



Planning Commission 11-12-24 Agenda
City Council Chambers, City Hall, 612 N. Main Street
November 12, 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: October 28, 2024**
- 6. Schedule Next Meeting: November 25, 2024**
- 7. Hearing & Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #40**
- 8. Variance Permit: Kyle Zacher**

Kyle Zacher on has applied for a Variance Permit for maximum height of an accessory building of 30' vs 22' to add onto existing garage and creating a mezzanine in the new portion of the garage with enough room under the mezzanine for the garage doors to open. This is located at 1420 E Hanson Ave, legally described as Lot 1, Block 8, Fiar View Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District.
- 9. Plan Approval: Hackberry Holdings LLC**

1005 S Lawler St, zoned Highway Oriented Business District
- 10. Plan Approval: Milkyway**

422 S Sanborn Blvd, zoned Highway Oriented Business District
- 11. Plat: Ethan Coop Lumber**

Plat of Lot 5, Block 6 of Woodland Heights First Addition, a subdivision of Lot 3, Crane's Addition in the SE 1/4 of Section 34, T 103 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota
- 12. Plan Approval: Mitchell Telecom**

1500 Block of Commerce St, zoned Highway Oriented Business District
- 13. Other Business:**
- 14. 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.
- 15. 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 10-28-24
City Council Chambers, City Hall, 612 N. Main Street
October 28, 2024

1. Call to Order

Chairperson Genzlinger called the October 28, 2024 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, Genzlinger, Havlik, Osterloo, Schmit (12:02), Schreurs, Sonne.

Absent: Jirsa.

Staff Present: Dammann, Ellwein, Mayor Hanson, Hegg, Jenniges, J Johnson, Schroeder.

3. Declaration Of Conflicts Of Interests

Sonne item # 8.

4. Approve Agenda

Motion by Havlik, seconded by Osterloo to approve the proposed agenda. All present voting aye; motion carried.

Schmitz joined the meeting.

5. Approval of Previous Minutes: October 15, 2024

Motion by Sonne, seconded by Havlik to approve the amended minutes of the October 15, 2024 Planning Commission Meeting. All present voting aye; motion carried.

6. Schedule Next Meeting: November 12, 2024

Motion by Havlik, seconded by Osterloo to set the date for the next Planning Commission Meeting for November 12, 2024. All present voting aye; motion carried.

7. Hearing and Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #38

Jenniges gave an overview of the area where TIF 38 would be located. He noted it was published in the official newspaper. This TIF is to modify an existing building into a brewery to be named Palace City Brewing. The applicant has been working with the railroad for the past couple of years to establish a boundary which has delayed the final TIF application. Jenniges noted the applicant is requesting around \$500,000 and has eligible TIF expenses of around

\$990,000. This is a developer-financed TIF which makes this a grant pass through and does not go against the city's constitutional debt. The applicant has 5 years to spend the \$500,000 and 20 years to pay it back through the tax increase. The applicant was present to answer questions.

Johnson noted the applicant waved the discretionary formula and will have to certify their costs with city finance.

Motion by Havlik, seconded by Sonne, to set the boundaries for TIF District #38 to include the following:

LOT R-1 OF DEPOT SECOND ADDITION TO THE CITY OF MITCHELL LYING IN THE SE ¼ OF SECTION 21, T 103 N, R 60 W OF THE 5TH P.M., DAVISON COUNTY, SOUTH DAKOTA, ACCORDING TO THE PLAT FILED IN BOOK 21 OF PLATS, PAGE 39 ON SEPTEMBER 16, 2005 IN THE OFFICE OF THE REGISTER OF DEEDS, DAVISON COUNTY, SOUTH DAKOTA

Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – absent, Osterloo – aye, Schmitz – abstain, Schreurs – aye, Sonne – aye. 5 aye, 0 nay, 1 abstain, 1 absent; motion carried.

Motion by Havlik, seconded by Osterloo to approve the project plan and recommend approval of TIF District #38. Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – absent, Osterloo – aye, Schmitz – abstain, Schreurs – aye, Sonne – aye. 5 aye, 0 nay, 1 abstain, 1 absent; motion carried.

8. Hearing and Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #39

Jenniges gave an overview of the area where TIF 39 would be located. He noted it was published in the official newspaper. MAD Garage is located currently in Commerce Park and will be relocated to the intersection of the bi-pass and Main Street. It will create 5 new jobs.

Jenniges noted the applicant is requesting around \$330,000 and has eligible TIF expenses of around \$330,000. This is a developer-financed TIF which makes this a grant pass through and does not go against the city's constitutional debt. The applicant has 5 years to spend the \$330,000 and 20 years to pay it back through the tax increase. The applicant was present to answer questions.

Johnson noted the same comments as TIF 38, the applicant waved the discretionary formula and will have to certify their costs with city finance.

Don Petersen, representing the applicant, introduced Spencer Maschen of MAD Garage.

They believe this TIF will help with the rebirth of N Main St along with the Krohmer Plumbing TIF that was already approved. The applicant has an existing business and will move to a new location. He will also be expanding his business by washing more implement equipment.

Motion by Schmitz, seconded by Havlik, to set the boundaries for TIF District #39 to include the following:

OUTLOTS 20 AND 21 LESS AND EXCEPT LOTS H1 AND LOTS H2 OF GREEN'S OUTLOTS IN THE NW ¼ OF SECTION 15, T 103 N, R 60 W OF THE 5TH P.M., CITY OF

MITCHELL, DAVISON COUNTY, SOUTH DAKOTA

Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – absent, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 5 aye, 0 nay, 1 abstain, 1 absent; motion carried.

Motion by Osterloo, seconded by Sonne to approve the project plan and recommend approval of TIF District #39. Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – absent, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 5 aye, 0 nay, 1 abstain, 1 absent; motion carried.

9. Plat: Ellwein, Denis & Brenda

Plat of Lot B of Big Bend Addition in the NW 1/4 of Section 1 and the NE 1/4 of Section 2, All in T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota.

Jenniges noted this is outside city limits and the ETJ but within 3 miles of city limits. Davison County has the zoning jurisdiction for this land. They will hear it at their November meetings. The applicant was not present to answer questions.

Motion by Osterloo, seconded by Havlik to approve the plat. All present voting aye; motion carried.

10. Plat: Riggs, Rondald & Michele

Plat of Tract 3 in the West 626.84 feet of Lot 5 of Crane's Addition, in the SE 1/4 of Section 34, T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota.

Jenniges noted this is outside the city limits, but with the ETJ, therefore, it is the City of Mitchell's zoning jurisdiction. This meets the requirements for Urban Development zoning. The applicant was not present to answer questions.

Motion by Sonne, seconded by Schmitz to approve the plat. All present voting aye; motion carried.

11. Plat: CJM Consulting Inc

Plat of Lot 10, Block 1 of Westwood First Addition, a subdivision of SW 1/4 of Section 16, T 103 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota.

Jenniges explained the location of this plat. It is zoned TWC and fits within the zoning code. The applicant was not present to answer questions.

Genzlinger questioned drainage for the area to which Schroeder said the applicant will be performing a complete site review prior to any building permit being issued.

Motion by Osterloo, seconded by Schmitz to approve the plat. All present voting aye; motion carried.

12. Plat: Railroad Pines LLC

Plat of Lot A-3, a subdivision of Lot A-1 of N. Boyden First Addition, a subdivision of the SE 1/4 of the NE 1/4 of Section 23, T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota.

Jenniges noted this is outside the city limits, but with the ETJ, therefore it is the City of Mitchell's zoning jurisdiction. This meets the requirements for R4 High Density Residential District. They are platting off the dwelling to sell. The applicant was not present to answer questions.

Motion by Schmitz, seconded by Havlik to approve the plat. All present voting aye; motion carried.

13. Plan Approval: Tingle, Merlin

Jenniges explained the applicant would like to build a cold storage building at 1800 S Loma Linda Drive. This is zoned Highway Oriented Business District. The water will run to the southwest of the property where there is a culvert. He is cleaning out the ditch running south from Loma Linda Drive to help mitigate drainage issues for the area. The applicant was not present to answer questions.

Schroeder noted the existing property with gravel already has runoff and putting a building on it will not change the runoff.

Motion by Havlik, seconded by Schmitz to approve the plan. All present voting aye; motion carried.

14. Other Business:

Jenniges noted there were two citizens and one board member that came to the October 16, 2024 zoning open house.

Jenniges stated he attended the SDPA in Box Elder this past weekend. Main topics were parking, hybrid zoning, vacation rentals and floodplain.

15. Public Input:

None.

16. Adjourn

Chairperson Genzlinger adjourned the meeting at 12:25 P.M.

Kevin Genzlinger
Planning Commission Chairperson



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 November 12, 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 Forty (40).

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

LOT ONE (1), EXCLUDING LOT ONE-A (1A) IN BLOCK THREE (3) OF STARDUST SUBDIVISION TO THE CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA;

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 November 18, 2024 at 6:00 pm in the City Hall Council Chambers.

Dated this 24th day of October, 2024.

Michelle Bathke – Finance Officer

Published once: 30th day of October, 2024

Approximate publication cost: _____

TAX INCREMENTAL DISTRICT
NUMBER 40
CITY OF MITCHELL

TAX INCREMENTAL
PROJECT PLAN

In conjunction with
Golden Prairie Apartments, LLC, Developer

Mitchell TIF District 40 Boundary Map



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INTRODUCTION AND PURPOSE

The purpose of this Plan, to be implemented by the City of Mitchell, Davison County, South Dakota, is to satisfy the requirements for a Tax Incremental District Plan Number 40, City of Mitchell, Davison County as specified in SDCL Chapter 11-9. There are 11 mandated requirements of the Plan, each to be addressed in this Plan. 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.

This Plan was prepared for adoption by the City Planning Commission and the City Council in recognition that the area requires a coordinated, cooperative strategy, with financing possibilities, to promote economic development through the construction of Affordable Housing through a two-story multi-housing project that will consist of forty-eighty (48) one-, two- and three-bedroom apartment units. The name of the project is "Golden Prairie Apartments." The apartment mix will consist of eight (8) 1-bedroom units, twelve (12) 2-bedroom units, and four (4) 3-bedroom units in each building. The intent of Golden Prairie Apartments is to create a two (2) building, 48-unit affordable apartment complex to be rented at a monthly rental rate to be at or below 80% of the area median income, as more fully set forth on page 23 of this Project Plan.

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 to provide Affordable Housing and to promote economic development throughout the TIF District and the City of Mitchell.

Development in the area is anticipated to occur in the near future, with the potential for tax increment financing to provide the impetus and means to undertake this development at a faster pace than might occur otherwise.

The Golden Prairie Apartments real estate and building (when completed) will be owned by Golden Prairie Apartments, LLC, a South Dakota limited liability company ("Golden Prairie Apartments, LLC"). The project will be developed by Golden Prairie Apartments, LLC, a South Dakota limited liability company ("Developer").

