIS LAND INCLUDED IN THE BOUNDARIES OF TRACT 1A, SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING SUBDIVISION AND EROSION AND SEDIMENT CONTROL REGULATIONS. PURSUANT TO SDCL 11-3-8.1 AND 11-3-8.2 THE DEVELOPER OF THIS PROPERTY DESCRIBED WITHIN THIS PLAT SHALL BE RESPONSIBLE FOR PROTECTING ANY WATERS OF THE STATE LOCATED ADJACENT TO OR WITHIN SUCH PLATTED AREA FROM POLLUTION FROM SEWAGE FROM SUCH ADDITION, AND SHALL IN PROSECUTION OF SUCH PROTECTION CONFORM TO AND FOLLOW ALL REGULATIONS OF THE SOUTH DAKOTA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES RELATING TO THE SAME. ADDITIONALLY THE DEVELOPER OF THIS PROPERTY DESCRIBED WITHIN THIS PLAT SHALL BE LIABLE FOR ANY POLLUTION THAT OCCURS FROM FAILURE TO EXECUTE SUCH PROTECTIONS OR FOLLOW SUCH REGULATIONS, EXCEPTION BEING THOSE LOTS IN SUBDIVISIONS THAT SHOW DOCUMENTATIONS THAT WASTE WATER DRAINAGE SHALL BE CONNECTED TO A MUNICIPAL SYSTEM.

DATED THIS____DAY OF__________, _______.

________________________	________________________
JASON NEDVED	AARYONA NEDVED
________________________	________________________
STEVE NEDVED	NANCY NEDVED

STATE OF _______________
COUNTY OF ______________
ON THIS____DAY OF___________, _______, BEFORE ME THE UNDERSIGNED OFFICER, PERSONALLY APPEARED JASON NEDVED, AARYONA NEDVED, STEVE NEDVED AND NANCY NEDVED, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND WHO ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES THEREIN CONTAINED. IN WITNESS WHEREOF I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES ________________

____
NOTARY PUBLIC

RESOLUTION OF COUNTY PLANNING COMMISSION

BE IT RESOLVED BY THE DAVISON COUNTY, SOUTH DAKOTA, PLANNING COMMISSION THAT THE ABOVE PLAT REPRESENTING TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, AND FINDS AS A FACT THAT SAID PLAT IS IN CONFORMITY AND DOES NOT CONFLICT WITH THE MASTER PLAN FOR DAVISON COUNTY, AND THE SAME IS HEREBY APPROVED AND ITS ADOPTION BY THE BOARD OF COMMISSIONERS OF DAVISON COUNTY, SOUTH DAKOTA IS RECOMMENDED.

THE FOREGOING RESOLUTION WAS PASSED BY THE COUNTY PLANNING COMMISSION OF DAVISON COUNTY, SOUTH DAKOTA, AT A MEETING THEREOF HELD ON THE _____ DAY OF ______________, _______.

____
CHAIRMAN/VICE CHAIRMAN, PLANNING COMMISSION

RESOLUTION OF APPROVAL

WHEREAS, IT APPEARS THAT THE OWNERS THEREOF HAVE CAUSED A PLAT TO BE MADE OF THE FOLLOWING REAL PROPERTY: TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA AND HAVE SUBMITTED SUCH PLAT TO THE COUNTY COMMISSION OF DAVISON COUNTY, SOUTH DAKOTA FOR APPROVAL. NOW THEREFORE BE IT RESOLVED, THAT SUCH PLAT HAS BEEN EXECUTED ACCORDING TO THE LAW AND SAME IS HEREBY APPROVED. THE COUNTY AUDITOR IS HEREBY AUTHORIZED AND DIRECTED TO ENDORSE ON SUCH PLAT A COPY OF THIS RESOLUTION AND CERTIFY THE SAME.

I, ________________________, COUNTY AUDITOR/DEPUTY AUDITOR OF DAVISON COUNTY, SOUTH DAKOTA, DO HEREBY CERTIFY THAT THE WITHIN AND FOREGOING IS A TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF COUNTY COMMISSIONERS OF DAVISON COUNTY, SOUTH DAKOTA, ON THIS ____DAY OF______________, _______.

______________________________	______________________________
COUNTY AUDITOR/DEPUTY AUDITOR	CHAIRMAN/VICE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS

PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

RESOLUTION OF CITY PLANNING COMMISSION

WHEREAS, THE PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, DULY LICENSED LAND SURVEYOR IN AND FOR THE STATE OF SOUTH DAKOTA, HERETOFORE FILED IN THE OFFICE OF CITY FINANCE OFFICER OF MITCHELL, SOUTH DAKOTA, HAS BEEN SUBMITTED TO THE CITY PLANNING COMMISSION OF THE SAID CITY OF MITCHELL, SOUTH DAKOTA; AND
WHEREAS, THE CITY PLANNING COMMISSION, IN REGULAR MEETING ASSEMBLED, HAD DULY CONSIDERED SAID PLAT AND FINDS AS A FACT THAT SAID PLAT IS IN CONFORMITY AND DOES NOT CONFLICT WITH THE MASTER PLAN FOR THE CITY OF MITCHELL, SOUTH DAKOTA, HERETOFORE ADOPTED BY THIS COMMISSION;
NOW THEREFORE, BE IT RESOLVED BY THE CITY PLANNING COMMISSION OF MITCHELL, SOUTH DAKOTA, THAT THE PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, A LAND SURVEYOR, BE AND THE SAME IS HEREBY APPROVED AND ITS ADOPTION BY THE CITY COUNCIL OF THE CITY OF MITCHELL, SOUTH DAKOTA, IS HEREBY RECOMMENDED.

I, ______________________, CHAIRMAN OF THE CITY PLANNING COMMISSION FOR THE CITY OF MITCHELL, SOUTH DAKOTA, DO HEREBY CERTIFY THAT THE FOREGOING RESOLUTION WAS PASSED BY THE CITY PLANNING COMMISSION OF MITCHELL, SOUTH DAKOTA, AT A MEETING THEREOF HELD ON THE _______ DAY OF ____________, _______.

CITY PLANNING COMMISSION BY: ____________________________________

RESOLUTION OF CITY COUNCIL

WHEREAS, IT APPEARS THAT THE CITY PLANNING COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA, DID DULY CONSIDER AND DID RECOMMEND THE APPROVAL AND ADOPTION OF THE HEREINAFTER DESCRIBED PLAT, AT ITS MEETING HELD ON THE ____ DAY OF ____________, ______; AND WHEREAS, IT APPEARS FROM AN EXAMINATION OF THE PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, AS PREPARED BY THOMAS LYNN WEEK, A DULY LICENSED LAND SURVEYOR IN AND FOR THE STATE OF SOUTH DAKOTA, THAT SAID PLAT IS IN ACCORDANCE WITH THE SYSTEM OF STREETS AND ALLEYS SET FORTH IN THE MASTER PLAN ADOPTED BY THE CITY PLANNING COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA, AND THAT SUCH PLAT HAS BEEN PREPARED ACCORDING TO LAW;

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MITCHELL, SOUTH DAKOTA, THAT THE PLAT OF TRACT 1A OF NEDVED ADDITION, IN THE NE1/4 OF THE SE1/4 OF SECTION 8, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, A LAND SURVEYOR, BE AND THE SAME IS HEREBY APPROVED AND THE DESCRIPTION SET FORTH HEREIN AND THE ACCOMPANYING SURVEYOR'S CERTIFICATE SHALL PREVAIL.

I, __________________________, FINANCE OFFICER OF THE CITY OF MITCHELL, SOUTH DAKOTA, HEREBY CERTIFY THAT THE FOREGOING RESOLUTION WAS PASSED BY THE CITY OF MITCHELL, SOUTH DAKOTA, AT A MEETING HELD ON THE ______ DAY OF ______________, _______.

FINANCE OFFICER BY: ____________________________________

TREASURER CERTIFICATE

THE UNDERSIGNED, COUNTY TREASURER\DEPUTY TREASURER OF DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT ALL TAXES WHICH ARE LIENS UPON ANY LAND INCLUDED IN THE ABOVE PLAT, AS SHOWN BY THE RECORDS OF THIS OFFICE, HAVE BEEN PAID. DATED THIS____ DAY OF__________, _______.

____
TREASURER/DEPUTY TREASURER DAVISON COUNTY, S.D.

REGISTER OF DEEDS CERTIFICATE

THE UNDERSIGNED, REGISTER OF DEEDS\DEPUTY REGISTER OF DEEDS, DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT THE ORIGINAL PLAT WAS FILED FOR RECORD THIS____DAY OF__________, ______,________O'CLOCK __. M., AND DULY RECORDED IN BOOK ______, PAGE ______.

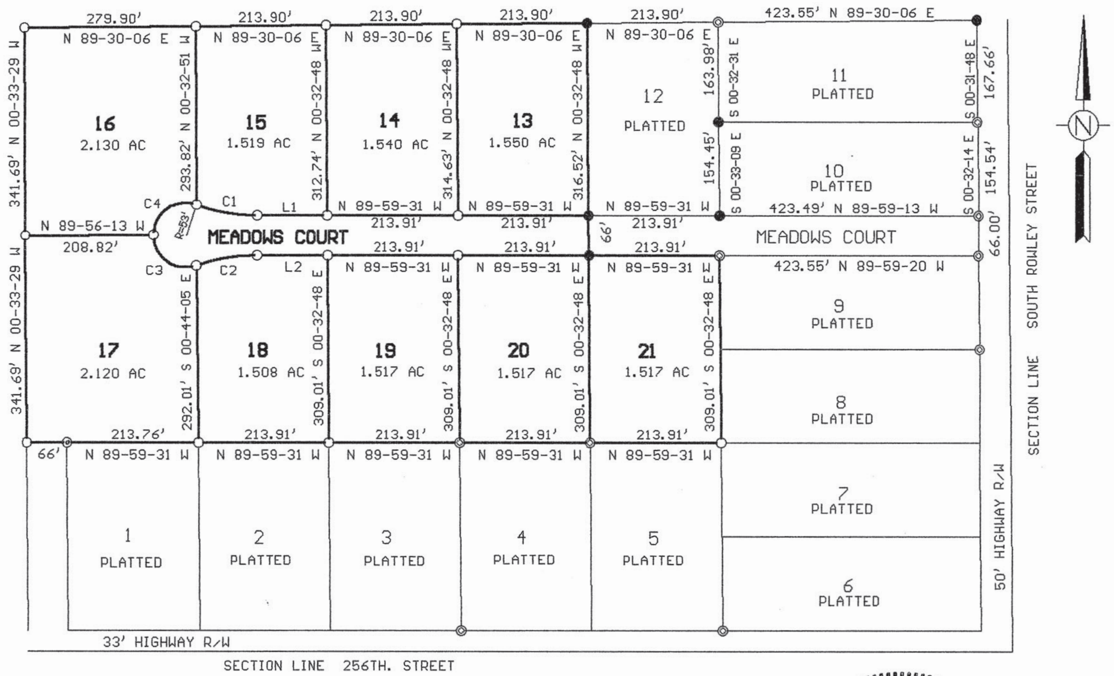
____
REGISTER OF DEEDS/DEPUTY REGISTER OF DEEDS, DAVISON COUNTY, S.D.

