



Planning Commission 5-11-26 Agenda
City Council Chambers, City Hall, 612 N. Main Street
May 11, 2026

1. **12:00 PM Call to Order**
2. **Roll Call**
3. **Declaration Of Conflicts Of Interests**
4. **Approve Agenda**
5. **Approval of Previous Minutes: April 27, 2026**
6. **Schedule Next Meeting: May 26, 2026**
7. **Plat: Sean & Karen Gerstenecker**
Plat of Lots C-3 and C-4 in Lot C in the SE 1/4 of the SE 1/4 of Section 3, T 102 N, R 60 W of the 5th P.M., Davison County, South Dakota
8. **Hearing & Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #46**
9. **Other Business:**
10. **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.
11. **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 4-27-26
City Council Chambers, City Hall, 612 N. Main Street
April 27, 2026

1. Call to Order

Chairperson Genzlinger called the 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: Bathke, Genzlinger, Gunkel, Helleloid, Osterloo, Schreurs.

Absent: Schmitz, Sonne.

Staff Present: Boehmer, Dammann, Jenniges, J Johnson, Schroeder.

3. Declaration Of Conflicts Of Interests

None.

4. Approve Agenda

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

5. Approval of Previous Minutes: April 13, 2026

Motion by Osterloo, seconded by Schreurs to approve the proposed minutes of the April 13, 2026 Planning Commission Meeting. All present voted aye; motion carried.

6. Schedule Next Meeting: May 11, 2026

Motion by Osterloo, seconded by Schreurs to set the date for the next Planning Commission Meeting for May 11, 2026. All present voted aye; motion carried.

7. Conditional Use Permit: Chelsey Prusha

Chelsey Prusha has applied for a conditional use permit for 10-5E-3-family residential daycare; located at 1008 E 7th Ave, legally described as Lot 13, Block 3 Robert Wilkinson's Addition, City

of Mitchell, Davison County, South Dakota. The said real property is zoned R4 High 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 two responses returned in favor. The applicant was present to answer questions.

Jenniges stated the applicant had run a daycare previously at the same location, but she had been closed for more than six months, so a new application would have to be approved. She has also already passed the fire inspection.

Genzlinger asked if there were any issues during her previous time as a daycare provider, to which Jenniges replied, none that he was aware of.

Motion by Schreurs, seconded by Osterloo to recommend approval of the conditional use with the following conditions; 1) the permit is non-transferable, 2) if the business ceases to operate for six months, then a new application would be required, 3) pass fire inspection. All present voted aye; motion carried.

8. Conditional Use Permit: JTRT Advertising

JTRT Advertising has applied for a conditional use permit for 10-6B-3-Off premises signs over 300 square feet to a maximum of 600 square feet; located at 2101 N Main St, legally described as Outlots 20 and 21 Less and Except Lot H1 and Lot 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. The said real property is zoned HB Highway Oriented Business District.

Jenniges noted that a notice was sent out to the neighbors, it was published in the official newspaper and sign posted. There was one response opposed in the packet. The applicant was not present to answer questions.

Jenniges gave an overview of the area using GIS. He went over some of the regulations for distances from other off-premise signs, including the SD DOT 500' distance regulation. He stated that items 8 and 9 on the agenda are essentially the same, just item 8 deals with the zoning code and item 9 deals with the sign code. He said the SD DOT will also have to approve the sign and location with their permit, and originally they had sight line concerns, but they have met with the applicant on site and agreed on a location for the sign on the property.

Genzlinger had some concerns with traffic regarding the sign.

Schreurs stated his concerns about the size of the sign and set a precedent for more signs of this size to be applied for. He said he wished the opponent would have been present or commented as to why they were against it. He did say he liked the overall look of the sign but just has a concern about more of them down the road.

Gunkel said he likes the digital sign, and it adds to Mitchell.

Bathke said that he believes there will be a "Welcome to Mitchell" on the digital sign at all times.

Motion by Osterloo, seconded by Helleloid to recommend approval of the conditional use. All

present voted aye; motion carried.

9. Variance Permit: JTRT Advertising

JTRT Advertising has applied for a variance permit for 9-4-6-4-C for an off premise digital sign over 300 square feet but under 600 square feet; located at 2101 N Main St, legally described as Outlots 20 and 21 Less and Except Lot H1 and Lot 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. The said real property is zoned HB Highway Oriented Business District.

Jenniges noted that a notice was sent out to the neighbors, it was published in the official newspaper and sign posted. There was one response opposed in the packet. The applicant was not present to answer questions.

Jenniges reminded the board that this item goes along with item 8, but this is the signage ordinance variance vs the conditional use for the zoning ordinance.

Motion by Schfuers, seconded by Gunkel to recommend approval of the conditional use. All present voted aye; motion carried.

10. Hearing and Recommendation: An Ordinance Amending 10-9H, Ridgeview on Foster Planned Unit Development District

Ethan Coop Lumber is requesting to amend 10-9H Ridgeview on Foster Planned Unit Development District. They are requesting 10-9H Name, be amended by deleting "Ridge View on Foster" and adding "Lakeridge"; 10-9H-3-F: Maximum Building Height, be amended by deleting "two and one half (2 ½) stories or"; deleting "twenty-two feet (22')"; adding "twenty-five feet (25')".