GENERAL DEFINITIONS AS USED IN THIS PLAN

The following terms found in this Plan have the following meanings:

"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" means property that meets any of the following criteria:

Any area, including slum area, in which the structures, buildings, or improvements, by reason of:

- (1) dilapidation, age, or obsolescence;
- (2) inadequate provisions for ventilation, light, air, sanitation, or open spaces;
- (3) high density of population and overcrowding;
- (4) the existence of conditions which endanger life or property by fire and other causes; or
- (5) any combination of such factors;

are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and which is detrimental to the public health, safety, morals, or welfare, is a blighted area¹; or

Any area which by reason of:

- (1) the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures;
- (2) predominance of defective or inadequate street layouts;
- (3) faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- (4) unsanitary or unsafe conditions;
- (5) deterioration of site or other improvements;
- (6) diversity of ownership, tax, or special assessment delinquency exceeding the fair value of the land;
- (7) defective or unusual conditions of title;
- (8) the existence of conditions which endanger life or property by fire and other causes; or
- (9) any combination of such factors;

substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use, is a blighted area²; or

Any area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of a municipality, is a blighted area.²

"City of Mitchell" means Mitchell, South Dakota.

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

"Developer" means Golden Prairie Apartments, LLC, a South Dakota limited liability company.

"Developer's Agreement" means the agreement between Golden Prairie Apartments, LLC, and the 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 of City of Mitchell.

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

¹ SDCL § 11-9-9

² SDCL § 11-9-10

"Governing body" means City of Mitchell City Council.

"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.

"Municipality" means any incorporated city or county in this state.

"Owner" means Golden Prairie Apartments, LLC, a South Dakota limited liability company.

"Planning Commission" means City of Mitchell Planning Commission.

"Plan" means this Project Plan.

"Project Costs" means any expenditure or monetary obligations by Developer, 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 Developer in connection with the implementation of this Plan.

"Project Plan" means properly approved Plan for the development or redevelopment of a tax incremental district including all properly approved amendments thereto as recommended pursuant to SDCL § 11-9-13.

"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 City 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 City and/or County defined and created by resolution of the governing body and named City of Mitchell Tax Incremental District #40.

"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.

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PROPERTY WITHIN THE TAX INCREMENT DISTRICT

The real property to be located within the Tax Increment District will have a legal description of:

Lot One (1), excluding Lot One-A (1A,) in Block Three (3) of Stardust Subdivision to the City of Mitchell, Davison County, South Dakota (2.29 acres, more or less)

The area making up Tax Increment District #40 is shown on the Boundary Map attached to the following page.

CREATION OF CITY OF MITCHELL TID NUMBER 40

Golden Prairie Apartments, LLC, desires to create a Tax Incremental Financing District ("TID") to assist in the construction of public infrastructure and other TID eligible expenses on land located within the corporate limits of the City of Mitchell, Davison County, South Dakota. As presented by the Developer, the TID will consist of one phase as follows:

Site preparation (utilities, asphalt, concrete), and other TID eligible expenses for the Affordable Rental Housing Project area proposed for the TID area.

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Figure 1. TID 40 Boundary

Mitchell TIF District 40 Boundary Map

TIF boundary outlined in **cyan** below.



LISTING OF KIND, NUMBER, LOCATION AND DETAILED COSTS OF PROPOSED PUBLIC WORKS AND IMPROVEMENTS³

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 by the Developer.

The City is working to develop an economic and competitive base to benefit the City and the state 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 an Affordable Housing Project and 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 Developer or its assignee 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 following additional objectives:

- To address and remedy conditions in the area that impair or arrest the sound growth of the City;
- To implement the Comprehensive Plan and its related element;
- To redevelop and rehabilitate the area in a manner which is compatible with and complementary to unique circumstances in the area;
- To effectively utilize undeveloped and underdeveloped land;
- To ultimately contribute to increased revenues for all taxing entities;
- To encourage the voluntary construction of buildings, improvements, and conditions;
- To watch for market and/or project opportunities to promote economic development, and when such opportunities exist, to take action within the financial, legal and political limits of the City to acquire land, pursue redevelopment, improvement and construction projects; and
- To improve areas that are likely to significantly enhance the value of substantially all property in the district.

TAXABLE VALUE OF MITCHELL

State law requires that tax increment districts cannot exceed ten percent of the taxable value of the City of Mitchell. This value for Mitchell is approximately \$1,486,087,639.00. The base value of the taxable property for inclusion into this Tax Incremental District, as per the Director of Equalizations records is \$174,654 as set forth on the following page:

³ SDCL §11-9-16(1)

TIF 40 Base Valuations

Lot One (1), excluding Lot One A (1A), in Block Three (3) of Stardust Subdivision to the City of Mitchell, Davison County, South Dakota

Full & True Base Value: \$174,654

Total base value of active TIF Districts in Mitchell is as follows:

Tax Increment District Number 8	\$6,002,565
Tax Increment District Number 9	\$50,400
Tax Increment District Number 14	\$37,850
Tax Increment District Number 16	\$5,005,495
Tax Increment District Number 19	\$13,370
Tax Increment District Number 20	\$151,890
Tax Increment District Number 21	\$125,082
Tax Increment District Number 23	\$3,004,275
Tax Increment District Number 24	\$401,798
Tax Increment District Number 26	\$0
Tax Increment District Number 27	\$1,002,685
Tax Increment District Number 28	\$2,119,490
Tax Increment District Number 29	\$397,815
Tax Increment District Number 30	\$55,610
Tax Increment District Number 31	\$615,554
Tax Increment District Number 32	\$1,557,071
Tax Increment District Number 33	\$818,913
Tax Increment District Number 34	\$1,325,237

Tax Increment District Number 35	\$174,654
Tax Increment District Number 36	\$221,229
Tax Increment District Number 37	\$79,277
Tax Increment District Number 38	\$93,065
Tax Increment District Number 39	\$32,305
Tax Increment District Number 40	\$174,654
TOTAL	\$23,460,284

The total value of all active TIF districts in Mitchell is less than 10% of total taxable value in the City. Using the base values provided above with the inclusion of the proposed TIF #40, the total Tax Increment Districts combined is less than 2% when compared to the 2023 Taxable Valuation.

The proposed Tax Incremental District will promote economic growth and enhancements in City of Mitchell. It is anticipated that a majority of properties within the district will see increases in their property valuation as a result of improvements made possible through creation of the proposed Tax Incremental District.

COSTS OF PUBLIC WORKS OR IMPROVEMENTS

In accordance with SDCL § 11-9-16 the following is the kind, number, location and dollar amount of estimated Project Costs, costs of public works and improvements:

Kind of Project Cost	Number of Projects	Location ⁴	Amount	Reference ⁵
Capital Costs		District	\$0	11-9-14(1)
Financing Costs		District	\$0	11-9-14(2)
Real Property Assembly		District	\$0	11-9-14(3)
Professional Fees		District	\$0	11-9-14(4)
Administrative Costs		District	\$0	11-9-14(5)
Relocation Costs		District	\$0	11-9-14(6)
Organizational Costs		District	\$0	11-9-14(7)
Discretionary Costs and Grants		District	\$1,610,000	11-9-14(8)
Eligible Project Costs			\$1,610,000	

*See Schedule 1 - list of TIF-Qualified project costs to be paid by Developer which qualify as project costs under 11-9-14(1) through (7).

⁴ District shall mean the Tax Increment District.

⁵ SDCL §11-9-14

- (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 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.

Estimated costs for non-project costs and TIF eligible costs may vary from actual costs incurred during construction. The grant to Developer is not controlled by the individual line items for TIF eligible costs. TIF proceeds may flow through to Developer for certified TIF eligible expenses, without respect to a particular line item, based on the actual costs incurred for those TIF eligible expenses up to the total authorized TIF request amount of \$1,610,000.

EXPENDITURES EXCEEDING ESTIMATED COST

Any expenditures which in sum would exceed the total amount stated above will require an amendment of this plan. All amendments are undertaken pursuant to 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 \$1,610,000.
- Interest Rate. There may be no interest rate associated with 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 \$1,610,000 has been paid out in tax payment to the Developer from the taxes generated within the District, whichever comes first.

Legal Terms:

- Should the State of South Dakota not classify the TIF as affordable housing, the TIF will not be finalized and will cease to exist.
- Any owners of real property located within the TIF District will waive their right to the discretionary tax abatement.

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 \$1,610,000 will be the maximum amount the City will ever pass on acting as a conduit for TIF #40 for eligible project costs.

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 \$1,610,000 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 have not accrued, the City's exclusive obligation shall be to budget and appropriate the positive tax increment from the TID received 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:

- Golden Prairie Apartments, 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 Developer agrees to maintain maximum monthly rental-rates consistent with the guidance provided by the South Dakota Housing Authority for affordable housing, to be at or below 80% of the area median income.
- The Developer shall submit a report to the City no later than November 15 of each calendar year on a form provided by the City.
- 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.

FEASIBILITY STUDY⁶

An economic feasibility study is attached as Schedule 4. The project is only feasible if there is contribution from the City through the Tax Increment District.

ECONOMIC DEVELOPMENT STUDY

Not less than 50% of the area will stimulate and develop the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, and manufacturing by creating affordable housing for workforce, as indicated in the Economic Development Study attached as Schedule 5.

DETAILED LIST OF ESTIMATED PROJECT COSTS⁷

Attached as Schedule 1 is a detailed list of estimated Project Costs. No expenditure for Project Costs is provided for more than five years after the district is formed.

FISCAL IMPACT STATEMENT⁸

Attached as Schedule 3 is the Fiscal Impact Statement on other taxing districts found within the Tax Increment District, both until and after the loans are repaid.

METHOD OF FINANCING, TIMING OF COSTS AND MONETARY OBLIGATIONS⁹

Project Costs shall be paid by the proceeds of tax increment revenue. The City may reimburse for administrative costs from the tax increments at the end of the Plan after payment of all approved reimbursable costs.

MAXIMUM AMOUNT OF TAX INCREMENTAL REVENUE

The maximum amount of monetary obligations to be paid through Tax Increment Number 40 shall not to exceed \$1,610,000, or such lesser amount as may be feasible with the estimated revenue generated by the Tax Increment District plus interest. In the alternative or in combination therewith, the City may issue one or more tax increment bond series or may enter into one or more development agreements whereby the tax increment revenues would be used in accordance with the terms and conditions of the development agreements (the “monetary obligation”).

DURATION OF TAX INCREMENTAL PLAN

The duration of the Plan will extend to the number of years it will take for the extinguishment of any bonds or monetary obligations; however, in no event may the positive tax increments be allocated longer than twenty (20) years after the calendar year of creation.

⁶ SDCL §11-9-16(2)

⁷ SDCL §11-9-16(3)

⁸ SDCL § 11-9-16(4)

⁹ SDCL § 11-9-13(5)

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 2024 and thereafter. The tax increment will be available to the taxing jurisdictions at or before 20 years after at the creation of the District. Schedule 2 details the tax capture implications to each of the local taxing jurisdictions. After the repayment of the bonds or monetary obligations, taxing entities will receive their proportionate share of tax dollars for the base value plus the tax incremental values.