PREPARED BY TOM WEEK
407 REGAL DRIVE
YANKTON, SOUTH DAKOTA 57078
605-665-8333


Brandon & JeAnne Neugebauer
Bruce & Marlene Haines
Sherry Nebelsick
Ramona Hirsch
Jason & Aaryona Nedved
Jason & Aaryona Nedved
10.194 acres
Tract 1A of Nedved Add.
Line will be vacated
Proposed new shed
Steve & Nancy Nedved
PROSPER
Corey & Lisa Thelen
Amber Determan


25761 408TH AVE
25757 408TH AVE
25747 408TH AVE

PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.



SCALE : 200'

● FOUND REBAR WITH CAP

◎ FOUND PIPE

○ SET 5/8" REBAR WITH CAP STAMPED TOM WEEK LS 2912

L1 = 114.13' N 89-59-27 W
L2 = 114.77' N 89-59-26 W
C1, R=302', CH = 101.37'
C2, R=302', CH = 101.37'
C3, R=53', CH = 86.43'
C4, R=53', CH = 86.51'

REG. PROFESSIONAL ENGINEER & LAND SURVEYOR
REG. NO. 2912
THOMAS LYNN WEEK
SOUTH DAKOTA

SURVEYORS CERTIFICATE

I, THOMAS LYNN WEEK, REGISTERED LAND SURVEYOR IN YANKTON, SOUTH DAKOTA, HAVE AT THE DIRECTION OF THE OWNERS, MADE A SURVEY OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA. SAID SURVEY AND PLAT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATED THIS 10TH. DAY OF DECEMBER, 2023.

THOMAS LYNN WEEK
REGISTERED LAND SURVEYOR
REG. NO. 2912

CERTIFICATE OF STREET AUTHORITY

ACCESS TO LOTS 13 THRU 21 WILL BE FROM MEADOWS COURT, FROM AN EXISTING APPROACH, RESERVED FOR ROADWAY WHEN IVERSON'S ADDITION WAS PLATTED.

DATED THIS_____DAY OF__________, _______.

COUNTY HIGHWAY REPRESENTATIVE

DIRECTOR OF EQUALIZATION CERTIFICATE

THE UNDERSIGNED, COUNTY DIRECTOR OF EQUALIZATION/DEPUTY DIRECTOR OF DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT HE/SHE HAS RECEIVED A COPY OF THE FOREGOING PLAT. DATED THIS____DAY OF___________, _______.

DIRECTOR OF EQUALIZATION/DEPUTY DIRECTOR OF EQUALIZATION, DAVISON COUNTY, S.D.

SHEET 1 OF 3

PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

OWNER'S CERTIFICATE AND AGREEMENT OF PROTECTION OF WATER

WE, KYLE K. CRAGO AND MELISA L. CRAGO, DO HEREBY CERTIFY, THAT WE ARE THE ABSOLUTE AND UNQUALIFIED OWNERS OF THE ABOVE DESCRIBED REAL PROPERTY: LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA. THAT THE ABOVE SURVEY AND PLAT WERE MADE AT OUR REQUEST AND UNDER OUR DIRECTION FOR THE PURPOSE OF LOCATING, MARKING AND PLATTING THE SAME, AND THAT SAID PROPERTY IS FREE FROM ALL ENCUMBRANCES. THE DEVELOPMENT OF THIS LAND INCLUDED IN THE BOUNDARIES OF LOTS 13 THRU 21, SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING SUBDIVISION AND EROSION AND SEDIMENT CONTROL REGULATIONS. MEADOWS COURT IS BEING DEDICATED FOR PUBLIC ACCESS FOREVER, THEREFORE PROVIDING ACCESS TO LOTS 13 THRU 21. PURSUANT TO SDCL 11-3-8.1 AND 11-3-8.2 THE DEVELOPER OF THIS PROPERTY DESCRIBED WITHIN THIS PLAT SHALL BE RESPONSIBLE FOR PROTECTING ANY WATERS OF THE STATE LOCATED ADJACENT TO OR WITHIN SUCH PLATTED AREA FROM POLLUTION FROM SEWAGE FROM SUCH ADDITION, AND SHALL IN PROSECUTION OF SUCH PROTECTION CONFORM TO AND FOLLOW ALL REGULATIONS OF THE SOUTH DAKOTA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES RELATING TO THE SAME. ADDITIONALLY THE DEVELOPER OF THIS PROPERTY DESCRIBED WITHIN THIS PLAT SHALL BE LIABLE FOR ANY POLLUTION THAT OCCURS FROM FAILURE TO EXECUTE SUCH PROTECTIONS OR FOLLOW SUCH REGULATIONS, EXCEPTION BEING THOSE LOTS IN SUBDIVISIONS THAT SHOW DOCUMENTATIONS THAT WASTE WATER DRAINAGE SHALL BE CONNECTED TO A MUNICIPAL SYSTEM. THIS PLAT DEDICATES MEADOWS COURT AS A 66 FOOT WIDE ROAD DEDICATED TO THE PUBLIC FOREVER.

DATED THIS____DAY OF__________, ________. ____________________ ____________________

KYLE K. CRAGO MELISA L. CRAGO

STATE OF ______________
COUNTY OF ______________
ON THIS____DAY OF__________, _____, BEFORE ME THE UNDERSIGNED OFFICER, PERSONALLY APPEARED KYLE K. CRAGO AND MELISA L. CRAGO, KNOWN TO ME TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND WHO ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES THEREIN CONTAINED. IN WITNESS WHEREOF I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES ______________ ____________________

NOTARY PUBLIC

RESOLUTION OF COUNTY PLANNING COMMISSION

BE IT RESOLVED BY THE DAVISON COUNTY, SOUTH DAKOTA, PLANNING COMMISSION THAT THE ABOVE PLAT REPRESENTING LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, AND FINDS AS A FACT THAT SAID PLAT IS IN CONFORMITY AND DOES NOT CONFLICT WITH THE MASTER PLAN FOR DAVISON COUNTY, AND THE SAME IS HEREBY APPROVED AND ITS ADOPTION BY THE BOARD OF COMMISSIONERS OF DAVISON COUNTY, SOUTH DAKOTA IS RECOMMENDED.

THE FOREGOING RESOLUTION WAS PASSED BY THE COUNTY PLANNING COMMISSION OF DAVISON COUNTY, SOUTH DAKOTA, AT A MEETING THEREOF HELD ON THE _____ DAY OF ______________, ______.

____

CHAIRMAN/VICE CHAIRMAN, PLANNING COMMISSION

RESOLUTION OF APPROVAL

WHEREAS, IT APPEARS THAT THE OWNERS THEREOF HAVE CAUSED A PLAT TO BE MADE OF THE FOLLOWING REAL PROPERTY: LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, AND HAVE SUBMITTED SUCH PLAT TO THE COUNTY COMMISSION OF DAVISON COUNTY, SOUTH DAKOTA FOR APPROVAL. NOW THEREFORE BE IT RESOLVED, THAT SUCH PLAT HAS BEEN EXECUTED ACCORDING TO THE LAW AND SAME IS HEREBY APPROVED. THE COUNTY AUDITOR IS HEREBY AUTHORIZED AND DIRECTED TO ENDORSE ON SUCH PLAT A COPY OF THIS RESOLUTION AND CERTIFY THE SAME.

I, ______________________, COUNTY AUDITOR/DEPUTY AUDITOR OF DAVISON COUNTY, SOUTH DAKOTA, DO HEREBY CERTIFY THAT THE WITHIN AND FOREGOING IS A TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF COUNTY COMMISSIONERS OF DAVISON COUNTY, SOUTH DAKOTA, ON THIS ____DAY OF______________, __________.

____________________ ____________________

COUNTY AUDITOR/DEPUTY AUDITOR

CHAIRMAN/VICE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS

SHEET 3 OF 3

PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

RESOLUTION OF CITY PLANNING COMMISSION

WHEREAS, THE PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, DULY LICENSED LAND SURVEYOR IN AND FOR THE STATE OF SOUTH DAKOTA, HERETOFORE FILED IN THE OFFICE OF CITY FINANCE OFFICER OF MITCHELL, SOUTH DAKOTA, HAS BEEN SUBMITTED TO THE CITY PLANNING COMMISSION OF THE SAID CITY OF MITCHELL, SOUTH DAKOTA; AND
WHEREAS, THE CITY PLANNING COMMISSION, IN REGULAR MEETING ASSEMBLED, HAD DULY CONSIDERED SAID PLAT AND FINDS AS A FACT THAT SAID PLAT IS IN CONFORMITY AND DOES NOT CONFLICT WITH THE MASTER PLAN FOR THE CITY OF MITCHELL, SOUTH DAKOTA, HERETOFORE ADOPTED BY THIS COMMISSION;
NOW THEREFORE, BE IT RESOLVED BY THE CITY PLANNING COMMISSION OF MITCHELL, SOUTH DAKOTA, THAT THE PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, A LAND SURVEYOR, BE AND THE SAME IS HEREBY APPROVED AND ITS ADOPTION BY THE CITY COUNCIL OF THE CITY OF MITCHELL, SOUTH DAKOTA, IS HEREBY RECOMMENDED.