Jenniges noted that a notice was sent out to the neighbors, it was published in the official newspaper and sign posted. There were no responses in favor or opposed, but there were two phone calls from neighbors with no concerns about the change. The applicant was not present to answer questions.

Jenniges stated there was an error when the PUD was being codified and got the wrong name on this PUD. The applicant had submitted a plan for a building permit that would have required a variance in height and after some discussion it was decided to change the height of the accessory buildings to eliminate a variance application for future building permits of accessory buildings. Jenniges stated he requested the deletion of the 2 1/2 stories of height to follow along with the proposed amendment to the whole ordinance to just stay with an overall height of 35'.

Motion by Schreurs, seconded by Gunkel to recommend approval of the ordinance amendment. All present voted aye; motion carried.

11. Plat: Boyd Reimnitz

Plat of Lots 1 and 2 of Square 9, Weaver's Squares, an Addition to the City of Mitchell in the

NW 1/4 of Section 27, T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota.

Jenniges gave an overview of the area using GIS. He stated the land was previously platted by a half block and the applicant is platting out two lots which both meet zoning requirements. The applicant was not present to answer questions.

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

12. Plat: Paul & Barbara Wilson, Teresa Wilson & Joan Jerke

Plat of Wilson Tracts 3, 4, and 5 in the East Half of Section 25, Township 103 North, Range 61 West of the 5th Principal Meridian, Davison County, South Dakota.

Jenniges gave an overview of the area using GIS. He noted this is outside the ETJ but within three miles of city limits, so the city has to hear the plat as well. The county has zoning jurisdiction and the plat meets the requirements of their ordinance. The county will hear the plat at their May meetings. The applicants are platting the land for estate planning purposes. The applicant was not present to answer questions.

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

13. Other Business:

None.

14. Public Input:

None.

15. Adjourn

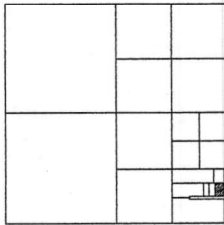
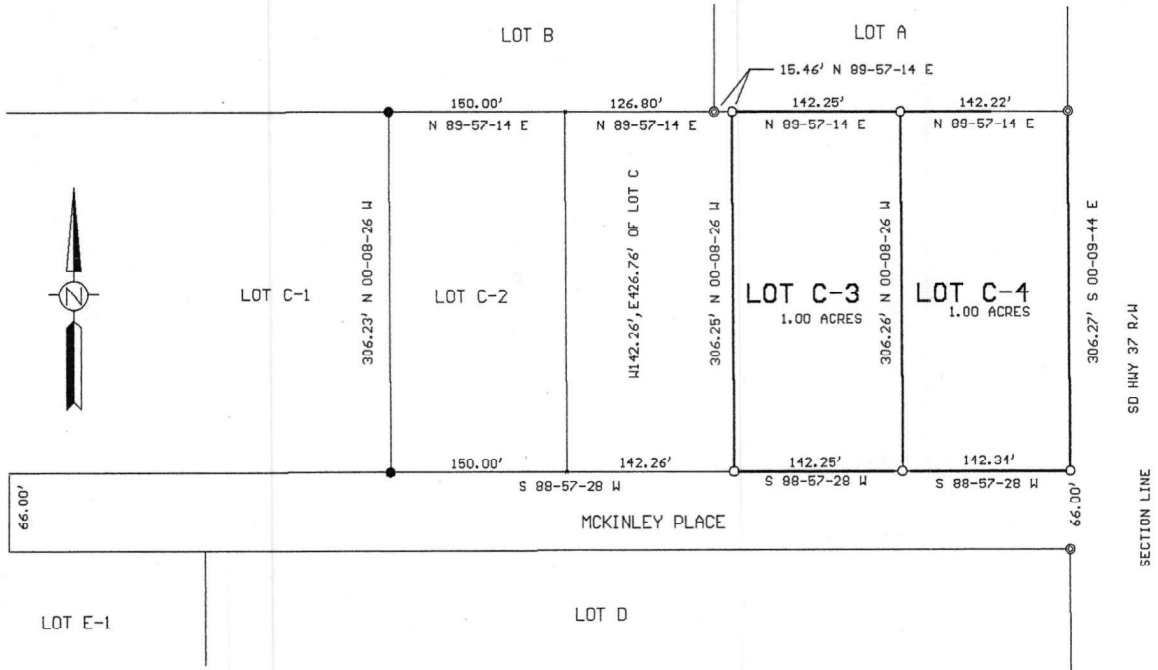
Chairperson Genzlinger adjourned the meeting at 12:18 P.M.