CONDITIONS MAP¹⁰, IMPROVEMENTS MAP¹¹, ZONING CHANGE SCHEDULE¹²

The conditions map is attached as Attachment 1. The Improvements map is attached as Attachment 2. The Zoning Change Schedule is attached as Attachment 3.

CHANGES TO THE CITY OF MITCHELL MASTER PLAN, MAP, BUILDING CODES AND CITY ORDINANCES¹³

The City has made or will make such changes in the master plan, map, building codes and City ordinances as indicated on Attachment 3.

LIST OF ESTIMATED NON-PROJECT COSTS¹⁴

The following is a list of the non-Project Costs. All costs are listed as taxable value, actual non-project costs will exceed the following amounts.

Item	Amount
Affordable Apartment Rental Complex	\$3,126,950
Total Non-Project Cost	\$10,503,645

¹⁰ SDCL § 11-9-16(1)

¹¹ SDCL § 11-9-16(2)

¹² SDCL § 11-9-16(3)

¹³ SDCL § 11-9-16(4)

¹⁴ SDCL § 11-9-16(5)

STATEMENT OF DISPLACEMENT AND RELOCATION PLAN¹⁵

No residents or families will be displaced by the Project. There are no families or persons residing on the premises. Therefore, no relocation Plan is needed.

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

SCHEDULE 1 Detail of Project Costs
SCHEDULE 2 Estimated Captured Taxable Values
SCHEDULE 3 Fiscal Impact Statement
SCHEDULE 4 Economic Feasibility Study
SCHEDULE 5 Economic Development Study

ATTACHMENTS

Attachment 1. Map and Legal Description and existing uses and conditions
Attachment 2. Map of Real property/Improvement
Attachment 3. List of proposed changes in zoning ordinances

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¹⁵ SDCL §11-9-16(16)

SCHEDULE 1 – "DETAIL OF PROJECT COSTS"

Kind of Project Cost	Number of Projects	Location ¹⁶	Amount	Reference ¹⁷
Capital Costs		District	\$0	11-9-14(1)
Financing Costs		District	\$0	11-9-14(2)
Real Property Assembly		District	\$0	11-9-14(3)
Professional Fees		District	\$0	11-9-14(4)
Administrative Costs		District	\$0	11-9-14(5)
Relocation Costs		District	\$0	11-9-14(6)
Organizational Costs		District	\$0	11-9-14(7)
Discretionary Costs and Grants	1	District	\$1,610,000	11-9-14(8)
Eligible Project Costs			\$1,610,000	

¹⁶ District shall mean the Tax Increment District.

¹⁷ SDCL §11-9-14 (see page 11)

TIF ELIGIBLE EXPENSES/RESPONSIBLE DEVELOPER

SDCL 11-9-15

Golden Prairie Apartments Cost Breakdown

Description	Total Cost	Non-Eligible Expenses	Eligible TIF Expenses
Rent-Up/Marketing	\$41,406	\$ 41,406	
Developer's Fee	\$67,993	\$ 67,993	\$ -
Professional Services	\$14,868	\$ -	\$ 14,868
Land	\$399,010	\$ 399,010	\$ -
On Site Improvements (Utilities, Asphalt, concrete)	\$473,391	\$ -	\$ 473,391
Landscaping	\$65,937	\$ -	\$ 65,937
Earthwork	\$302,400	\$ -	\$ 302,400
New Building	\$3,126,950	\$ 3,126,950	\$ -
Plumbing	\$1,026,432	\$ 872,467	\$ 153,965
Roofing/Pavers	\$44,048	\$ 44,048	\$ -
Electrical, Communication & Security	\$535,008	\$ 454,757	\$ 80,251
Foundation Insulation	\$5,821	\$ -	\$ 5,821
General Conditions	\$402,188	\$ 145,068	\$ 257,120
Fire Suppression	\$41,800	\$ -	\$ 41,800
Excise Taxes	\$127,013	\$ -	\$ 127,013
Building permit	\$23,369	\$ -	\$ 23,369
Construction Contingency	\$199,232	\$ 169,347	\$ 29,885
Architect Fee-Design (LDG)	\$138,722	\$ 69,361	\$ 69,361
Plat/Surveys	\$2,500	\$ -	\$ 2,500
Construction Insurance	\$37,000	\$ -	\$ 37,000
Permanent Interest	\$5,023,993	\$ 5,023,993	\$ -
Construction Interest	\$75,622	\$ 75,622	\$ -
Loan Origination Fee	\$22,407	\$ 22,407	\$ -
Legal, Closing Costs, Misc Fees	\$14,340	\$ -	\$ 14,340
Grand Totals	\$12,211,451	\$ 10,512,429.55	\$ 1,699,021.88

* The Eligible TIF Expenses depicted as a portion of the entire cost reflect that portion which is TIF Eligible compared to the portion allocated to non-eligible expenses.

** Construction Contingencies directly correspond to cost including but not limited to: on-site improvements, landscaping, earthwork, new building, and more.

Despite TIF-eligible expenses likely exceeding those shown here of approximately \$1.7 Million Dollars, Developer is only seeking reimbursement of \$1,610,000 from TIF revenue, as that is the anticipated amount of real estate taxes estimated to be generated from the TIF.

Earthwork includes mass grading, the pouring of foundations, and back filling.

On site improvements include a 30,000+ SF parking lot, sidewalk, landscaping, curb/gutter, and trash enclosures.

That portion of General Conditions being depicted as TIF eligible expenses here include, in particular, site supervision costs and equipment rentals as it relates to this project.

SCHEDULE 2 – "ESTIMATED CAPTURED TAXABLE VALUES"

INCREMENT-ESTIMATED TAXES THAT WILL GO TO TAX INCREMENT FUND

Taxing Districts	Levy (\$ per 1000)
Davison County	\$3.520
Mitchell School District	\$10.600
James River Water Development District	\$0.006
City of Mitchell	\$4.530
Total Tax Levy	\$18.71

Based upon the foregoing tables and for purposes of this Project Plan, the construction of the project will commence in 2024 and be completed in the fall of 2025. Completion of the two (2) buildings is anticipated to take approximately thirteen (13) months.

It is anticipated that the Developer will procure financing to fund the public infrastructure going into the TID improvements. Golden Prairie Apartments, LLC, is planning to obtain construction to permanent financing at approximately 62.5% loan to cost. The remaining 37.5% of project funding will be cash in the form of Owner's equity.

It is assumed that all obligations within the TID will be adequately secured as to allow the payment of principal and interest when due.

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TO ACCOMMODATE TABLE]

Revenue Assumptions / Feasibility Study													
Levies are based on 2023 payable in 2024													
Construction	Valuation	Revenue	Valuation	Valuation	Davison	City of		Mitchell			Total		
Year	Year	Year	Increments	Total	County	Mitchell	JR	School District	Total Mill Rate*	Non-Ag Factor	Revenue Increment	Cumulative Amt Paid	
2024	2025	2026			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913			
2025	2026	2027	\$ 4,743,000.00	\$ 4,743,000.00	0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$81,028.38	\$ 81,028.38	
2026	2027	2028	\$ 527,000.00	\$ 5,270,000.00	0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 171,059.91	
2027	2028	2029			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 261,091.44	
2028	2029	2030			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 351,122.97	
2029	2030	2031			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 441,154.51	
2030	2031	2032			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 531,186.04	
2031	2032	2033			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 621,217.57	
2032	2033	2034			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 711,249.10	
2033	2034	2035			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 801,280.63	
2034	2035	2036			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 891,312.16	
2035	2036	2037			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 981,343.70	
2036	2037	2038			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,071,375.23	
2037	2038	2039			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,161,406.76	
2038	2039	2040			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,251,438.29	
2039	2040	2041			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,341,469.82	
2040	2041	2042			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,431,501.35	
2041	2042	2043			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,521,532.89	
2042	2043	2044			0.0035199	0.0045328	0.000058	0.0106010	0.0187117	0.913	\$90,031.53	\$ 1,611,564.42	
2043	2044	-											
2044	-	-											
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						Notes:							
Assessed Value of Improvements						* 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 - "FISCAL IMPACT STATEMENT"

FISCAL IMPACT STATEMENT - TAX INCREMENT DISTRICT NUMBER 40

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 § 11-9-16(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 40

"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 improvements which at completion will be valued for taxable purposes at an estimated amount of \$5,270,000.
2. The average tax levy of all taxing districts will be \$18.71 per thousand dollars of taxable valuation (2024).
3. Tax increment will start to be collected in 2026 and end in or prior to 2044.
4. The discretionary formula will be waived by the Developer of the project.

FISCAL IMPACT:

The total fiscal impact upon the taxing entities during the term of the Tax Increment District will be an estimated \$1,610,000. There will be no fiscal impact for the first year of the Tax Increment District.

SCHEDULE 4 – “ECONOMIC FEASIBILITY STUDY”

The City of Mitchell has been approached by Golden Prairie Apartments, LLC (“Developer”), concerning the creation of a tax increment district to be located within the City of Mitchell, Davison County, South Dakota. The Project which will consist of an Affordable Housing Project consisting of a multi-family rental housing unit consisting of 48 one, two- and three-bedroom apartment units. The unit “mix” of each building will consist of eight (8) 1-bedroom units, twelve (12) 2-bedroom units, and four (4) 3-bedroom units. The project will be located on approximately 2.29 acres of land, more or less, located within the City of Mitchell. This land has not previously been developed.

The Developer has indicated that the project is not feasible without the assistance of the Tax Increment District. This is a “but for” type of tax increment district financing. The project will not proceed “but for” the assistance from the City through the creation of a tax increment district for the project.

The City has made it clear that City funding for these public improvements must be supported by the tax revenues generated by the Project, and not by the general revenues of the City. The vehicle through which this can be accomplished is through tax increment financing under the South Dakota Tax Incremental District Law (South Dakota Codified Laws Chapter 11-9). Tax increment financing is an indispensable self-financing tools 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 City of Mitchell has guidelines for the use of tax increment financing within the City. While the guidelines are consistent with South Dakota Codified Law and the process is generally the same as provided for within statute, there are a few exceptions and instances where the City has taken the liberty to further define and interpret.

The estimated increment resulting from the improvements would be \$1,611,564.

SCHEDULE 5 – “ECONOMIC DEVELOPMENT STUDY”

SECTION 1- INTRODUCTION

The City has been approached concerning the creation of a tax increment district located within the City of Mitchell, Davison County, South Dakota. 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, Affordable Housing, 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. This Schedule will address Economic Development through the development of an Affordable Housing Project within the City of Mitchell city limits.

Mitchell has been a leader in many areas of industry, but in the 2010-2020 decade grew by the smallest percentage of all the eastern South Dakota cities. This served as a wake-up that Mitchell needed to do something to increase its number of affordable living options. Additionally, the large increase in building costs during the past two years has decreased the buying power of individuals looking to purchase a new home, creating even more challenges to meet our need of affordable housing.