I, ________________________, CHAIRMAN OF THE CITY PLANNING COMMISSION FOR THE CITY OF MITCHELL, SOUTH DAKOTA, DO HEREBY CERTIFY THAT THE FOREGOING RESOLUTION WAS PASSED BY THE CITY PLANNING COMMISSION OF MITCHELL, SOUTH DAKOTA, AT A MEETING THEREOF HELD ON THE _______ DAY OF ____________, ________.

CITY PLANNING COMMISSION BY: ____________________________________

RESOLUTION OF CITY COUNCIL

WHEREAS, IT APPEARS THAT THE CITY PLANNING COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA, DID DULY CONSIDER AND DID RECOMMEND THE APPROVAL AND ADOPTION OF THE HEREINAFTER DESCRIBED PLAT, AT ITS MEETING HELD ON THE ____ DAY OF ____________,_____ ; AND WHEREAS, IT APPEARS FROM AN EXAMINATION OF THE PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, AS PREPARED BY THOMAS LYNN WEEK, A DULY LICENSED LAND SURVEYOR IN AND FOR THE STATE OF SOUTH DAKOTA, THAT SAID PLAT IS IN ACCORDANCE WITH THE SYSTEM OF STREETS AND ALLEYS SET FORTH IN THE MASTER PLAN ADOPTED BY THE CITY PLANNING COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA, AND THAT SUCH PLAT HAS BEEN PREPARED ACCORDING TO LAW;

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MITCHELL, SOUTH DAKOTA, THAT THE PLAT OF LOTS 13 THRU 21 AND MEADOWS COURT OF IVERSON'S ADDITION, LOCATED IN LOT B OF THE SE1/4 OF SECTION 33, T103N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA, PREPARED BY THOMAS LYNN WEEK, A LAND SURVEYOR, BE AND THE SAME IS HEREBY APPROVED AND THE DESCRIPTION SET FORTH HEREIN AND THE ACCOMPANYING SURVEYOR'S CERTIFICATE SHALL PREVAIL.

I, __________________________, FINANCE OFFICER OF THE CITY OF MITCHELL, SOUTH DAKOTA, HEREBY CERTIFY THAT THE FOREGOING RESOLUTION WAS PASSED BY THE CITY OF MITCHELL, SOUTH DAKOTA, AT A MEETING HELD ON THE ______ DAY OF _____________, _______.

FINANCE OFFICER BY: ____________________________________

TREASURER CERTIFICATE

THE UNDERSIGNED, COUNTY TREASURER\DEPUTY TREASURER OF DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT ALL TAXES WHICH ARE LIENS UPON ANY LAND INCLUDED IN THE ABOVE PLAT, AS SHOWN BY THE RECORDS OF THIS OFFICE, HAVE BEEN PAID. DATED THIS____ DAY OF__________, _______.

____
TREASURER/DEPUTY TREASURER DAVISON COUNTY, S.D.

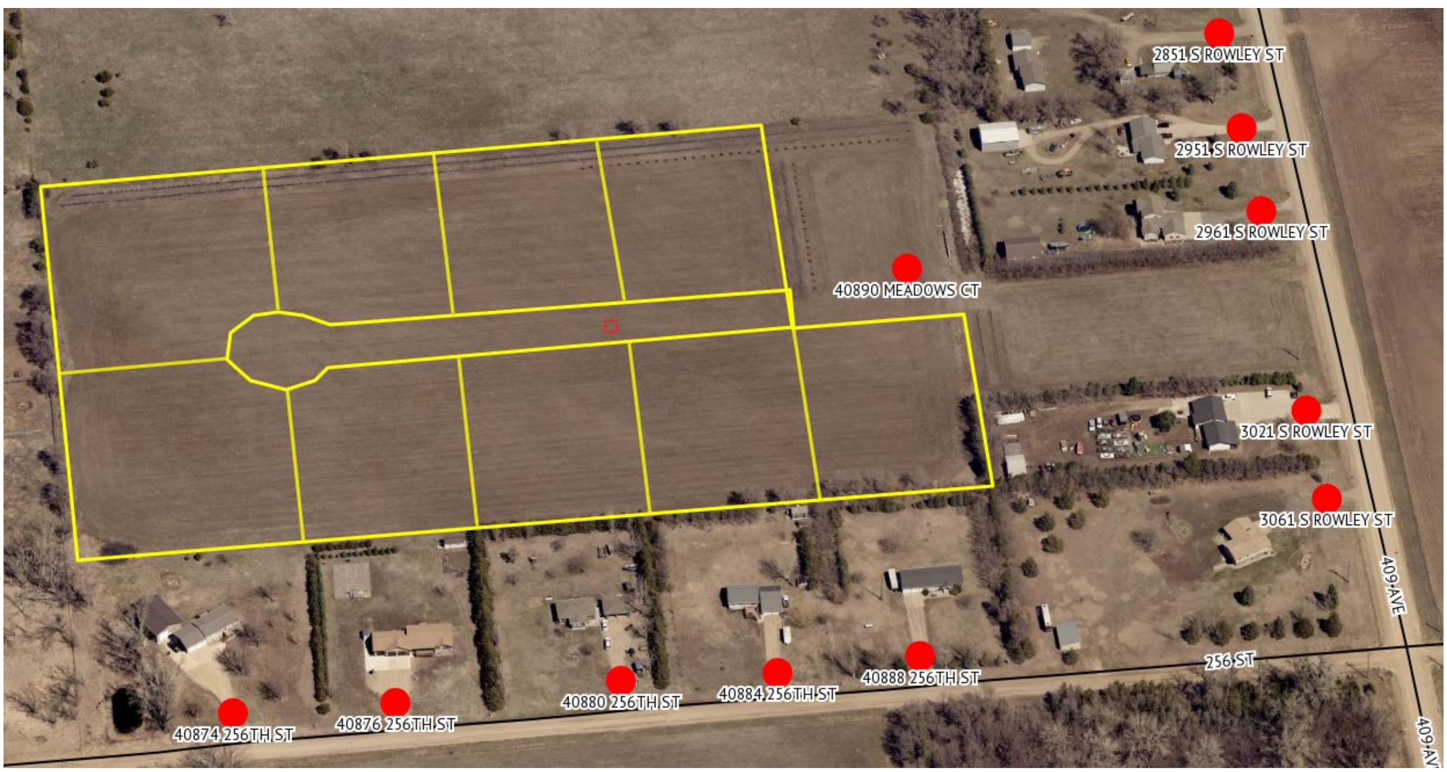
REGISTER OF DEEDS CERTIFICATE

THE UNDERSIGNED, REGISTER OF DEEDS\DEPUTY REGISTER OF DEEDS, DAVISON COUNTY, SOUTH DAKOTA, HEREBY CERTIFIES THAT THE ORIGINAL PLAT WAS FILED FOR RECORD THIS____DAY OF__________, ______,________O'CLOCK __. M., AND DULY RECORDED IN BOOK ______, PAGE ______.

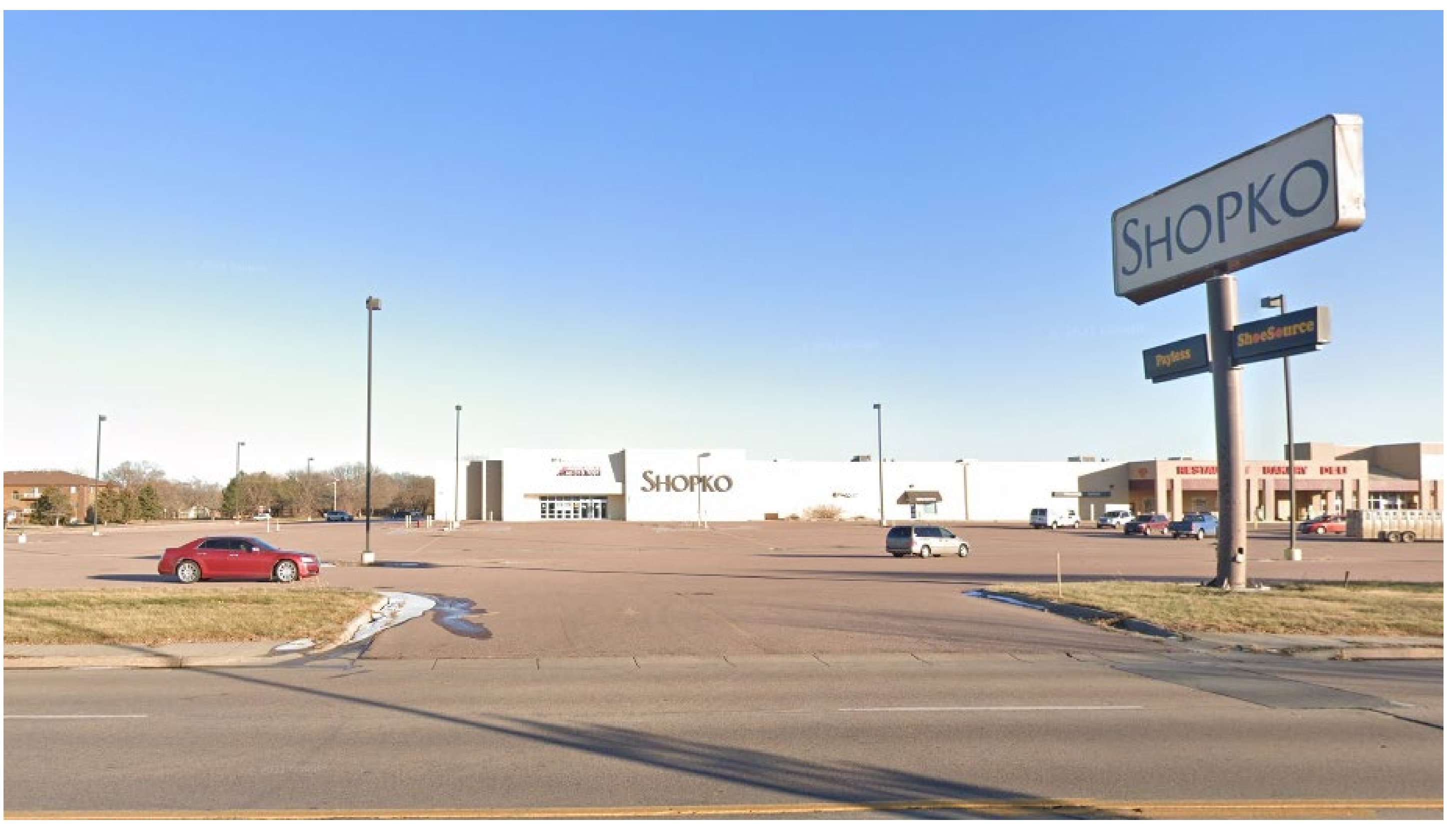
____
REGISTER OF DEEDS/DEPUTY REGISTER OF DEEDS, DAVISON COUNTY, S.D.