Kevin Genzlinger
Planning Commission Chairperson

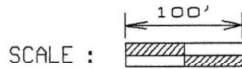


PLAT OF LOTS C-3 AND C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

THIS WAS PREVIOUSLY DESCRIBED AS THE EAST 284.50 FEET OF LOT C, IN THE SE1/4 OF THE SE1/4 OF SECTION 3, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.



SECTION 3, T102N, R60W



SCALE :

- FOUND PIPE
- FOUND REBAR
- SET 5/8" REBAR WITH CAP STAMPED TOM WEEK LS 2912



SURVEYORS CERTIFICATE

I, THOMAS LYNN WEEK, REGISTERED LAND SURVEYOR IN YANKTON, SOUTH DAKOTA, HAVE AT THE DIRECTION OF THE OWNERS, MADE A SURVEY OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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.

DATED THIS 1ST. DAY OF APRIL, 2026.

THOMAS LYNN WEEK
REGISTERED LAND SURVEYOR
REG. NO. 2912

CERTIFICATE OF STREET AUTHORITY

NO ACCESS TO SD HWY 37 IS APPROVED. THIS ACCESS APPROVAL DOES NOT REPLACE THE NEED FOR ANY PERMITS REQUIRED BY LAW TO ESTABLISH THE PRECISE ACCESS LOCATION, INCLUDING PERMIT REQUIREMENTS SET FORTH IN ADMINISTRATIVE RULE OF SOUTH DAKOTA 70:09:01:02.

DATED THIS ____ DAY OF _____, ____.

STATE HIGHWAY AUTHORITY

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 _____, 2026.

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

PLAT OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

OWNER'S CERTIFICATE AND AGREEMENT OF PROTECTION OF WATER

WE, SEAN GERSTENECKER AND KAREN GERSTENECKER, DO HEREBY CERTIFY THAT WE ARE THE ABSOLUTE AND UNQUALIFIED OWNERS OF THE ABOVE DESCRIBED REAL PROPERTY: LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 LOT C-3 AND LOT C-4, 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 _____, 2026. _____ SEAN GERSTENECKER _____ KAREN GERSTENECKER

STATE OF _____ COUNTY OF _____

ON THIS ____ DAY OF _____, 2026, BEFORE ME THE UNDERSIGNED OFFICER, PERSONALLY APPEARED SEAN GERSTENECKER AND KAREN GERSTENECKER, 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 HERETO 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 LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 _____, 2026.

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: LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 _____, 2026.

COUNTY AUDITOR/DEPUTY AUDITOR

CHAIRMAN/VICE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS

PLAT OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

RESOLUTION OF CITY PLANNING COMMISSION

WHEREAS, THE PLAT OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 _____, 2026.

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 _____, 2026; AND WHEREAS, IT APPEARS FROM AN EXAMINATION OF THE PLAT OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, 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 _____, 2026.

FINANCE OFFICER BY: _____

SHEET 4 OF 4

PLAT OF LOT C-3 AND LOT C-4 IN LOT C IN THE SE1/4 OF THE SE1/4 OF SECTION 3, T102N, R60W OF THE 5TH. P.M., DAVISON COUNTY, SOUTH DAKOTA.

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 _____, 2026.

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 _____, 2026, _____ 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



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 May 11, 2026 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-six (46).

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

Lot 4 of Singapore Slab Tract 1, a subdivision of the East 1/2 of the SE 1/4 of Section 32, T 104 N, R 60 W of the 5th P.M., City of Mitchell*, Davison County, South Dakota;

The Sixty-six feet (66') of Irregular Tract Number 1 Parallel and Adjacent to the above described Lot 4 all in Section 32, T 104 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota;

*This property is currently not in Mitchell city limits but will be annexed prior to the approval of this Tax Incremental District.

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 May 18, 2026 at 6:00 pm in the City Hall Council Chambers.

Dated this 22nd day of April, 2026.

Michelle Bathke – Finance Officer

Published once: 29th day of April, 2026

Approximate publication cost: _____

City of Mitchell

Tax Increment District #46



**Submitted to:
City Administrator, City of Mitchell, South Dakota**

May 2026

Prepared by:
Legacy Pointe, LLC

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INTRODUCTION – THE PROJECT

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 opportunities. 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 overcome costs that often prevent redevelopment 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 valuations and the corresponding property tax revenues – the tax increment. A tax increment is the difference between the amount of property valuation present within the TIF district before the TIF district designation and the amount of property valuation increase due to the creation of a TIF district. Property taxes collected on the original valuation existing in the TIF at the time of 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 us by the counties or cities to fund project costs in the TIF district.

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.

Brief Description of Project's Public Benefits

Affordable Housing Classification includes an area where:

1. The original selling price of any house in the district will be at or below the first-time homebuyer purchase price limit being used by the South Dakota Housing Development Authority as of the date of the house was sold; OR
2. The monthly rental rate of all multifamily housing units in the district will be at or below the calculated rent for the states eighty percent area median income as of the date the district is created, for a minimum of five years following the date of first occupancy.