Augustana University research published a housing study for the City of Mitchell in August of 2022. The study generally provided that more affordable living options were required to accommodate the City’s full potential.

The extremely low vacancies in owner-occupied homes reflects the need to focus on providing more affordable living options that will enable newcomers to come to Mitchell for employment, such as the proposed apartment project. If workers are not able to find a place to stay, they will be forced to pass over Mitchell and go to one of the other similar-sized cities, as all cities have employment available for newcomers.

The study also recommends new construction incentives including reduced lot prices and local government-provided infrastructure which we are proposing with the use of this TIF to assist in the payment of the infrastructure costs.

SECTION 2 - STUDY AREA BOUNDARY/FINDING OF BLIGHT

The Study area is described as the area depicted on the map attached to this Project Plan as Attachment 1 and includes the legal descriptions set forth within this Project Plan. The TIF area contains 2.29 acres of open ground. It currently has no site improvement. An open area such as this within the city limits of the City of Mitchell substantially impairs and arrests the sound growth of the City as defined by SDCL 11-9-10, which provides an “open area” as blighted. A factor keeping this area from being further developed is the cost of public infrastructure and site preparation. The approval of this TIF will provide a way for Developer to provide the required infrastructure, which cannot be done without the TIF.

SECTION 3 - ESTABLISHING AFFORDABLE HOUSING CRITERIA

Developer has identified real property located in Mitchell, South Dakota, near the intersection of E. Spruce Street and South Capital Street, consisting of 2.29 acres. The project will provide for the construction of two (2) new two-story buildings, each consisting of 24 one-, two- and three-bedroom apartment units, consisting of eight (8) 1-bedroom units, twelve (12) 2-bedroom units, and four (4) 3-bedroom units. Pursuant to South Dakota Department of Revenue guidelines, the apartments will offer a monthly rental rate to be at or below the calculated rent for the state’s 80% area median income as of the date the district is completed.

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

The primary goal of the TID is to provide additional Affordable Housing options to the Mitchell, South Dakota area by developing a project to be constructed upon real property located within the TID boundaries, to complete site preparation and public infrastructure necessary to serve the real property located within the TID boundaries.

The TID area consists of a large, undeveloped tract (2.29 acres) within the corporate city limits of the City. The completion of the Affordable Housing apartment complex will allow for the creation of new jobs and the retention of existing jobs and develop not only the general economic welfare and prosperity of the City of Mitchell, but also of the State of South Dakota through promotion and advancement of commercial and industrial business.

It is specifically found that once the improvements set forth within City TID #40 Project Plan are completed, this project will significantly enhance the value of substantially all of the other real property in the TID District. It is anticipated that the Project will provide additional development and employment opportunities in the Mitchell and Davison County area through providing Affordable Rental Housing options in Mitchell, South Dakota.

Section 5 - Conditions within the Study Area; Land Use and Planning

Land Use and Planning

Comprehensive Plan

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

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 by increasing the number of Affordable Rental Housing units in Mitchell, Davison County area, as well as creating new employment opportunities and retaining existing jobs for the Mitchell area, 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).

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ATTACHMENT 1

LEGAL DESCRIPTION

Lot One (1), excluding Lot One A (1A), in Block Three (3) of Stardust Subdivision to the City of Mitchell, Davison County, South Dakota (2.29 acres, more or less)

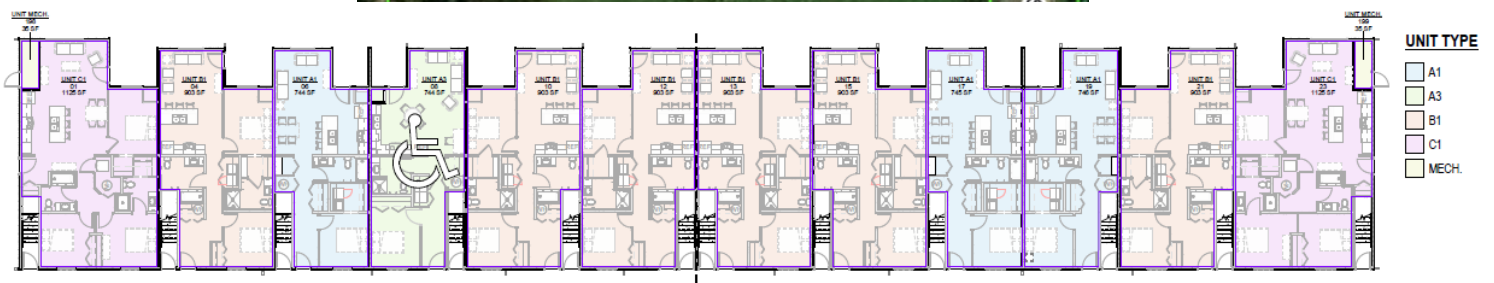
ATTACHMENT 2

CONDITIONS MAP

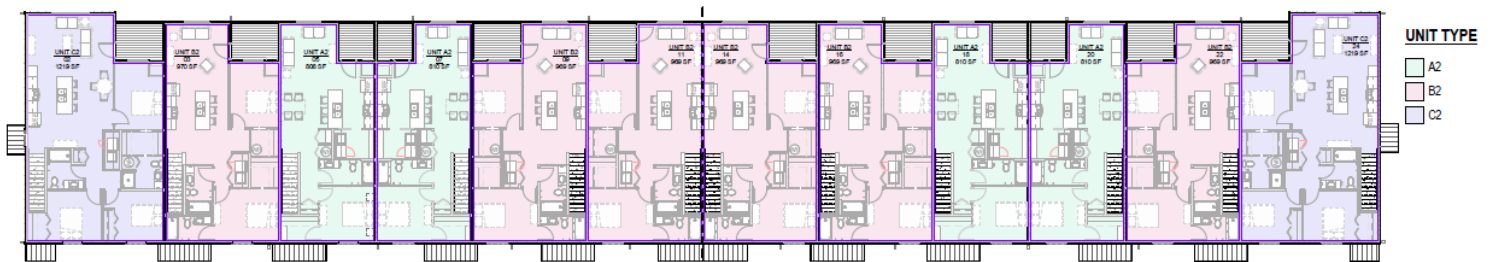


ATTACHMENT 3

MAP OF REAL PROPERTY/IMPROVEMENTS



1 FIRST FLOOR - UNIT MIX
1" = 30'-0"

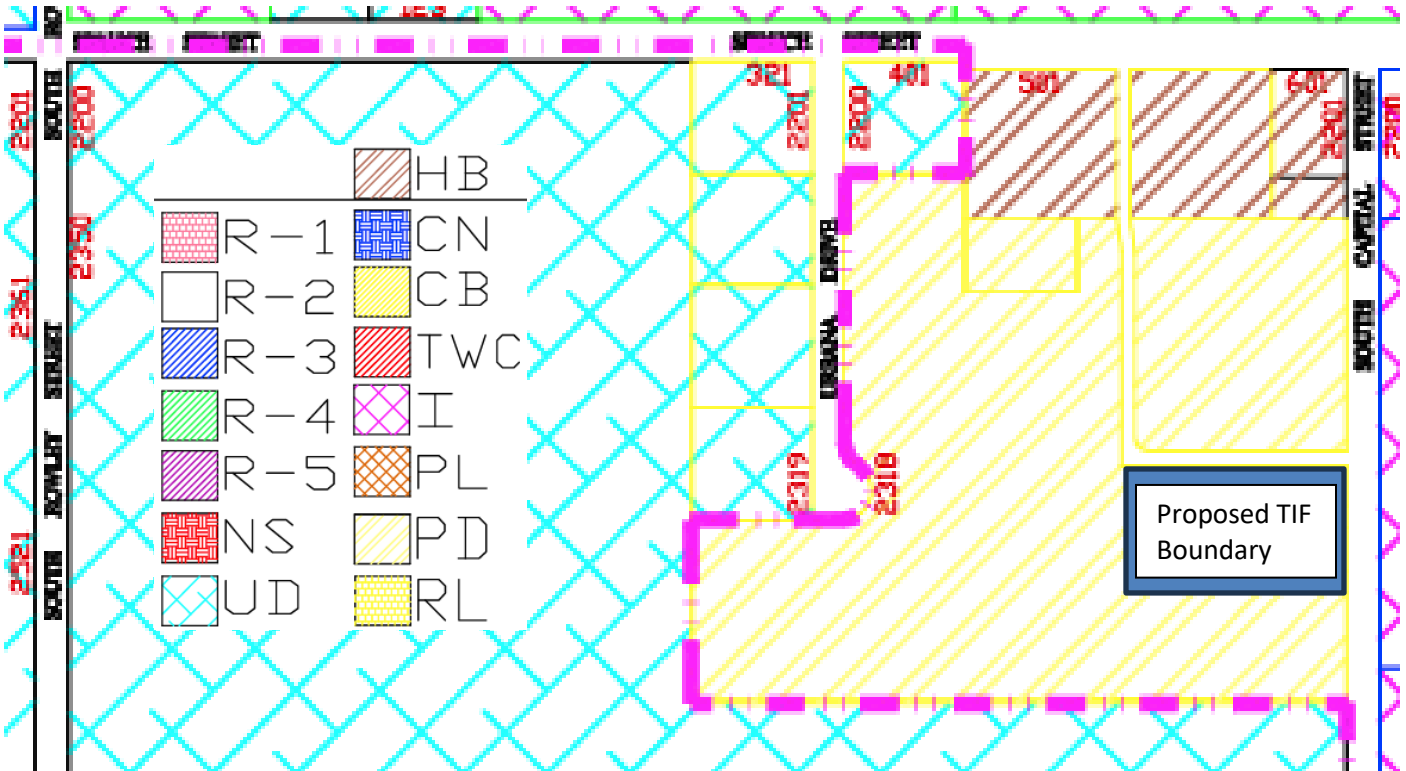


2 SECOND FLOOR - UNIT MIX
1" = 30'-0"

The real property to be located within the Tax Increment District is located near the intersection of E. Spruce Street and South Capital Street in Mitchell, South Dakota, as legally described on page 6 of the Project Plan.

ATTACHMENT 4

LIST OF PROPOSED CHANGES IN ZONING ORDINANCES



No zoning changes are necessary as the real property is currently zoned as South Pointe Village Planned Development District.



TO: THE MITCHELL PLANNING COMMISSION AND CITY COUNCIL OR BOARD OF ADJUSTMENT, THE CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA.

The undersigned applicant(s) and owner(s) is hereby making an application pursuant to the provisions of the City of Mitchell Zoning Code.

The names and addresses of the current property owners within one hundred and forty feet (140') of the applicant's property (excluding streets and alleys) will be notified upon the filing of this application, plats being the exception.

Applicant(s) request that dates be set for public hearings before the Mitchell Planning Commission and City Council or City Board of Adjustment. Furthermore, the applicant(s) request the City of Mitchell to publish the appropriate notice(s) in accordance with the City of Mitchell's Ordinances.