PREPARED BY TOM WEEK
407 REGAL DRIVE
YANKTON, SOUTH DAKOTA 57078
605-665-8333


Millbrook Hutterian Brethren
Lot 16
Purposed
2.130 AC
Lot 15
Purposed
1.519 AC
Lot 14
Purposed
1.540 AC
Lot 13
Purposed
1.550 AC
Lot 12
Platted
Melisa & Kyle Crago
Dean Vanderhamm
Melisa & Kyle Crago
409 AVE
Carey Deibert
MEADOWS CT
Current Meadows Court
Purposed Meadows Court
Lot 9
Platted
Melisa & Kyle Crago
S ROWLEY ST
MITCHELL
Lot 17
Purposed
2.120 AC
Lot 18
Purposed
1.508 AC
Lot 19
Purposed
1.517 AC
Lot 20
Purposed
1.517 AC
Lot 21
Purposed
1.517 AC
Randy & Jessica Rasmussen
Douglas Schoenfelder
Wade & Steph London
Clint & Jen Nurnberg
Terry & Judy Beiswanger
Teresa Weber
Leonard & Paulette Huebsch
ROW


2851 S ROWLEY ST
2951 S ROWLEY ST
2961 S ROWLEY ST
40890 MEADOWS CT
3021 S ROWLEY ST
3061 S ROWLEY ST
409 AVE
256 ST
40874 256TH ST
40876 256TH ST
40880 256TH ST
40884 256TH ST
40888 256TH ST
409 AVE


W SD HWY 37
FAIROAKS AVE
111
Krohmer Properties LLC
1900 N Main St
TIF #32
N KIMBALL ST
N MAIN ST
1901


SHOPKO
Payless
ShoeSource
SHOPKO

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN to the general public and all interested parties that the City of Mitchell Planning Commission will conduct a public hearing and acted upon in the City Hall Council Chambers at 612 North Main Street, Mitchell, South Dakota at 12:00 pm (noon) on January 8, 2024 in regards to a proposed project plan and the establishment of boundaries for the proposed tax increment financing district known as City of Mitchell Tax Incremental District Number Thirty-two (32).

The following real property is to be included in this district and is legally described as follows:

LOT G-3-A, A PORTION OF THE SOUTH 500 FEET OF LOT G-3 IN THE NORTHWEST QUARTER (NW ¼) OF SECTION 15, TOWNSHIP 103 NORTH, RANGE 60 WEST OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA, AS SHOWN ON THE PLAT RECORDED IN THE BOOK 14 OF PLATS, PAGE 87; LESS LOT G-3D, AS SHOWN ON THE PLAT RECORDED IN BOOK 14 OF PLATS, PAGE 103; AND LESS LOT G-3E, AS SHOWN ON THE PLAT RECORDED IN BOOK 21 OF PLATS, PAGE 29; AND

At the above stated time and place, all interested parties will be afforded a reasonable opportunity to express their views on the proposed creation of the Tax Incremental District and its proposed boundaries. The project plan may be viewed on the city's website at www.cityofmitchellsd.gov. Following such hearing, the matter will be heard and acted upon by the Mitchell City Council on January 16, 2024 at 6:00 pm in the City Hall Council Chambers.

Dated this 18th day of December, 2023.

____
Michelle Bathke – Finance Officer

Published once: 27th day of December, 2023
Approximate publication cost: ____________

Tax Incremental District

Number 32

City of Mitchell, SD

Economic Development Project Plan
In conjunction with

Krohmer Properties LLC, Developer

Table of Contents

Introduction

Tax Increment Financing (TIF) is an incentive utilized by local governments to attract private development and investment. New investment equals new jobs, more customers, and in turn, more investment opportunity. Additionally, TIFs are used to clean up blighted areas located within a city. The incentive can also help attract and retain existing businesses and workers that might otherwise find more attractive options elsewhere. The jobs and additional investment, both private and public, mean more money for the community. Tax Increment Financing helps to overcome costs that often prevent redevelopment, to include demolition and remodel costs in blighted areas of a community, and private investment from occurring in the community. As a result, the TIF area itself improves and property values increase.

Specifically, money for improvements and other incentives comes from the growth in property tax revenues - the tax increment. A tax increment is the difference between the amount of property tax revenue generated from property within the TIF district before TIF district designation and the amount of property tax revenue generated from property within the TIF district after TIF designation. Property taxes collected on properties included in the TIF at the time of its designation continue to be distributed to the city, school district, county and all other taxing districts in the same manner as if the TIF district did not exist. Only property taxes collected as a result of the incremental increase in the value of these properties after formation of the TIF district are available for use by the counties or cities to fund project costs in the TIF district.

In addition to increasing property valuation, creating a Tax Increment District for the benefit of economic development can mean revitalizing core business districts of cities in South Dakota that have deteriorated over time, causing businesses to leave the business corridor area and relocate, sometimes in other communities, leading to a “blighted” business corridor. It is up to local communities to attempt to revitalize and bring business district corridors back to “life” by maintaining existing buildings and providing new business opportunities and business expansion in business corridor districts. Using Tax Increment Financing is one of the most powerful economic development tools that helps accomplish revitalizing “blighted” areas which, in turn, creates jobs and economic development, to include additional sales tax for cities local communities and the State of South Dakota.

A local government, per South Dakota Codified Law, Chapter 11-9, can designate a specific area within its boundaries as a redevelopment area appropriate for a TIF district and prepare a plan for development. TIF projects must be recommended for approval by the County or City Planning Commission and the County or City Commission/Council.

Purpose & General Definitions as used in this Plan

The property upon which this Tax Incremental District (TID) is proposed to be implemented is located within Davison County, South Dakota, and is located within the city limits of the City of Mitchell.

As such, the creation of City of Mitchell TIF #32 shall be conditioned upon the creation of the District by resolution, and the establishment of the TID boundaries and approval of the TID Project plan by the City of Mitchell Planning and Zoning Commission along with the City Council.

The purpose of this Plan, to be implemented by the City of Mitchell, South Dakota is to satisfy the requirements for a Tax Increment District Number #32 as specified in SDCL Chapter 11-9. The principal purpose of the Plan is to define eligible property and to define a Tax Increment Plan for funding eligible activities in an eligible area of the City. The Plan will describe the boundary, estimated costs, feasibility and fiscal impact of the District.

This Plan was prepared for adoption by the City Council in recognition that the area requires a coordinated, cooperative strategy, with financing possibilities, to promote economic development and accomplish the City's development objectives for improving the continued viability by promoting economic development within the City, and specifically one of the City's business district corridors.

The driving interest in the establishment of this Plan is to offer tax increment financing as a tool to stimulate and leverage private sector development and redevelopment, and to promote economic development throughout the District. Portions of the tentative project as described in this Project Plan will not proceed and are not economically feasible but for the use of Tax Incremental Financing. Without Tax Increment Financing, those specific portions of the project which will (1) allow for additional employment opportunities and (2) a potential new business expansion will not be completed, as described in more detail in this Project Plan.

Development in the area is anticipated to occur starting in the fall of 2023, with the potential for tax increment financing to provide the impetus and means to undertake this development at faster pace than might occur otherwise, but more importantly to ensure that one of the City's core business district corridors, located at one of the gateway entrances to the City, is revitalized.

The following terms found in this Plan are defined as the following:

"Base" or "Tax Incremental Base" means the aggregate assessed value of all taxable property located within a Tax Incremental District on the date the district is created, as determined by SDCL § 11-9-20.

"Blighted or Economic Development" 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; and

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

"City Council" means the City of Mitchell, South Dakota

"Calendar Year" means the starting date of January 1 to an ending date of December 31.

"Department of Revenue" means the South Dakota Department of Revenue.

"Developer" means Krohmer Properties LLC.

"Developer's Agreement" means the agreement between Developer and City of Mitchell concerning this Tax Incremental District.

"District" means the Tax Incremental District.

"Economic Development" means all powers expressly granted and reasonably inferred pursuant to SDCL § 9-54.

"Fiscal year" means that fiscal year for City of Mitchell.

"Generally Applicable Taxes" shall have the same meaning as set forth in 26 CFR § 1.141-4(e).

"Governing body" means the Mitchell City Council, South Dakota.

"Grant" means the transfer for a governmental purpose of money or property to a transferee that is not a related party to or an agent of the municipality;

"Infrastructure Improvements" means a street, road, sidewalk, parking facility, pedestrian mall, alley, bridge, sewer, sewage treatment plant, property designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, drainage system, waterway, waterline, water storage facility, rail line, utility line or pipeline, or other similar or related structure or improvement, together with necessary easements for the structure or improvement, for the benefit of or for the protection of the health, welfare, or safety of the public generally.

"Plan" means this Project Plan.