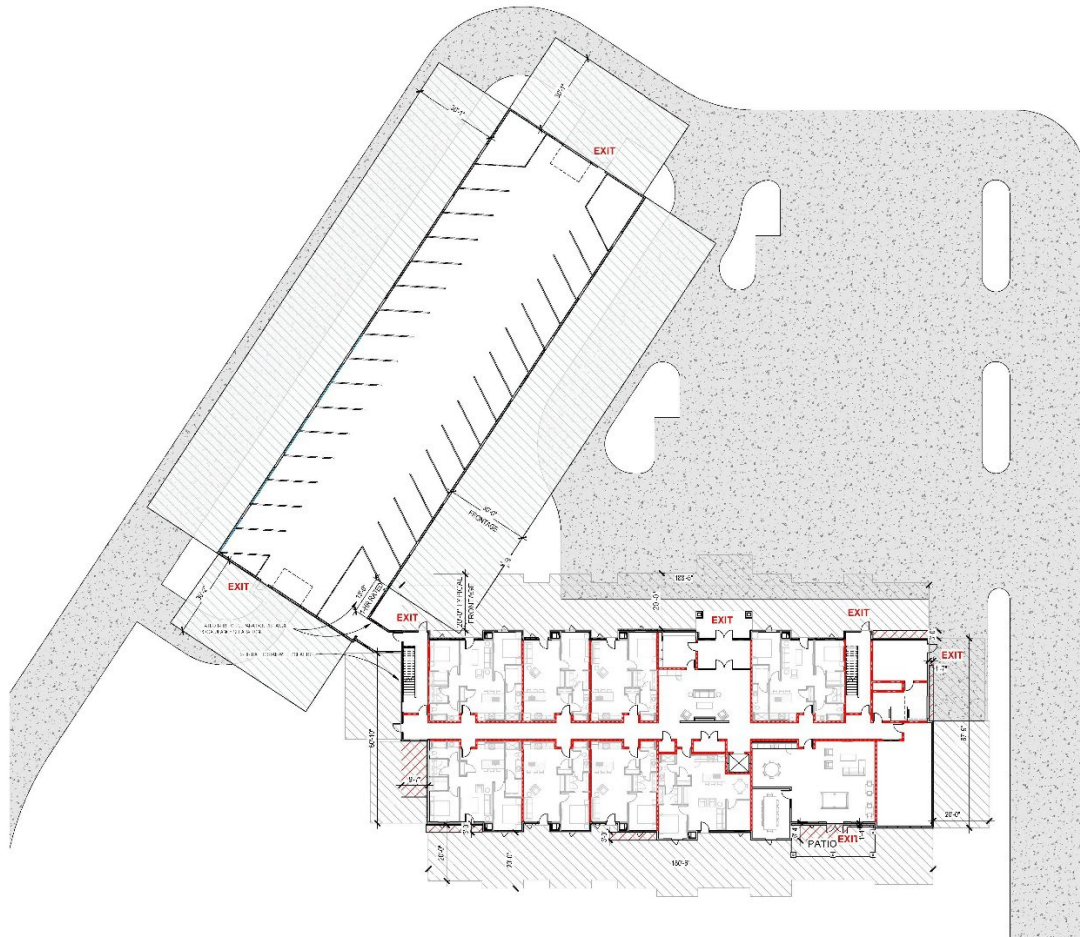
Today's business climate allows corporations flexibility to call any state in the union their home. It is up to local communities to attract and retain companies to their communities. Using Tax Increment Financing is one of the most powerful economic development tools to help communities achieve their goals.

Brief Description of the Project

The proposed Mitchell multifamily community will include the following:

- The community will offer approximately 38 apartments with a mix of 1 bedroom, 2 bedroom, and 3 bedroom units.
- The community will have a fitness center, a community lounge with outdoor patios for recreational use, a conference room for residents seeking a work/life balance or who may be working remotely, a coffee bar for residents and guests, an interior mailbox and security system for resident safety, and an indoor trash chute for convenience, and an attached garage parking structure.

The image below depicts the site layout of the proposed multifamily community:



The image below depicts a rendering of the proposed multifamily facility:



A facility of this size and type will greatly enhance the Mitchell community through affordable housing, area visibility, and strong economic stimulus. The facility will consist of 38 apartment units. Overall tax revenue will increase through sales tax revenue, employment tax revenue, business income tax revenue, and indirect spillover tax revenue from neighboring businesses.

But For Statement

But for the use of Tax Increment Financing in the amount of \$1,144,413 to the developer, the proposed multifamily facility would not be financially feasible and therefore would not proceed within the City. The anticipated costs associated with the necessary infrastructure improvements, site development, and other eligible project expenses create a financing gap that cannot be overcome through conventional funding sources alone. The availability of the TIF is essential to bridge this gap, allowing for the construction of the multifamily facility. Absent TIF support, the project would not move forward in its proposed scope, timeframe, or location.

PURPOSE & GENERAL DEFINITIONS

The property upon which this Tax Incremental District (TID) is, has been annexed into the limits of the City of Mitchell, South Dakota.

As such, the creation of City of Mitchell TIF #46 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 City of Mitchell, South Dakota is to satisfy the requirements for a Tax Increment District Number #46 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 Commissioners 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.