☐ **Rezoning** *\$250 application fee due with the application.*

- Applicant is request to rezone property from [Click or tap here to enter text.](#) District to [Click or tap here to enter text.](#) District.

☒ **Variance** *\$150 application fee due with application.*

- Description of Variance: Maximum accessory height of 30' vs 22'
- Description of Hardship: Attaching a new garage onto an existing garage and creating a mezzanine in the new portion of the garage with enough room under the mezzanine for the garage doors to open.

☐ **Conditional Use Permit** *\$150 application fee due with application*

- Description of Conditional Use: [Click or tap here to enter text.](#)

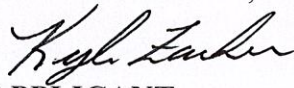
☐ **Plat Application** *\$100 application fee due with application*

This Application is for the following described real property:

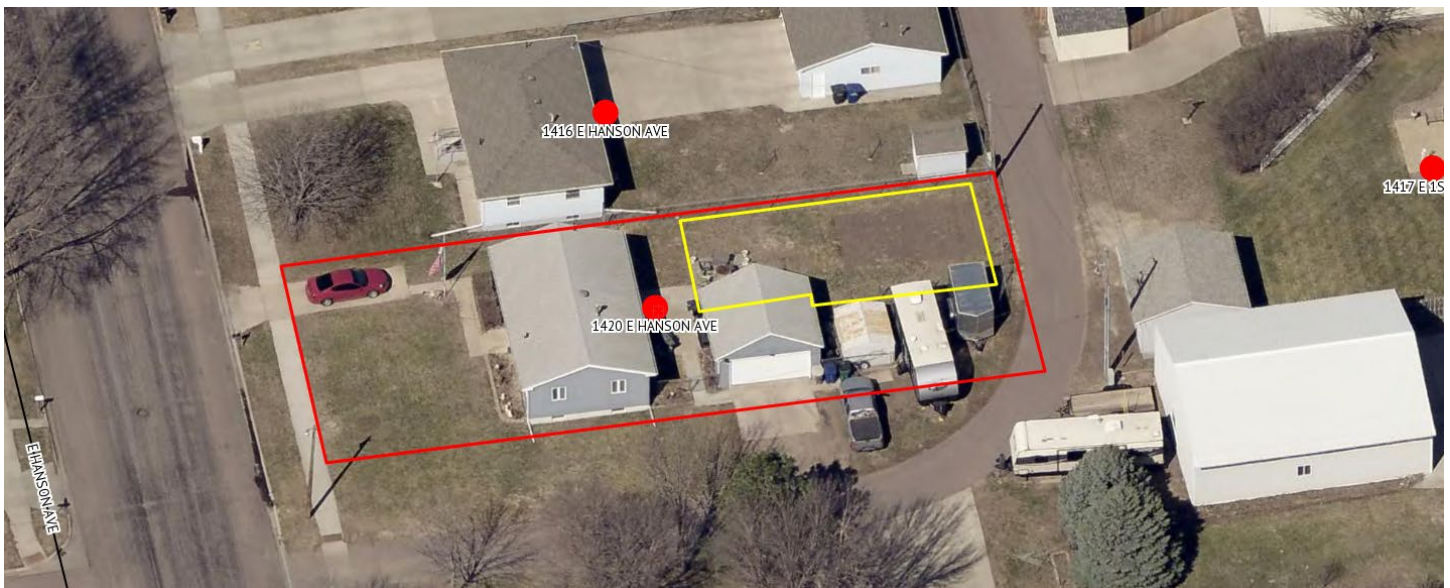
Legal Description: Lot 1, Block 8, Fiar View Addition, City of Mitchell, Davison County, South Dakota.

Property Address: 1420 E Hanson Ave

Dated this 17th **of** October **,** 2024.


APPLICANT

Kyle & Rhonda Zacher
OWNER

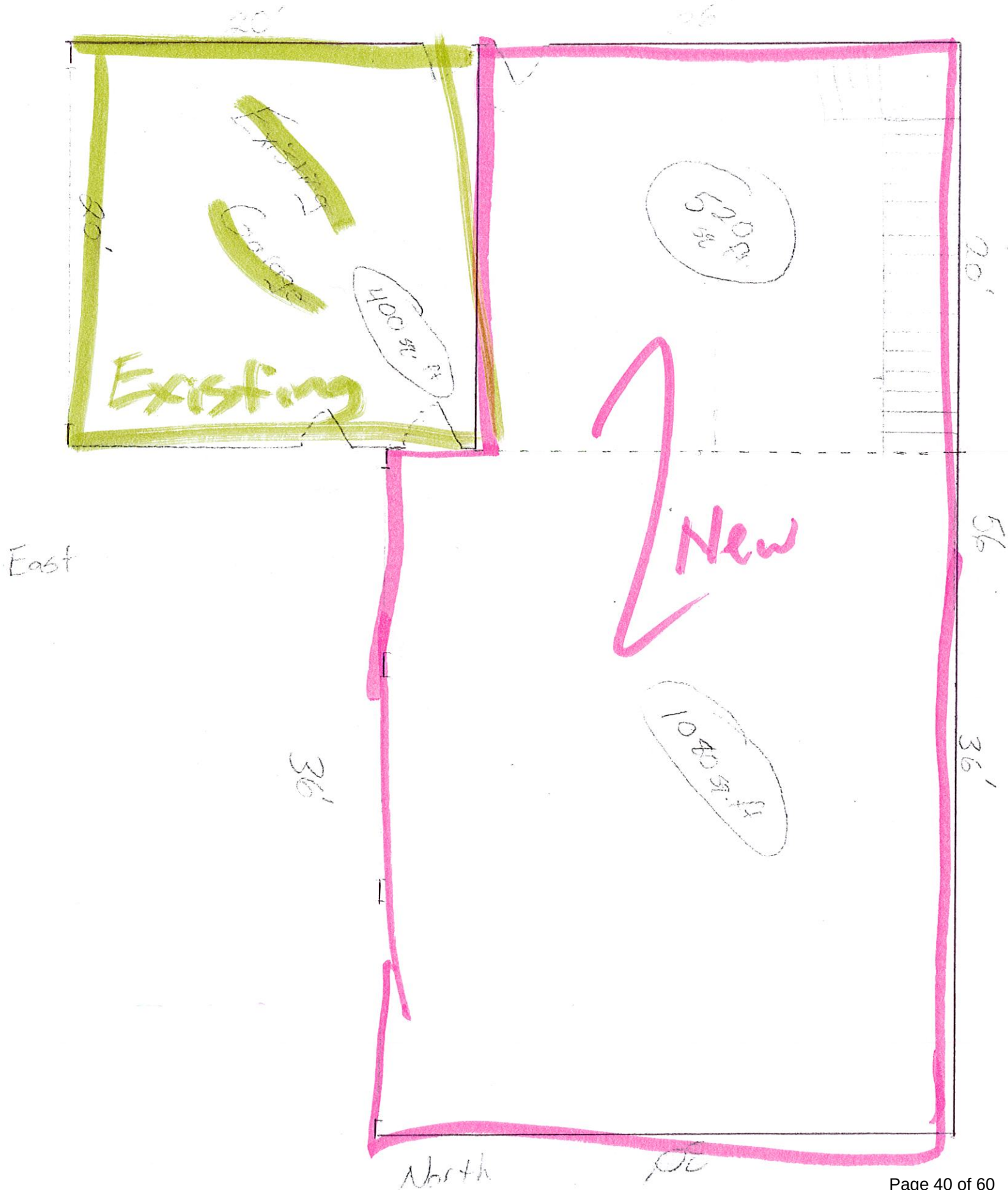


Kyle Zacher

46

South

1420 E. Hanson



NOTICE OF HEARING

To: The Planning Commission, Board of Adjustment of the City of Mitchell, Mitchell South Dakota, and to the general public:

YOU ARE HEREBY NOTIFIED that Kyle Zacher on has applied for a Variance Permit for maximum height of an accessory building of 30' vs 22' to add onto existing garage and creating a mezzanine in the new portion of the garage with enough room under the mezzanine for the garage doors to open. This is located at 1420 E Hanson Ave, legally described as Lot 1, Block 8, Fiar View Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District.

YOU ARE FURTHER NOTIFIED, that public hearings will be held by the City Planning Commission on Tuesday November 12, 2024, 12:00 P.M. (Noon) and the Board of Adjustment on Monday, November 18, 2024 at 6:00 P.M., at the Council Chambers, Mitchell City Hall, 612 N Main St. All interested parties may attend the public hearings and provide comments in regards to the applicant's request.

Dated this 24th day of October, 2024.

Michelle Bathke

FINANCE OFFICER

Publish once: 30th day of October, 2024

Approximate Cost:

Kyle & Rhonda Zacher
1420 E Hanson Ave
Mitchell, SD 57301

Larry & Jane Sexton
1317 E 1st Ave
Mitchell, SD 57301

Andrew & Teresa Ziehl
1413 E 1st Ave
Mitchell, SD 57301

Kenneth & Carmen Heppler
600 W Spruce St
Mitchell, SD 57301

Fredrick Kobold
25477 403rd Ave
Mitchell, SD 57301

Douglas Haas
1505 E 1st Ave
Mitchell, SD 57301

Richard & Tamara Schochenmaier
1404 E Hanson Ave
Mitchell, SD 57301

Bradley & Barbara Larson
1410 E Hanson Ave
Mitchell, SD 57301

Kerry Koedam
1416 E Hanson Ave
Mitchell, SD 57301

Richard & Debra Hohn
1500 E Hanson Ave
Mitchell, SD 57301

Dennis & Shirley Schoenfelder
1504 E Hanson Ave
Mitchell, SD 57301

Lucinda Stricker
1403 E Hanson Ave
Mitchell, SD 57301

Brian & Gay Schulte
1411 E Hanson Ave
Mitchell, SD 57301

Dennis & Judith Ruff
1415 E Hanson Ave
Mitchell, SD 57301

Kenneth & Barbara Koster
1421 E Hanson Ave
Mitchell, SD 57301

Calvin Muilenburg
1501 E Hanson Ave
Mitchell, SD 57301

Joann & Travis Hohrman
1505 E Hanson Ave
Mitchell, SD 57301

October 30, 2024

TO WHOM IT MAY CONCERN:

YOU ARE HEREBY NOTIFIED that Kyle Zacher on has applied for a Variance Permit for maximum height of an accessory building of 30' vs 22' to add onto existing garage and creating a mezzanine in the new portion of the garage with enough room under the mezzanine for the garage doors to open. This is located at 1420 E Hanson Ave, legally described as Lot 1, Block 8, Fiar View Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District.

YOU ARE FURTHER NOTIFIED that the City Planning Commission will be conducting a hearing and make their recommendation to the Board of Adjustment on this application on Tuesday, November 12, 2024, 12:00 P.M. (Noon) and the Board of Adjustment will render the final decision at a hearing on Monday, November 18, 2024 at 6:00 P.M, all meetings will be in the Council Chambers, City Hall, 612 N. Main St, Mitchell, SD. All interested parties may attend the hearings.