"Planning Commission" means the Mitchell City Planning Commission South Dakota

"Project Costs" means any expenditure or monetary obligations by City of Mitchell, whether made, estimated to be made, incurred or estimated to be incurred, which are listed as Project Costs herein will include any costs incidental thereto but diminished by any income, special assessments, or other revenues, other than tax increments, received, or reasonably expected to be received, by City of Mitchell in connection with the implementation of this Plan.

"Project Plan" means a properly approved Plan for the development or redevelopment of a tax incremental district including all properly approved amendments thereto as recommended pursuant to SDCL§ 11-9-1 3.

"Public Works" means the Infrastructure Improvements, the acquisition by purchase or condemnation of real and personal property within the Tax Incremental District and the sale, lease, or other disposition of such property to private individuals, partnerships, corporations, or other entities at a price less than the cost of such acquisition which benefit or further the health, safety, welfare and economic development of the County and Project Costs.

"Taxable Property" means all real taxable property located in a Tax Incremental District.

"Tax Incremental District" means a contiguous geographic area within a County defined and created by resolution of the governing body and named City of Mitchell Tax Incremental District #32.

"Tax Increment Valuation" is the total value of the Tax Incremental District minus the tax incremental base pursuant to §11-9-19.

"Tax Increment Law" means South Dakota Codified Laws Chapter 11-9.

Creation of City of Mitchell. South Dakota TID #32

Krohmer Properties LLC has recently purchased a commercial building located at 1900 North Main Street, Mitchell, South Dakota, previously known as the "Shopko Building," which has sat empty for approximately four years. The Developer has approached officials with City of Mitchell regarding the possibility of creating a Tax Incremental Financing District ("TID") to assist in the Project Costs within the Plan on land which is located within City of Mitchell, South Dakota. As presented by the Developer, the TID will consist of one phase, as follows:

Reconstruct and remodel an abandoned building consisting of approximately 72,000 square feet, located at 1900 North Main Street, Mitchell, South Dakota, known as the "Shopko Building". The project will include gutting the interior of the building and a full remodel, following plans designed by a contractor to bring the building back up to code. The building will receive a new roof, parking lot repairs, and renovations to the main floor to accommodate an expansion of the existing Krohmer Plumbing business (who will be a tenant of the property), to include expanded showroom area. The remodel project was started prior to approval of the TIF in an effort to finish the parking lot area and roof prior to winter weather, and start with construction of the inside of the structure in late 2023, extending into 2024. It is anticipated that Krohmer Plumbing's relocation to the expanded building will expand their business to allow them to employ up to 25 new employees in different capacities within the business; however, while the basic remodel will allow Krohmer Plumbing to move most of its existing business to the Shopko building, if the TIF is not approved, the total remodel project will not be completed and the expansion of those areas of the business that will allow for a significant number of new employees will not be completed. Additionally, a portion of the building is being remodeled to attract a new retail tenant that will bring new job opportunities and a new business to the City of Mitchell.

Timing and weather permitting, Developer intends to begin remodel/construction on the Shopko Building in the fall of 2023 with a completion date sometime in late 2024.

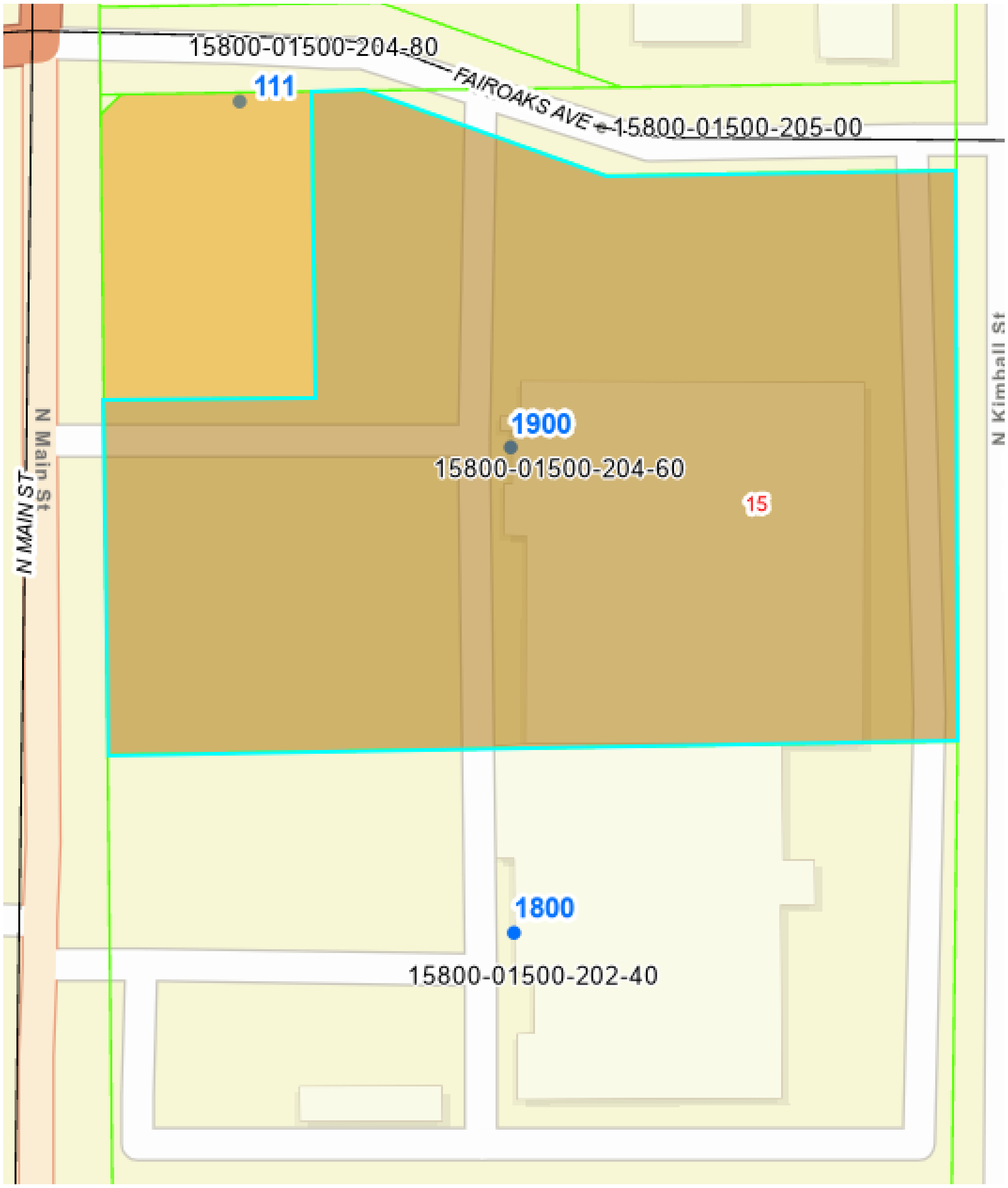
Property within Tax Increment District #32

The real property to be located within the Tax Increment District is legally described as follows:

> Lot G-3-A, a portion of the South 500 Feet of Lot G-3 in the Northwest Quarter (NW ¼) of Section 15, Township 103 North, Range 60 West of the 5th P.M., City of Mitchell, Davison County, South Dakota, as shown on the Plat recorded in the Book 14 of Plats, Page 87; Less Lot G-3D, as shown on the Plat recorded in Book 14 of Plats, Page 103; and Less Lot G-3E, as shown on the Plat recorded in Book 21 of Plats, Page 29.

Developer is the sole owner of all real property to be included in the TID.

A map of the TIF boundary area (the perimeter in blue) is as follows:



<u>Taxable Value of City of Mitchell</u>

State law requires that tax increment districts cannot exceed ten percent of the taxable value of City of Mitchell. The current value for City of Mitchell is approximately $1,219,928,179. The base value of the taxable property for inclusion into this Tax Incremental District #32, as per the Director of Equalization's records is $1,336,005.

11-9-7. Maximum percentage of taxable property in municipality permitted in districts. In order to implement the provisions of this chapter, the resolution required by § 11-9-5 shall contain a finding that the aggregate assessed value of the taxable property in the district plus the **tax incremental base of all other existing districts does not exceed ten percent** of the total assessed value of taxable property in the municipality.

Total base value of active TIF Districts in City of Mitchell, South Dakota is as follows:

TIF #	Certified Base Value State of South Dakota Department of Revenue City of Mitchell
8	$5,690,430
9	$47,780
14	$35,885
16	$4,745,210
19	$12,675
20	$143,900
21	$134,840
23	$2,766,957
24	$580,775
26	$0
27	$950,940
28	$1,578,363
29	$397,815
30	$55,610
31	$802,614
32	$1,336,005
Total Base Value(s)	$19,279,889

The total value of all active TIF districts in City of Mitchell is less than ten (10) percent of total taxable value in the City. Using the estimates provided, with TID #32 included, the total Tax Increment Districts combined is less than 2% when compared to the 2022 Taxable Valuation.

Kind, Number, Location and Detailed Costs of Proposed Public Works and Improvements. SDCL § 11-9-13(1).

In order to implement the provisions of SDCL Chapter 11-9, the following are Project Costs and expenditures made or estimated to be made and the monetary obligations incurred or estimated to be incurred. The Project Costs may, in any TIF, include capital costs, financing costs, real property assembly costs, professional fee costs, imputed administration costs, relocation costs, organizational costs, discretionary costs and grants, plus any costs incidental thereto.

The City is working to develop an economic and competitive base to benefit the City and the State of South Dakota as a whole. All Project Costs are found to be necessary and convenient to the creation of the Tax Incremental District and its implementation. The project constitutes economic development which is a proper public purpose of the City. The City exercises the powers expressly stated in and reasonably inferred by SDCL §11-9-15 and Chapter 9-54. The City shall enter into all contracts in accordance with South Dakota law.

A combination of private investment and tax increment financing will assist progress toward the overall objectives of the Developer, that being to bring the Shopko building back to life with a new professional business and create new jobs for the City of Mitchell

Costs of Public Works or Improvements

In accordance with SDCL § 11-9-14 the following is the kind, number, location and dollar amount of estimated Project Costs, costs of public works and improvements.