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.

General Definitions

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 significantly enhance the value of substantially all of the other real property in the district

“City Commission” means the City Commission of Mitchell, South Dakota

“Calendar Year” means the starting date of January 1 to an ending date of December 31st.

“Department of Revenue” means the South Dakota Department of Revenue.

“Developer” means Legacy Pointe, 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 City of Mitchell, 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.

“Planning Commission” means the City of Mitchell Planning Commission

“Plan” means this Project Plan.

"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 § 11-9-13.

"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 defined and created by resolution of the governing body and named City of Mitchell Tax Incremental District #46.

"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 TID #46

Representatives of the Developer have approached officials of 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 located within City of Mitchell.

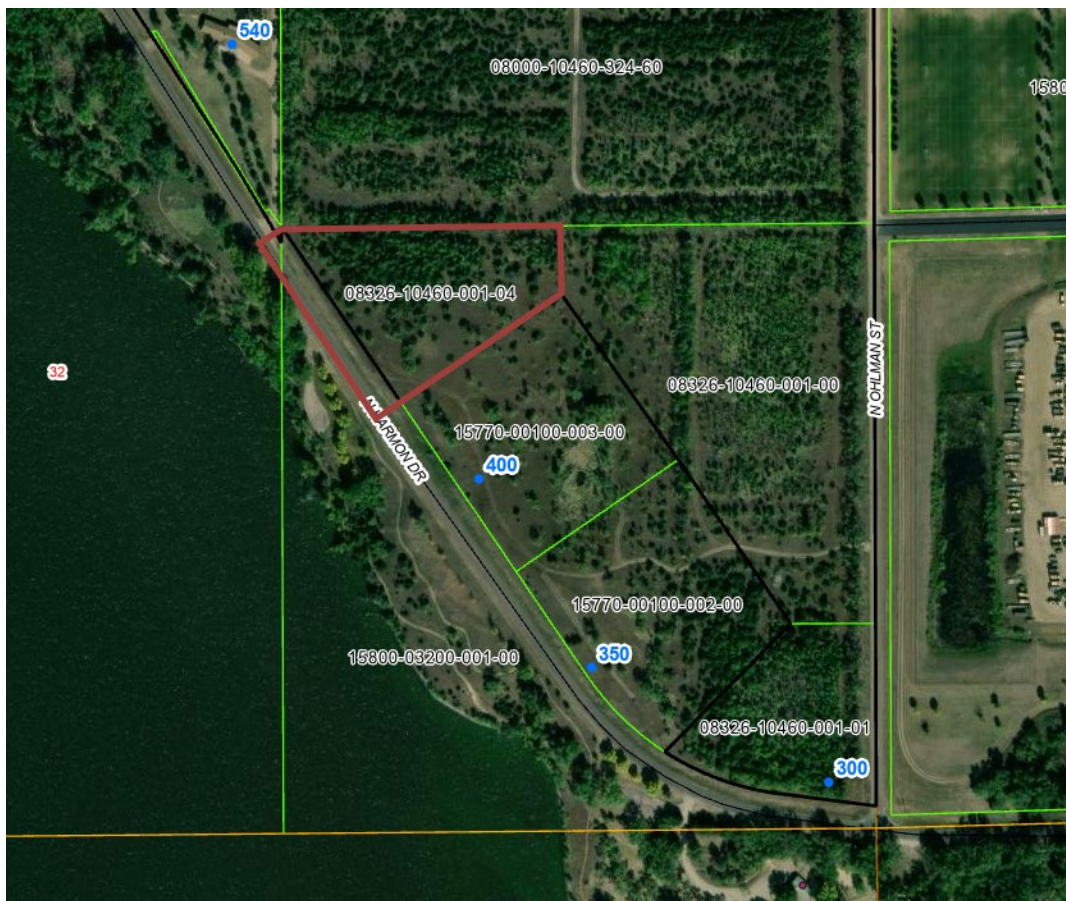
The primary objective of TIF #46 is to create an affordable multifamily development. This major investment in the community will have long-term benefits including affordable housing, new employment opportunities, a stronger community presence. This project seeks to promote well-being and quality of life for its residents through business attraction, retention and expansion, infrastructure development, and workforce development.

JTZ Properties, LLC currently owns the property. Legacy Pointe, LLC has a purchase agreement in place to acquire the property following TIF approval.

Property Within Tax Increment #46

The real property to be located within the Tax Increment District will be within the City of Mitchell. The current legal description is described as follows:

- LOT 4 OF SINGAPORE SLAB TRACT 1, A SUBDIVISION OF THE EAST ½ OF THE SE ¼ OF SECTION 32, T 104 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA
- THE SIXTY-SIX FEET (66’) OF IRREGULAR TRACT NUMBER 1 PARALLEL AND ADJACENT TO THE ABOVE DESCRIBED LOT 4 ALL IN SECTION 32, T 104 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA



TAXABLE VALUE OF CITY OF MITCHELL

State law requires that tax increment districts cannot exceed ten percent of the taxable value of a municipality. The 2026 Taxes Payable value for City of Mitchell is \$1,651,152,422. The base value of the taxable property for inclusion into this Tax Incremental District #46, as verified by Davison County Director of Equalization, is \$31,750.