All interested parties may be present and be heard on said request, either in person or by agent. Please submit written comments by 5:00 P.M. the Friday prior to the meeting, in the City of Mitchell Public Works Office or Finance Office.

The complete application and all supporting documents can be found on the City of Mitchell's agenda center located @ <https://mitchellsd.portal.civicclerk.com/>. If you have any questions regarding this matter, you can reach Mark Jenniges at the above location and phone number or by email @ mark.jenniges@cityofmitchellsd.gov.

I/We

DENNIS & SHIRLEY SCHOFENFELDER

OWNER

1504 EAST HANSON AVE.

ADDRESS

☒

APPROVE

☐

DISAPPROVE

COMMENTS:

October 30, 2024

TO WHOM IT MAY CONCERN:

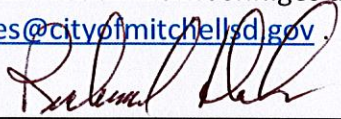
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I/We



OWNER

1500 E Hanson

ADDRESS

X

APPROVE

DISAPPROVE

COMMENTS:

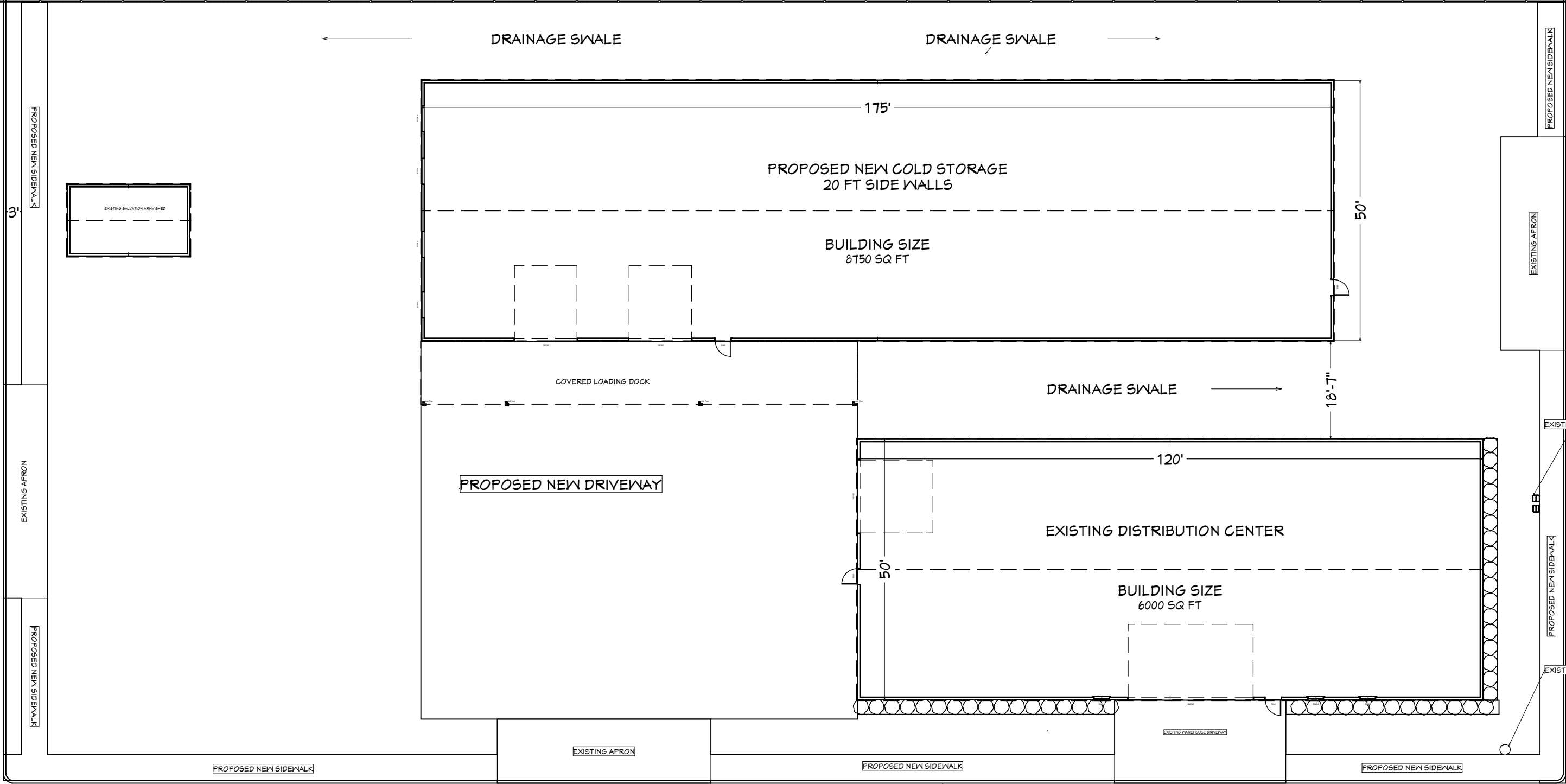


KLOCK WERKS
915 S KIMBALL ST
MITCHELL, SD 57301

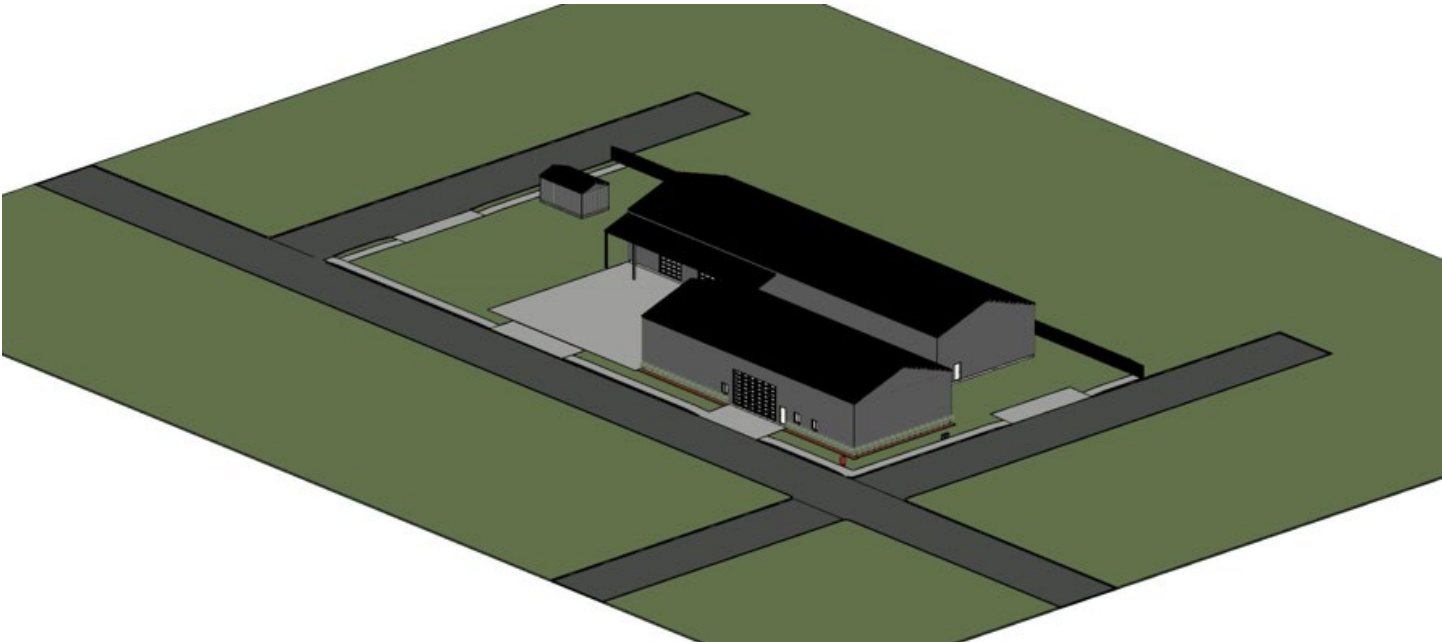
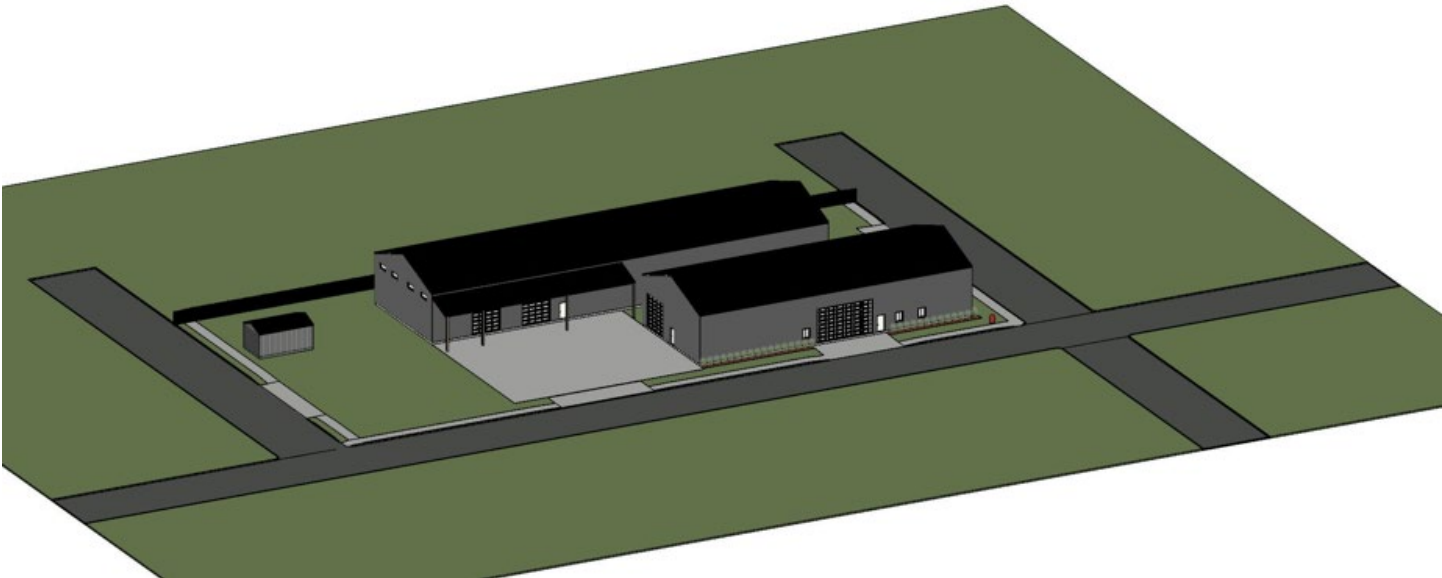
PROPOSED NEW COLD STORAGE BUILDING
SUBMITTED : OCTOBER 24, 2024
REVISED:

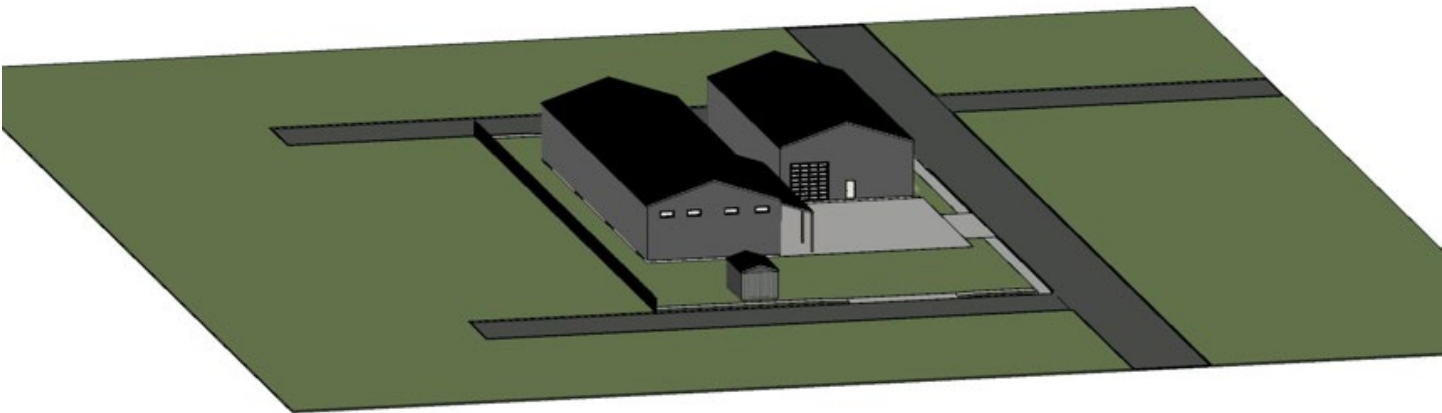
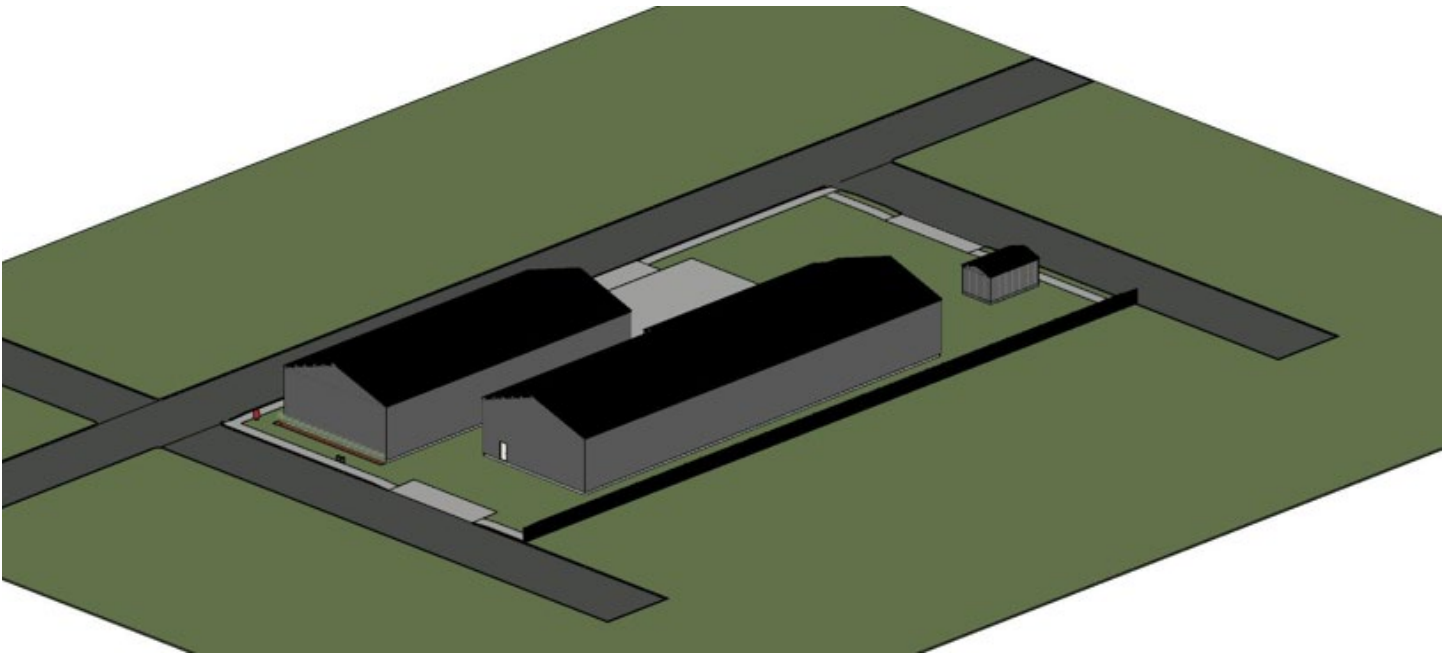
EAST IVY AVE