Although the estimated costs of the Project are approximately $4,024,701 (which includes the cost of purchasing the building and real property), Developer is requesting a TIF in the amount of $527,250, and will pay the remaining costs through commercial financing. The requested TIF amount is set forth in the table below:

Kind of Project	Location[1]	Amount	Reference[2]
Capital Costs (Street, Water & Sewer) (Cleaning & grading of land & associated costs)	District		11-9-15(1)
Financing Costs	District		11-9-15(2)
Real Property Assembly	District		11-9-15(3)
Professional Fees	District		11-9-15(4)
Administrative Costs	District		11-9-15(5)
Relocation Costs	District		11-9-15(6)
Organizational Costs	District		11-9-15(7)
Discretionary Costs and Grants	District	$527,250	11-9-15(8)
Eligible Project Costs		$527,250____	

[1] District shall mean the Tax Increment District.
[2] SDCL §11 -9-15
(1)) Capital costs, including the actual costs of the construction of public works or improvements, buildings, structures, and permanent fixtures; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and permanent fixture s; the acquisition of equipment; the clearing and grading of land; and the amount of interest payable on tax incremental bonds or notes issued pursuant to this chapter until such time as positive tax increments to be received from the district, as estimated by the Project Plan, are sufficient to pay the principal of and interest on the tax incremental bonds or notes when due;
(2) Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for Project Costs, any premium paid over the principal amount thereof because of the redemption of such obligations prior to maturity and a reserve for the payment of principal of and interest on such obligations in an amount determined by the governing body to be reasonably required for the marketability of such obligations;
(3) Real property assembly costs, including the actual cost of the acquisition by a municipality of real or personal property within a tax incremental district less any proceeds to be received by the municipality from the sale, lease, or other disposition of such property pursuant to a Project Plan;
(4) Professional service costs, including those costs incurred for architectural, planning, engineering, and legal advice and services;
(5) Imputed administrative costs, including reasonable charges for the time spent by municipal employees in connection with the implementation of a Project Plan;
(6) Relocation costs;
(7) Organizational costs, including the costs of conducting environmental impact and other studies and the costs of informing the public of the creation of tax incremental districts and the implementation of project plans; and
(8) Payments and grants made, at the discretion of the governing body, which are found to be necessary or convenient to the creation of tax incremental districts or the implementation of project plans.

All of the above are estimates of the costs involved in the project, and the actual total may be greater or smaller. An itemized listing of the estimated costs is set forth on Schedule 1. Because the cost estimates are only estimated costs, the total authorized TID costs of $527,250 is the controlling value with respect to authorized TID Project Costs, rather than the particular line item amounts contained in the above Chart and Schedule 1. The line item categories proposed are for guidance only, and actual costs will be determined upon completion of the improvements.

The above total represents eligible Project Costs. Only such amounts as are feasible will be allowed by the City or by monetary obligation. Developer reserves the right to be reimbursed for any expenses and advances made by the Developer for the TIF project from TIF funds, so long as the total amount of funds advanced for the TIF District do not exceed $527,250.

*Costs incurred may be allocated and may be completed in any order.

Expenditures Exceeding Estimated Cost

Any expenditures which in sum would exceed the total amount of the TID amount of $527,250 will require an amendment of this Plan. All amendments would be undertaken pursuant to SDCL §11-9-23.

When the expenditures within the Plan are increased in excess of the total above, the Department of Revenue will be required to reset the base, in accordance with SDCL §11-9-23.

If the Project Costs are not provided for in the original plan, the governing body would be required to amend the plan which requires the South Dakota Department of Revenue to re-determine the tax increment base when additional Project Costs are added to a plan. SDCL §11-9-23.

Developer's Agreement

The City of Mitchell will enter into a Developer's Agreement with Developer with the following as the guidelines for the Agreement:

Financing Terms:

- Amount. The total amount of the TIF will not exceed $527,250.
- Interest Rate. The developer is not seeking to recover any interest cost through this TIF.
- Length. The TIF will not exceed 20 calendar years from the year of creation.
- Expiration. The TIF will expire at the end of 20 years or when the $527,250 has been paid out in tax payment to the Developer from the taxes generated within the District, whichever comes first. Should there be a balance on the TIF note at the end of year 20, the TIF will still expire.

Legal Terms:

- Should the State of South Dakota not classify the TIF as economic development, the TIF will not be finalized and will cease to exist.
- Developer will waive its right to the discretionary tax abatement for this Property.

Conditions of the Developer Agreement relating to Constitutional Debt:

The exclusive funding mechanism for this TID will be a grant pass-through of positive tax increment from the TID receipted into the TIF Fund. It is specifically a condition of the proposed Developer's Agreement that the City's obligation to pay is limited to the proceeds of the positive tax increment from the TID receipted into the TIF Fund. The City shall have no obligation to commit any City funds from any other source into the TIF Fund other than the positive tax increment from the TID receipted into the TIF Fund. It is also to be specifically agreed that the City has made no representation that the proceeds from the TIF Fund shall be sufficient to retire any indebtedness incurred by Developer. The parties further acknowledge that SDCL 11-9-25 limits the duration of allocation of the positive tax increment payments and the fund created by the TID to 20 years from the year of creation. As such, it is further understood that the amount of $527,250 will be the maximum amount the City will ever pass on acting as a conduit for TIF #32 for eligible project costs, including any and all interest which may apply.

All TIF revenue will be passed onto the Developer as a grant until the full amount has been paid or 20 years from the year of creation, whichever happens first. The payment of tax increment funds under this Agreement is a grant under SDCL Chapter 11-9 (the "Grant"). The Grant is a personal property right vested with the Developer on the effective date of the Developer Agreement. The City will grant this amount to the Developer and thus not have to account for any assets on the City's financial statement. The Developer will be responsible for obtaining their financing and the City will not be liable for any Developer debt.

Upon completion of the construction of project involving eligible project costs, the Developer shall certify to the City's Finance Officer the eligible project costs in sufficient detail to determine that payment of grant funds is solely for eligible project costs. The Developer shall provide contractor/supplier invoices or other supporting documentation upon request of the Finance Officer. Upon certification and verification of eligible project costs, the City shall pass-through all available tax increment fund revenues not to exceed $527,250 in a manner consistent with this section.

Given that the exclusive funding mechanism for this TID is the grant pass-through of positive tax increment from the TIF Fund, that no tax increment bonds will be issued in relation to this TID, and that the City shall have no obligation to commit other City funds, the City's obligation hereunder shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. In recognition that the City cannot appropriate funds that no have accrued, the City's exclusive obligation shall be to budget and appropriate the positive tax increment from the TID receipted into the TIF Fund on an annual basis during the City's then current fiscal year, as may be required. Notwithstanding anything to the contrary contained in the proposed

Agreement, the City hereby acknowledges and agrees that the obligations of the City under this Agreement are a material inducement for Developer to incur various development and construct improvements upon the TID property and the failure to pay tax increment to Developer will be financial detrimental to future improvements on said property.

If at any time during the term of this Agreement, the governing body of the City shall fail or refuse to approve or authorize the funds due hereunder, and if the TID is eligible to be terminated pursuant to SDCL 11-9-46, then the Agreement shall terminate upon the end of the fiscal year for which funds were approved or authorized, without penalty to the City.

Developer Terms:

- Krohmer Properties LLC will act as the Developer and all TIF proceeds will flow to Developer.
- Developer will certify the costs to the City for reimbursement.
- The City of Mitchell reserves the right to charge an annual administration expense. This fee will be used to offset any future expenses that may occur due to reporting. The amount will not exceed $5,000.00 in a calendar year.
- The Developer agrees to waive the discretionary formula for all construction within the TIF.

Detailed List of Estimated Project Costs

Attached as Schedule 1 is a detailed list of estimated Project Costs as per SDCL § 11-9-13(3). No expenditure for Project Costs is provided for more than five years after the District is created.

Feasibility Study

An economic feasibility study per SDCL § 11-9-13(2) is attached as Schedule 2.

Economic Development Study

Not less than 50% of the area within the proposed district will stimulate and develop the general economic welfare and prosperity of the state through commercial, manufacturing and agricultural development as evidenced by the Economic Development Study attached as Schedule 3.

Fiscal Impact Statement

Attached is Schedule 4, a Fiscal Impact Statement showing the impact of the Tax Increment District, until and after the TIF advances are repaid, upon all entities levying property taxes in the District. Required as per SDCL § 11-9-13(4).

Method of Financing, Timing of Costs and Monetary Obligations

The payment of Project Costs is anticipated to be made by the City to Developer from the special fund of the Tax Incremental District. SDCL § 11-9-13(5). Pursuant to the Developer's Agreement, the City will pay to the Developer all available tax increment funds it receives from the District.

Maximum Amount of Tax Incremental Revenue

The maximum amount of tax incremental revenue bonds or monetary obligations to be paid through Tax Increment District #32 shall be the amount sufficient to reimburse the City for the payments made for Project Costs and pay all tax increment bonds or monetary obligations in an amount not to exceed $527,250 principal and interest or such lesser amount as may be feasible with the estimated revenue generated by the Tax Increment District. The final terms and conditions will be set forth in the Developer's Agreement

Duration of Tax Incremental Plan

The duration of the Plan will extend to the number of years it will take for the reimbursement of the City and the extinguishment of TIF monetary obligations, except that the Plan duration **shall not exceed 20 calendar years** of revenue from the date of creation of the District.

Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

The site will generate taxes to the local jurisdictions at or above the assessed value of the Base. All taxing districts shall receive that base which will be the value set for 2023 taxes payable in 2023. The tax increment will be available to the taxing jurisdictions at or before twenty (20) years after the creation of the District. Schedule 5 details the tax capture implications to each of the local taxing jurisdictions. After the repayment of the bonds and monetary obligations, taxing entities will receive their proportionate share of tax dollars for the base value and the tax incremental values.

Conditions Map, Improvements Map, Zoning Change Map

The Conditions map, SDCL § 11-9-16(1), is included as Attachment 2.

The Improvements map, SDCL § 11-9-16(2), is included as Attachment 3.