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.

There are currently 28 other active TIF Districts in the City of Mitchell:

Tax Increment District Number 8	\$5,846,499
Tax Increment District Number 9	\$0
Tax Increment District Number 14	\$36,866
Tax Increment District Number 19	\$13,022
Tax Increment District Number 20	\$147,941
Tax Increment District Number 21	\$137,537
Tax Increment District Number 23	\$2,953,202
Tax Increment District Number 24	\$596,707
Tax Increment District Number 27	\$976,615
Tax Increment District Number 28	\$2,064,383
Tax Increment District Number 29	\$378,848
Tax Increment District Number 30	\$54,165
Tax Increment District Number 31	\$595,369
Tax Increment District Number 32	\$1,516,588
Tax Increment District Number 33	\$797,621
Tax Increment District Number 34	\$1,210,676
Tax Increment District Number 35	\$129,191
Tax Increment District Number 36	\$215,468
Tax Increment District Number 37	\$77,216
Tax Increment District Number 38	\$90,645
Tax Increment District Number 39	\$202,969
Tax Increment District Number 40	\$170,177
Tax Increment District Number 41	\$358,465
Tax Increment District Number 42	\$353,950
Tax Increment District Number 43	\$25,675
Tax Increment District Number 44	\$14,204
Tax Increment District Number 45	\$82,087
Tax Increment District Number 46	\$31,750
TOTAL	\$19,067,984

Mitchell City Current Taxable Value: \$1,651,152,422

All TIF Base Value Must Be Less Than 10%: \$165,115,242.20

There are 28 other active TIF districts in the City of Mitchell. Using these estimates provided for TID #46, the value of all existing Tax Increment Districts combined is less than 2% of the total 2025 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 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.

All Project Costs are found to be necessary and convenient for 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.

Costs of Public Works and 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. The following are estimated costs of the Project:

Kind of Project	Location ¹	Amount	Reference ²
Capital Costs (Street, Water & Sewer) (cleaning & grading of land & associated costs) ²	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	\$250,000	11-9-15(5)
Relocation Costs	District		11-9-15(6)
Organizational Costs	District		11-9-15(7)
Discretionary Costs and Grants	District	\$1,144,413	11-9-15(8)
Eligible Project Costs		\$1,394,413	

¹District shall mean the Tax Increment District.

²SDCL §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 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. TIF proceeds may flow through to Developer for certified TIF eligible expenses based on the actual costs incurred for those TIF eligible expenses up to the total authorized TIF request amount of \$1,144,413 consistent with the Administrative Costs Section of this project plan.

The City of Mitchell will receive \$250,000 as reimbursement for infrastructure expenses related to the project. This reimbursement will occur only after the developer has been fully paid for all certified TIF-eligible costs.

Developer's Agreement

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

- **Amount.** The total amount of the TIF will not exceed \$1,394,413 consistent with the Administrative Cost section of this project plan.
- **Interest Rate.** The interest rate associated with this project is equal to 0%.
- **Length.** The TIF will not exceed 20 calendar years from the year of creation.
- **Expiration.** The TIF will expire at the end of 20 calendar years or when the \$1,394,413 has been paid out in tax payment, including up to \$1,144,413 for the Developer's certified project costs and up to \$250,000 for the City's Administrative Costs.

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 TIF will be a grant pass-through of positive tax increment from the TIF received 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 TIF received 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 positive tax increment from the TIF received 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 return 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 TIF to 20 years from the year of creation. As such, it is further understood that the amount of \$1,144,413 will be the maximum amount the City will ever pass on acting as a conduit for TIF #46 for eligible projects costs.

All TIF revenue will be passed onto the Developer as a grant until the full amount, up to the amount certified, 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 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 \$1,144,413 in a manner consistent with the Administrative Cost section of this project plan.

Given that the exclusive funding mechanism for this TIF 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 TIF, and the City shall have no obligation to commit other City funds, the City's obligation hereunder shall not be any way be construed to be a debt of the City in contravention of any application 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 TIF 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 increments to Developer will be financially 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 TIF 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's Terms:

- Legacy Pointe, 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 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.

Administrative Costs:

City will be reimbursed from TIF proceeds for Administrative Costs in the amount of \$250,000. TIF increment will first be applied to Developer's certified costs, up to Developer's estimate of \$1,144,413. Once Developer's certified costs have been paid, TIF proceeds will be paid to City for Administrative Costs up to \$250,000. Once both the Developer's certified costs and the City's Administrative Costs have been paid, or the 20-year term has lapsed, the TIF will terminate.

Expenditures Exceeding Estimated Cost

Any expenditures, which in sum would exceed the total amount of the TID amount of \$1,394,413 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 more than 35 percent 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.