EAST HACKBERRY AVE



SOUTH LAWLER ST





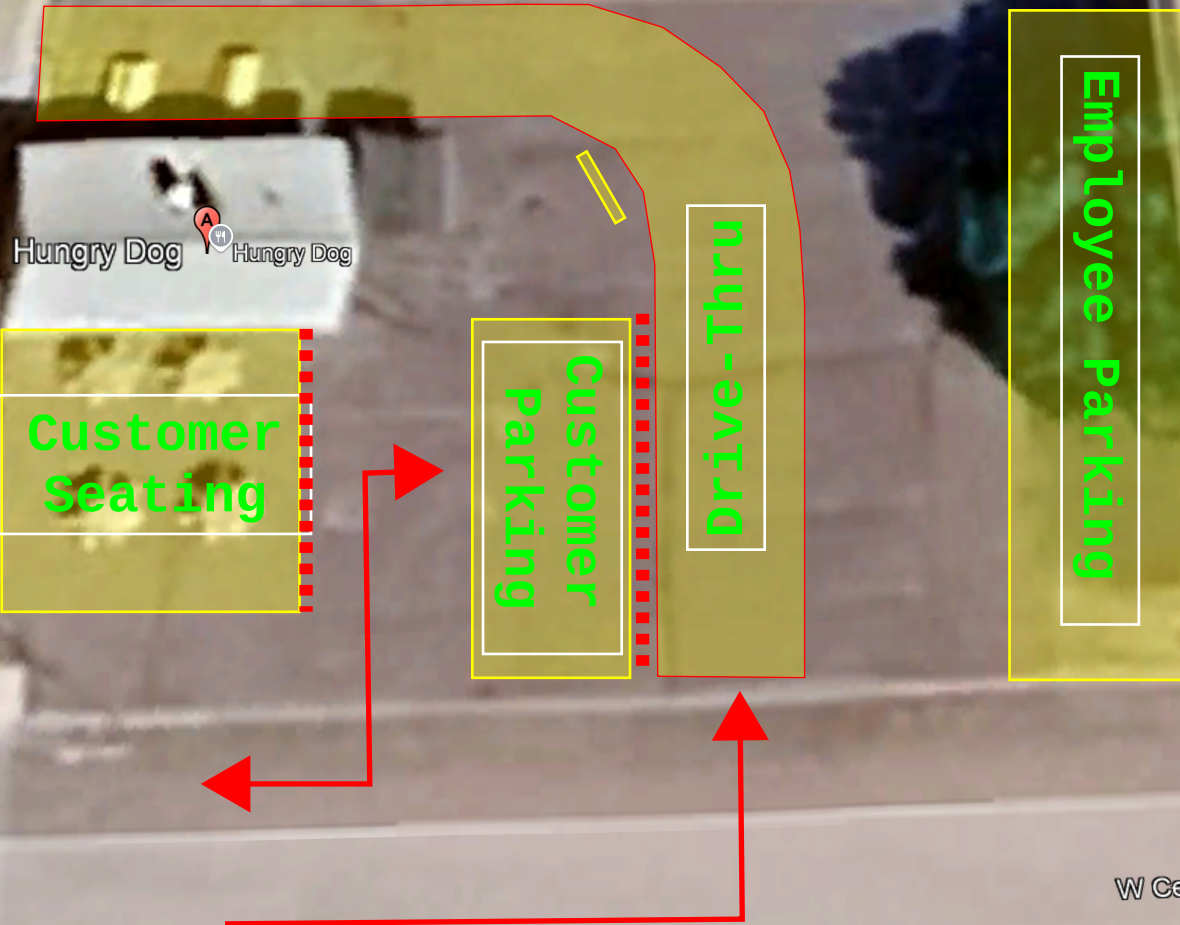


Milkyway

Parking and Drive Plan

Legend

-  Hungry Dog
-  Hungry Dog



Milkyway

Proposed curb cut for drive-thru

Legend

-  Hungry Dog
-  Hungry Dog

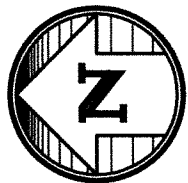
PROPOSED DRIVE-THRU

GUARD RAIL

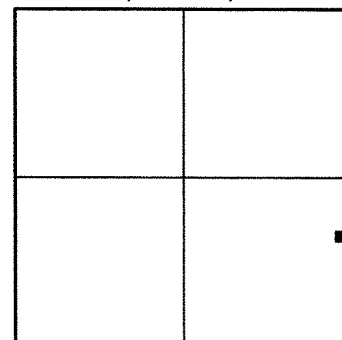
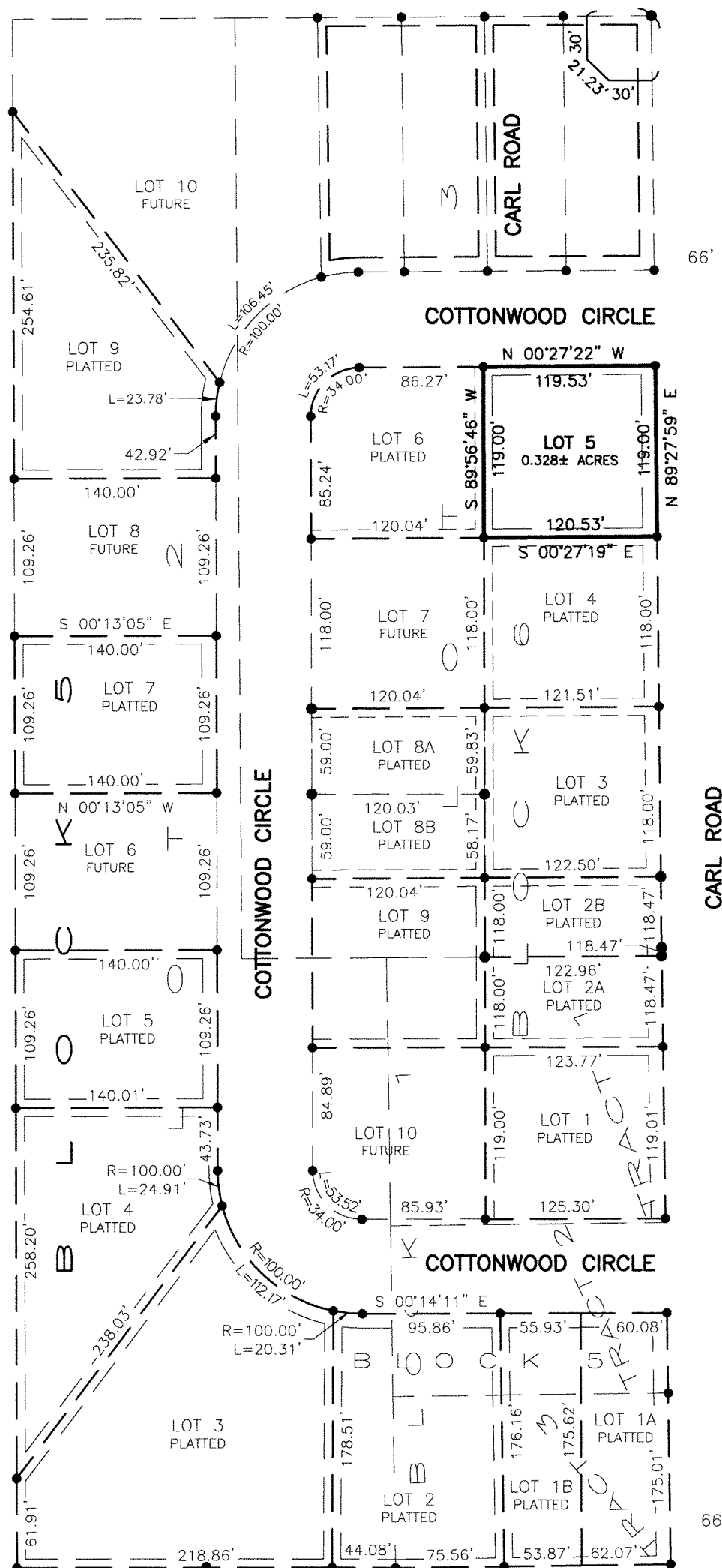
PROPOSED CURB CUT



SEC. 34, T 103 N, R 60 W



SCALE: 1" = 100'

LOCATION MAP
SCALE: 1" = 3000'**LEGEND**

- = FOUND IRON MONUMENT
- = SET 5/8" X 18" REBAR WITH PLASTIC CAP NO. 6702
- 100' (P) = PLATTED BEARING OR DISTANCE
- 100' = MEASURED BEARING OR DISTANCE

PREPARED BY: JEREMY A. WOLBRINK, R.L.S.
2100 NORTH SANBORN BLVD. - P.O. BOX 398
MITCHELL, SOUTH DAKOTA 57301
PHONE: (605) 996-7761

BEARINGS ARE BASED ON AN
ASSUMED COORDINATE SYSTEM
USING GPS GRID BEARINGS/GRID
DISTANCES

EASEMENTS WITHIN EACH LOT DEDICATED
BY THIS PLAT:

LOT 5, BLOCK 6:
10' UTILITY EASEMENT ALONG EAST SIDE.
6' DRAINAGE AND UTILITY EASEMENT
ALONG NORTH, WEST, AND SOUTH SIDES.

**A PLAT OF LOT 5, BLOCK 6 OF WOODLAND HEIGHTS FIRST ADDITION, A
SUBDIVISION OF LOT 3, CRANE'S ADDITION IN THE SE 1/4 OF SECTION 34, T
103 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH
DAKOTA**

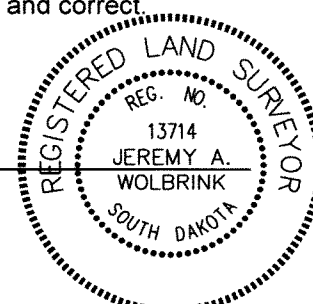
SURVEYOR'S CERTIFICATE

I, Jeremy A. Wolbrink, the undersigned, do hereby certify that I am a Registered Land Surveyor in the State of South Dakota. At the request of Ethan Co-op Lumber Association, Inc., a South Dakota corporation, as owner, and under its direction for purposes indicated therein, I did on or prior to October 24, 2024, survey those parcels of land described as follows: LOT 5, BLOCK 6 OF WOODLAND HEIGHTS FIRST ADDITION, A SUBDIVISION OF LOT 3, CRANE'S ADDITION IN THE SE 1/4 OF SECTION 34, T 103 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA.

In my professional opinion and to the best of my knowledge, information and belief, the within and foregoing plat is true and correct.

Dated this _____ day of _____, 2024.

Registered Land Surveyor #SD13714

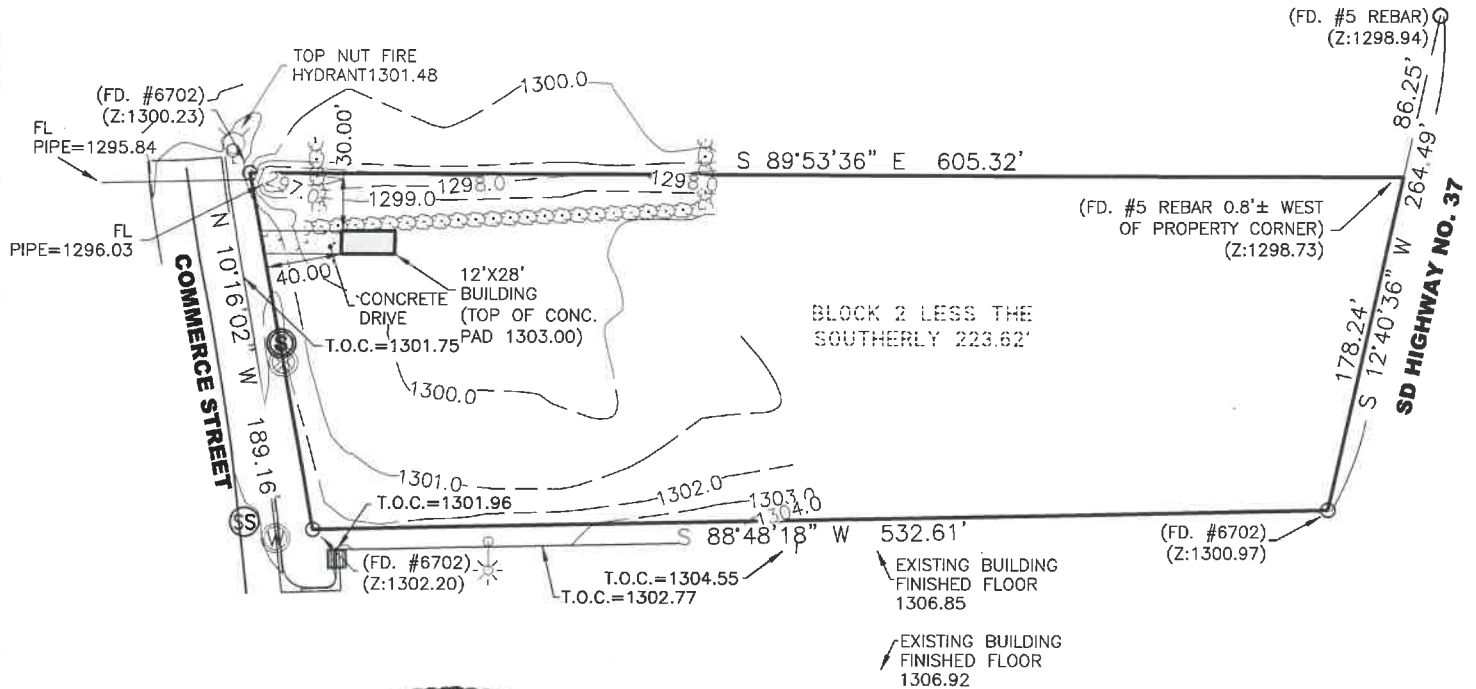
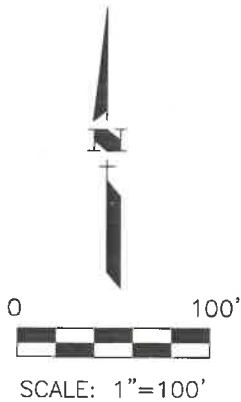


SPN

& Associates
Engineers, Planners and Surveyors
2100 North Sanborn Blvd. - P.O. Box 398 Mitchell, South Dakota 57301
Phone: (605) 996-7761 Fax: (605) 996-0015



SITE PLAN



BUILDER'S ACCEPTANCE

**BUILDER ACCEPTS AND APPROVES THE PLACEMENT OF THE PROPOSED BUILDING SHOWN. UNLESS NOTED OTHERWISE, BUILDING WILL BE STAKED OUT WITH OFFSET REBAR FOR OUTSIDE FOUNDATION WALL LINES, AND WITH 2' WOOD STAKES FOR A 2' OVERDIG. IF BUILDING STAKEOUT IS UNCLEAR, BUILDER AND/OR EXCAVATOR ARE TO MAKE EVERY EFFORT TO ASK MIDWEST LAND SURVEYING, INC. FOR CLARIFICATION DURING THE EXCAVATION PROCESS WHICH SHOULD NOT BE DONE UNTIL SITE PLAN HAS BEEN APPROVED BY ALL PARTIES NECESSARY.

LEGAL DESCRIPTION:

BLOCK 2 LESS THE SOUTHERLY 223.62 FEET THEREOF OF WESTWOOD FIRST ADDITION, A SUBDIVISION OF THE WEST HALF OF SECTION 16, TOWNSHIP 103 NORTH, RANGE 60 WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA.

NOTES:

1. THE HOUSE WAS LAID OUT USING INFORMATION PROVIDED BY THE BUILDER.
2. THE RESEARCH OF EXISTING EASEMENTS OF RECORD WAS NOT PERFORMED.
3. DEEDED LEGAL DESCRIPTION WAS USED, JUNIOR OR SENIOR RIGHTS OF ADJACENT OWNERS WERE NOT RESEARCHED.

BUILDER:

ENGBARTH DIRECTION DRILLING

DRAWN BY: JEB	APPROVED BY: PAS	DATE: 11/06/2024	PROJECT NO. 24-655	SHEET 1 OF 1
------------------	---------------------	---------------------	-----------------------	-----------------



211 E. 14th street, Sioux Falls, SD 57104 | Phone: (605) 339-8901

Appendix - Document Photos

Shelter is painted proper color (door, trim, exterior).



Shelter is painted proper color (door, trim, exterior).



Shelter is painted proper color (door, trim, exterior).



Shelter is painted proper color (door, trim, exterior).



Door has functioning hardware, sticker is placed, no rust or cosmetic issues, closes without rubbing, keys are in lockbox with code 4150.



Roof application properly applied



Entry ports are installed to customers' expectations.