The Zoning Change Map, SDCL § 11-9-16(3), is included as Attachment 4.

Changes to the City of Mitchell Comprehensive/Master Plan/ Map, Building Codes & County Ordinances per SDCL § 11-9-16(4)

No changes to City ordinances nor the City Master Plan are required.

List of Estimated Non-Project Costs

The following is a list of the Non-Project Costs per SDCL § 11-9-16(5). All costs are listed as taxable value; actual non-project costs will exceed the following amounts.

Item	Amount
Project Costs (including remodeling, purchase, and construction costs)	$4,024,701
TOTAL	$4,024,701

Statement of Displacement and Relocation Plan

No residents or families will be displaced by the Project. SDCL § 11-9-16(6)

Performance Bond Surety Bond or other Guaranty

As security for its fulfillment of the agreement with the governing body, a purchaser or lessee of redevelopment property may furnish a performance bond, with such surety and in such form and amount as the governing body may approve or make such other guaranty as the governing body may deem necessary in the public interest. This additional security may be provided for in a Developer's Agreement.

List of Schedules

List of Attachments

Attachment 1 - Descriptions of Real Property

Attachment 2 - Conditions Map, SDCL § 11-9-16(1)

Attachment 3 - Improvements Map, SDCL § 11-9-16(2)

Attachment 4 - Zoning Change Map SDCL § 11-9-16(3)

Schedule 1 – "Detail of Project Costs"

Kind of Project	Number of Projects	Location[1] 1 above	Amount	Reference[2]
Capital Costs (Street, Water & Sewer) (Cleaning & grading of land & associated costs)		District		11-9-15(1)
Financing Costs		District		11-9-15(2)
Real Property Assembly		District		11-9-15(3)
Professional Fees		District		11-9-15(4)
Administrative Costs		District		11-9-15(5)
Relocation Costs		District		11-9-15(6)
Organizational Costs		District		11-9-15(7)
Discretionary Costs and Grants	1	District	$527,250	11-9-15(8)
Eligible Project Costs			$527,250_____	

1) Capital costs, including the actual costs of the construction of public works or improvements, buildings, structures, and permanent fixtures; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and permanent fixtures; the acquisition of equipment; the clearing and grading of land; and the amount of interest payable on tax incremental bonds issued pursuant to this chapter until such time as positive tax increments to be received from the district, as estimated by the project plan, are sufficient to pay the principal of and interest on the tax incremental bonds when due;

2) Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for project costs, any premium paid over the principal amount thereof because of the redemption of such obligations prior to maturity and a reserve for the payment of principal of and interest on such obligations in an amount determined by the governing body to be reasonably required for the marketability of such obligations;

3) Real property assembly costs, including the actual cost of the acquisition by a municipality of real or personal property within a tax incremental district less any proceeds to be received by the municipality from the sale, lease, or other disposition of such property pursuant to a project plan;

4) Professional service costs, including those costs incurred for architectural, planning, engineering, and legal advice and services;

5) Imputed administrative costs, including reasonable charges for the time spent by municipal employees in connection with the implementation of a project plan;

6) Relocation costs;

7) Organizational costs, including the costs of conducting environmental impact and other studies and the costs of informing the public of the creation of tax incremental districts and the implementation of project plans; and

8) Payments and grants made, at the discretion of the governing body, which are found to be necessary or convenient to the creation of tax incremental districts, the implementation of project plans, or to stimulate and develop the general economic welfare and prosperity of the state

Estimates TID Eligible of Project Costs Requested

The City of Mitchell has determined that this will be an economic development Tax Increment District, thus the eligible cost will be in the form of a grant that will not exceed $527,250. This is a permitted use under SDCL 11-9-15.

SHOPKO BUILDING RENOVATION COST

	TOTAL COST	NON-PROJECT COSTS	TIF ELIGIBLE PROJECT COSTS
Property Acquisition	$ 1,800,000.00	$ 1,800,000.00	
Electrical Rewire	$ 150,000.00	$ 75,000.00	$ 75,000.00
HVAC	$ 137,000.00	$ 82,000.00	$ 55,000.00
Security	$ 25,000.00	$ 25,000.00	
Roof Repair/Replacement	$ 449,633.00	$ 449,633.00	
Carpet	$ 50,000.00	$ 50,000.00	
Sprinklers	$ 88,900.00	$ 44,450.00	$ 44,450.00
Paint	$ 79,100.00	$ 79,100.00	
Caulk	$ 5,000.00	$ 5,000.00	
Asphalth Driveway Repair	$ 81,568.00	$ 81,568.00	
Signage	$ 20,000.00	$ 20,000.00	
Fencing	$ 30,000.00	$ 15,000.00	$ 15,000.00
Engineering	$ 15,000.00	$ 15,000.00	
Demolition	$ 35,000.00	$ 35,000.00	
Carpentry	$ 436,000.00	$ 326,000.00	$ 110,000.00
Cabinets	$ 75,000.00	$ 75,000.00	
Plumbing	$ 50,000.00		$ 50,000.00
Commercial Front Door	$ 50,000.00		$ 50,000.00
Dock Door	$ 100,000.00		$ 100,000.00
Flooring	$ 75,000.00		$ 75,000.00
Professional Fees	$ 15,000.00		$ 15,000.00
Interest	$ 257,499.79	$ 257,499.79	
TOTALS	$ 4,024,700.79	$ 3,435,250.79	$ 589,450.00
Cost of Real Estate:	$ 1,800,000.00		
Cost of Improvements:	$ 2,224,700.79		
Interest:	$ 257,499.79		
Total Project Costs:	$ 4,024,700.79		
TIF Request:	$ 527,250.00		
Developer Costs:	$ 3,497,450.79		

*SDCL 11-9-15 includes as eligible capital costs for a TIF to include actual costs for demolition, alterations, remodeling, repair and reconstruction of existing building and permanent fixtures.

It is anticipated that the Developer shall self-fund the remodel costs associated with this Project. As such, we are not showing an amortization schedule for repayment of a loan or an interest rate associated with the Project. Developer proposes to provide the City with invoices for the costs associated with the Project and would use funds released by the City to either pay such invoice or reimburse the Developer for its costs of the same.

We are not asking for the full amount of the project costs as it could not be supported by the estimated increment generated. We want to show that the Developer will have significant costs invested in the Project in addition to the proposed TIF funds.

Schedule 2 - "Economic Feasibility Study"

Developer has approached the City of Mitchell regarding the possibility of creating a Tax Incremental Financing District to assist with help in offsetting the costs associated with the restructure/remodel of the Shopko Building.

The Shopko Building is a large commercial building that has sat empty for a number of years and has deteriorated over time. The building is located on the north end of Mitchell's main corridor into the City from a northerly direction.

Renovation/Reconstruction Project

The renovation/reconstruction project of the Shopko Building is estimated to be in the approximate amount of $1,727,201, and when added with the cost of the real property and building, the total investment by Developer is $4,024,701. The current taxable value of the Shopko Building and real estate is $1,336,005. Developer is projecting an increase in the assessed value of the property when all repairs have been completed in an additional amount of $1,500,000, for a total taxable value of $2,836,005 of which only $1,500,000 will qualify and be eligible for TIF purposes.

Renovation/Reconstruction will consist of the following:

- Demolition of most of the interior of the existing building
- Building a large showroom
- Building a large warehouse and pre-assembly area
- Replace/repair the building HVAC
- Create an outdoor, fenced-in storage area
- Developer plans on a total remodel of the building to expand its existing plumbing business and relocate the business to the building
- A portion of the building is also being designed to attract complimentary businesses to rent space within the building, which will bring new business opportunities to the City of Mitchell. However, these improvements will not be made "but for" the TIF being approved.

The construction of the new showroom will result in the creation of new jobs, as will the expanded warehouse area. However, these improvements will not be made but for the TIF being approved, which will significantly decrease the number of new employment positions created by Developer. The larger building will also allow Developer to hire additional plumbers and apprentice plumbers, and the pre-assembly area will also create new job opportunities, but this will also not be completed without the approval of the TIF. It is estimated that the expansion will create up to 25 new jobs for the Mitchell area, assuming there is work force available to fill those positions and the TIF is approved. Additionally, a portion of the building is being remodeled to attract a new retail tenant that will bring new job opportunities and a new business to the City of Mitchell.

The City has been asked to create a Tax Increment District to help offset a portion of the renovation/remodel and construction costs associated with Project. This feasibility study provides that the Project Costs can be financed through tax increment financing under South Dakota Tax Incremental District Law (South Dakota Codified Laws Chapter 11-9), with the balance of the costs to be paid by the Developer. Tax increment financing is an indispensable self-financing tool used throughout the United States to help local governments successfully develop and redevelop areas and encourage economic development.

In tax increment financing, the current real property tax assessed value of all properties in a designated project area ("tax increment financing district") is established as the "base value." As development in the tax increment financing district increases the assessed values of the redeveloped properties, a portion of the additional tax revenue generated by the increase in assessed value over the base value is set aside and committed by the City to the reimbursement of approved project costs.

Tax increment financing is permitted only in connection with a "Project Plan" duly adopted by the City. The property is currently taxable at $1,336,005. The improvements to be made to the property are estimated to add approximately $1,500,000 to the value of the building and, when taking into account the Davison County “factor” for this type of property, approximately $1,422,000 to the tax assessed valuation. The estimated increment resulting from the improvements would be approximately $27,750 annually in new taxes once fully developed. Since only positive tax increment will be applied, the proposed project is feasible.

All of the project costs are found to be necessary and convenient to the creation of the Tax Incremental District and the implementation of the project.

For purposes of this Project Plan, the Developer is projecting that the remodel of the Shopko Building will be fully completed by late fall 2024. It is anticipated that the Developer will procure financing to fund the TID improvements through Developer-advanced funds, however, should the self-funding become unfeasible, the Developer may seek other financing at Developer’s sole risk and expense. Developer shall not use TIF proceeds for any interest or fees associated with any such alternative financing. The City at no time shall ever be responsible for any loan the Developer secures. The City's role is to simply act as a conduit for the tax revenue and pass on all positive increment to the Developer, of which, will never exceed $527,250 in total payments, or 20 years, whichever comes first.