Detailed List of Estimated Project Costs

Attached as Schedule 1 is a detailed list of estimated Project Costs for the project 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

Legacy Pointe, LLC has conducted internal studies regarding the economic feasibility and demand for a multi-family project as per SDCL § 11-9-13(2) . These costs included but were not limited to land acquisition, construction, staffing, architectural considerations, and ongoing management of the facility.

Economic Development Study

Attached is Schedule 3 an Economic Development Study showing the impact of the Tax Increment District, until and after the bonds are repaid, upon all entities levying property taxes in the district. Required as per SDCL § 11-9-13(4).

Fiscal Impact Statement

Attached is Schedule 4 a Fiscal Impact Statement showing the impact of the Tax Increment District, until and after the bonds 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 Increment Revenue

The maximum amount of tax increment revenue bonds or monetary obligations to be paid through Tax Increment District #46 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 \$1,394,413 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 Increment Plan

The duration of the Plan will extend to the number of years it will take for the reimbursement of the City, the extinguishment of bonds and the monetary obligation except that the Plan duration **shall not exceed 20 calendar years** of revenue from the year 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 the taxes from that base which will be the value set for the 2025 assessment year for taxes payable in 2026. The tax increment will be available to the taxing jurisdictions after dissolution, which is at or before twenty 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 all bonds and monetary obligations, taxing entities will receive their proportionate share of tax dollars for the base value and the tax incremental values.

SUPPLEMENTARY FINDINGS

CHANGES TO CITY COMPREHENSIVE/MASTER PLAN MAP, BUILDING CODES & CITY ORDINANCES PER SDCL §11-9-16 (4)

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

LIST OF ESTIMATED ELIGIBLE & NON-ELIGIBLE 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
Estimated Non-Eligible Project Costs	\$6,439,923
Estimated Eligible Project Costs	\$1,394,413
TOTAL	\$7,834,336

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.

SCHEDULE 1 DETAIL OF PROJECT COSTS

Prior to reimbursement through TIF financing, the Developer intends to obtain financing through a combination of senior commercial debt and private equity. The City is in no way responsible for assisting the Developer to obtain such financing or for guaranteeing the repayment of such funds. The City's sole obligation is to pass through tax increment financing consistent with this project plan.

The following are estimated costs for the project as provided by the Developer:

Estimates TID Eligible of Project Costs Requested

The City of Mitchell has determined that this will be an affordable housing Tax Increment District, thus the eligible developer costs will be in the form of an infrastructure grant that will not exceed \$1,144,413 This is a permitted use under SDCL 11-9-15.

Mitchell TIF #46 Project Costs and TIF Request			
	Total Costs	Developer Costs	TIF Requested
Infrastructure	\$ 950,245.19	\$ -	\$ 950,245.19
- See Est. of Cost (page 18)			
Design	\$ 174,168.00		\$ 174,168.00
- Architect	\$ 121,068.00	\$ -	\$ 121,068.00
- Civil	\$ 26,550.00	\$ -	\$ 26,550.00
- Structural	\$ 26,550.00	\$ -	\$ 26,550.00
- Interior/Landscape Design	\$ -	\$ -	\$ -
Professional Services	\$ 278,890.00	\$ 258,890.00	\$ 20,000.00
- Insurance	\$ 43,890.00	\$ 43,890.00	\$ -
- Guarantor Fee	\$ 115,000.00	\$ 115,000.00	\$ -
- Equity Raise Services	\$ 100,000.00	\$ 100,000.00	\$ -
- Legal/Consultant	\$ 20,000.00	\$ -	\$ 20,000.00
Construction+ 5% contingency	\$ 5,319,754.81	\$ 5,319,754.81	\$ -
Land Purchase	\$ 437,778.00	\$ 437,778.00	\$ -
FFE	\$ 50,000.00	\$ 50,000.00	\$ -
Developer Fee	\$ 293,500.00	\$ 293,500.00	\$ -
Marketing/Onboarding Costs	\$ 80,000.00	\$ 80,000.00	\$ -
Grant Subtotal	\$ -	\$ -	\$ 1,144,413.19
Administrative Costs	\$ 250,000.00		\$ 250,000.00
Total	\$ 7,834,336.00	\$ 6,439,922.81	\$ 1,394,413.19

A Mobilization, Removals, and Grading					
No.	Description	Unit	Quantity	Unit Costs	Total
A-1	Mobilization	LS	1	\$ 75,000.00	\$ 75,000.00
A-2	Waste	CY	4,000	\$ 6.00	\$ 24,000.00
A-3	Unclassified Excavation	CY	2,963	\$ 6.50	\$ 19,259.26
A-4	Placing Topsoil	CY	1,000	\$ 12.00	\$ 12,000.00
A-5	Scarify & Recompact (12")	CY	2,470	\$ 6.00	\$ 14,820.00
A-6	Granular Fill	Ton	3,025	\$ 22.00	\$ 66,550.00
					\$ 211,629.26