A portion of the development within the District could qualify for the discretionary tax abatement. However, City of Mitchell TIF regulations require a developer to waive the “real property” discretionary formula as a condition of approving a TIF. Developer is aware of this requirement.

For purposes of this Project Plan, it is anticipated no increment generated by City TID #32 will be available until calendar year 2024 and thereafter. The calculation of the estimated tax increment valuation and tax generated for City of Mitchell TID #32 is presented in the table below.

TID TAX REVENUE ESTIMATES AVAILABLE
FOR CITY OF MITCHELL TID #32

SHOPKO BUILDING

Revenue Assumptions / Feasibility Study

Levies are based on 2022 payable in 2023

Construction Year	Valuation Year	Revenue Year	Valuation Increments	Valuation Total	Davison County	City of Mitchell	JR	Mitchell School District	Total Mill Rate*	Non-Ag Factor	Total Revenue Increment	Cumulative Amt Paid
2023	2024	2025	$ 1,500,000.00	$ 1,500,000.00	0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 27,750.33
2024	2025	2026			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 55,500.66
2025	2026	2027			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 83,250.99
2026	2027	2028			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 111,001.32
2027	2028	2029			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 138,751.65
2028	2029	2030			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 166,501.98
2029	2030	2031			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 194,252.31
2030	2031	2032			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 222,002.64
2031	2032	2033			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 249,752.97
2032	2033	2034			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 277,503.30
2033	2034	2035			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 305,253.63
2034	2035	2036			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 333,003.96
2035	2036	2037			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 360,754.29
2036	2037	2038			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 388,504.62
2037	2038	2039			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 416,254.95
2038	2039	2040			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 444,005.28
2039	2040	2041			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 471,755.61
2040	2041	2042			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 499,505.94
2041	2042	2043			0.003778	0.0050680	0.000061	0.0106080	0.019515	0.948	$ 27,750.33	$ 527,256.27
2042	2043	-										
2043	-	-										

Valuation Increment * Non-Ag Factor * Total Mill Rate

Assumptions:
* Assumes Mill Levies remain constant for the duration of the TIF

True & Full Value of Improvements	$	1,500,000.00
Assessed Value of Improvements	$	1,422,000.00

Notes:
* These numbers are for projection purposes only and do not reflect what the actual number(s) may be. The projection numbers are based on assumptions provided by the developer.

Schedule 3 - "Economic Development Study"

SECTION 1 - INTRODUCTION

The City has been approached concerning the creation of a tax increment district located within City limits. In order to determine whether a tax increment district (TID) may be created, the governing body must make a finding that not less than 50%, 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 and natural resources, and the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the district.

SECTION 2 - STUDY AREA BOUNDARY

The Study area is described as the area depicted on the map attached to this Study (Attachments 1 and 2).

SECTION 3 - ESTABLISHING ECONOMIC DEVELOPMENT

South Dakota law describes economic development as activity that stimulates and develops the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, manufacturing, agricultural, or natural resources. The area making up the boundaries of proposed City of Mitchell TID #32 currently consists of an empty, deteriorating building that has a number of structural problems. Developer plans to renovate the building and relocate its existing plumbing business. Because of its move to a larger building, Developer will have the capacity to add up to 25 new full-time jobs to its work force, consisting of apprentice plumbers, journeyman plumbers, shop/warehouse, showroom, prefabrication, and various office positions.

SECTION 4 - FINDING THAT THE IMPROVEMENTS TO THE AREA ARE LIKELY TO ENHANCE SIGNIFICANTLY THE VALUE OF SUBSTANTIALLY ALL OF THE OTHER REAL PROPERTY IN THE DISTRICT

It is specifically found that once the improvements set forth within City of Mitchell TID #32 Project Plan are commenced the improvements enhance significantly the value of substantially all of the other real property in the District and will help the entire City core business district continue to develop, adding sales tax dollars to the City and to the State of South Dakota.

SECTION 5 - CONDITIONS WITHIN THE STUDY AREA; LAND USE AND PLANNING LAND USE, PLANNING AND COMPREHENSIVE PLAN

The City of Mitchell Comprehensive Plan is consistent with the proposed use of the District.

SECTION 6 - FINDINGS WITHIN THE STUDY AREA ANALYSIS

In accordance with state law, it is found that not less than fifty percent (50%) by area of the real property within the District will stimulate and develop the general economic welfare and prosperity of the State of South Dakota through the promotion and advancement of industrial, commercial, manufacturing, agricultural, and natural resources, and it is found that the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the District in accord with SDCL 11-9-8(1) and (2).

The study area currently consists of a large, empty store building that has numerous structural issues. The Developer is proposing to renovate and bring back to life the Shopko Building with new retail/commercial space, with showroom and storage, and refurbish a large, empty vacant building located on one of the "gateways" to the City of Mitchell.

In accordance with State Law, the following addresses specific characteristics of economic development are found within the Study Area with corresponding portions of 11-9-8 and 11-9-11:

The investment of more than $4,024,701 (including the purchase price for the property) in the study area will stimulate and develop the general economic welfare and prosperity of the state through the promotion and advancement of commerce during the construction period. More 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 commerce. The development will cause more employment and will clear a partially "blighted" building structure in the City's core downtown area. The completion of the project will generate additional economic activity through retail commerce and development.

Schedule 4 - "Fiscal Impact Statement"

Fiscal Impact Statement City of Mitchell- Tax Increment District #32

INTRODUCTION

The fiscal impact statement is intended to provide a succinct analysis of the estimated impact of the Tax Increment District to the public pursuant to SDCL § 11-9-13 (4). It is not intended to rival the level of detail required by a detailed financial analysis. A fiscal impact statement shows the impact of the Tax Increment District, both until and after the bonds or obligations are repaid, upon all entities levying taxes upon property in the District.

DEFINITIONS

"Assumptions" means factors or definitions used in the fiscal analysis. Assumptions may include facts and figures identified by the District and educated guesses that are sometimes necessary when not all of the information is available. Assumptions are often used to extrapolate an estimate. Assumptions may include an estimate of tax levies of each taxing entity, the school aid formula contribution, the value of the real property, etc.

"Base Revenues" means the taxes collected on the base value.

"Fiscal Impact" means the increase or decrease in revenues and generally refers to an impact to revenues caused by the district.

"Revenue" means ad valorem taxes.

"Tax Increment District" means City of Mitchell, Tax Increment District Number 32.

"Taxing Districts" means all political subdivisions of the state which have ad valorem taxing power over property within the boundaries of the Tax Increment District.

"Tax Increment Revenues" means all revenues above the Base Revenues.

ASSUMPTIONS

(1) The property will have additional improvements resulting from the remodeling project which at completion will increase the taxable value of the property to approximately $2,836,005 with $1,422,000 coming from the improvements and renovations.
(2) The average tax levy of all taxing districts will be $19.515 per thousand dollars of taxable valuation.
(3) Tax increment will start to be collected in 2025 and end prior to 2043.
(4) The discretionary formula will be waived by Developer.

FISCAL IMPACT

The total fiscal impact upon the taxing entities during the term of the Tax Increment District is as follows:

Valuation Assumptions	Base Full/True Value	Increase	Positive Increment
Land/Existing Improvements	$1,336,005	0	0
Additional Improvements	$0	$ 1,422,000	$ 1,422,000
Total Positive Increment	$0	$ 1,422,000	$ 1,422,000

Schedule 5 - "Estimated Captured Taxable Values"

For purposes of this Project Plan, Developer assumes that **Developer will elect not to use the real property tax discretionary formula** currently utilized in City of Mitchell, South Dakota, pertaining to payment of real property taxes (i.e., 20% Year 1; 40% Year 2; 60% Year 3; 80% Year 4; and 100% Year 5).

It is further assumed, for purposes of this Plan, that the remodel of the Shopko Building will be completed by fall of 2024, with the improvements estimated to be assessed in the approximate amount of $1,422,000, which will generate $27,750 in annual real property taxes upon completion.

*Actual valuation shall depend upon the value determined by the Davison County Director of Equalization when assessed, with the application of dollars-per-thousand from local taxes. All tax increment revenues shall be from Generally Applicable Taxes attributable to the improvements to be constructed in the TID. The potential for total increment collections is estimated to be at the maximum range of $527,250 covering a span of captured tax years not to exceed 20. Collection is anticipated to begin in 2025, and the schedule carries out the tax captured 20 years from the date of Plan adoption.

The following dollars-per-thousand rates are the current taxing rates of the local taxing jurisdictions:

2022 Property Tax Rate	
2022 Payable in 2023	**$ per $1,000 assessed**
Davison County	$3.778
City of Mitchell	$5.068
JR Water	$.061
School District	$10.608
Total Tax Levy	**$19.515**

Utilizing the information regarding expected increment valuation and tax generation, it is possible to generate an expected revenue stream that can be utilized to fund the requested grant as a result of implementing the Project Plan.

Attachment 1

Description of Real Property:

The real property to be located within the Tax Increment District is legally described as follows:

> Lot G-3-A, a portion of the South 500 Feet of Lot G-3 in the Northwest Quarter (NW ¼) of Section 15, Township 103 North, Range 60 West of the 5th P.M., City of Mitchell, Davison County, South Dakota, as shown on the Plat recorded in the Book 14 of Plats, Page 87; Less Lot G-3D, as shown on the Plat recorded in Book 14 of Plats, Page 103; and Less Lot G-3E, as shown on the Plat recorded in Book 21 of Plats, Page 29.

<u>Attachment 2</u>

Conditions picture for City of Mitchell Tax Incremental District #32, SDCL § 11-9-16(1)

The following are pictures showing the current conditions of the proposed location of TIF #32:

Attachment 3

Improvements map for City of Mitchell Tax Incremental District #32, SDCL § 11 -9-16(2).

Maps pending design.

Attachment 4

Zoning Change Map for City of Mitchell Tax Incremental District #32, SDCL § 11-9-16(3).

- No proposed changes as the property is currently zoned as Highway Business.