B Storm Sewer					
No.	Description	Unit	Quantity	Unit Costs	Total
B-1	15" RCP Storm Sewer	LF	165	\$ 65.00	\$ 10,725.00
B-2	15" RCP Flared End	EA	1	\$ 1,000.00	\$ 1,000.00
B-3	18" RCP Storm Sewer	LF	300	\$ 80.00	\$ 24,000.00
B-4	24" RCP Storm Sewer	EA	150	\$ 110.00	\$ 16,500.00
B-5	24" RCP Flared End	EA	1	\$ 1,200.00	\$ 1,200.00
B-6	2x3' Type B Curb Inlet	EA	7	\$ 2,800.00	\$ 19,600.00
B-7	3x4' Type B Curb Inlet	EA	4	\$ 3,500.00	\$ 14,000.00
B-8	12" PVC Storm Sewer	LF	235	\$ 40.00	\$ 9,400.00
B-9	12" Nyloplast Drain	EA	3	\$ 1,200.00	\$ 3,600.00
					\$ 100,025.00

C Surfacing and Pavement Markings					
No.	Description	Unit	Quantity	Unit Costs	Total
C-2	Geotextile Separator Fabric	SY	6,875	\$ 4.00	\$ 27,500.00
C-3	4" Asphalt Surfacing	Ton	1,600	\$ 135.00	\$ 216,000.00
C-4	Gravel Base Course	Ton	4,600	\$ 22.00	\$ 101,200.00
C-5	5" Reinforced Sidewalk	SqFt	2,800	\$ 5.80	\$ 16,240.00
C-6	6" Concrete Pavement	SY	180	\$ 65.00	\$ 11,700.00
C-7	Concrete Curb and Gutter	LF	2,540	\$ 18.00	\$ 45,720.00
C-8	Landscaped Island Area	SY	290	\$ 40.50	\$ 11,745.00
					\$ 430,105.00

D Erosion and Sediment Control					
No.	Description	Unit	Quantity	Unit Costs	Total
D-6	Miscellaneous Erosion Control Items	LS	1	\$ 4,000.00	\$ 4,000.00
					\$ 4,000.00

E Water & Sewer Services					
No.	Description	Unit	Quantity	Unit Costs	Total
E-1	6" Water Main	LF	700	\$ 42.00	\$ 29,400.00
E-2	6" DI MJ Gate Valve & Box	EA	7	\$ 2,000.00	\$ 14,000.00
E-3	6" DI MJ Fitting	EA	4	\$ 1,200.00	\$ 4,800.00
E-4	Fire Hydrant Assembly	EA	3	\$ 3,500.00	\$ 10,500.00
E-5	1 1/2" PE Water Service Pipe	LF	150	\$ 2.00	\$ 300.00
E-6	1 1/2" Corp & Saddle	EA	5	\$ 150.00	\$ 750.00
E-7	1 1/2" Curb Stop Valves	EA	5	\$ 500.00	\$ 2,500.00
E-8	Connect to Existing Water Main	EA	1	\$ 1,500.00	\$ 1,500.00
E-9	8" Sanitary Main	LF	430	\$ 65.00	\$ 27,950.00
E-10	Sanitary Sewer Manhole	EA	3	\$ 4,800.00	\$ 14,400.00
E-11	8x6 Wye	EA	5	\$ 200.00	\$ 1,000.00
E-12	6" Sanitary Sewer Service Pipe	LF	200	\$ 50.00	\$ 10,000.00
E-13	Connect to Existing Sewer Main	EA	1	\$ 1,000.00	\$ 1,000.00
					\$ 118,100.00

Notes: This estimate excludes landscaping, irrigation, electrical or any other utilities besides storm, sanitary, and water. Quantities were estimated prior to the completion of the geotechnical exploration. Assumptions were made on the subgrade preparation,

Summary of Costs		
A	Mobilization, Removals, and Grading	\$ 211,629.26
B	Storm Sewer	\$ 100,025.00
C	Surfacing and Pavement Markings	\$ 430,105.00
D	Erosion and Sediment Control	\$ 4,000.00
E	Water & Sewer Services	\$ 118,100.00
Subtotal		\$ 863,859.26
10% Contingency		\$ 86,385.93
Total Opinion of Construction Costs:		\$ 950,245.19

SCHEDULE 2

ECONOMIC FEASIBILITY STUDY & TAXABLE VALUE

The City has been asked to create a Tax Increment District to help offset the expansion associated with this 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). 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 estimated to have a taxable value of \$31,750. The improvements to be made to the property are expected to be added to the assessed valuation. The estimated increment resulting from the improvements would be approximately \$3,800,000 in new value 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 for the creation of the Tax Incremental District and the implementation of the project.

The City’s role is to simply act as a conduit for the revenue and pass on all positive increment to the Developer or to reimburse the City for their expenses, of which, will never exceed \$1,144,413 in total payments, or 20 years, whichever comes first.

It is assumed that all obligations incurred would be adequately secured as to allow the payment of principal and interest when due, whether by means of a taxable bond or loan. The actual repayment schedule may change, but all principal and interest shall be paid within the life of the TID. Utilizing the information regarding expected increment valuation and tax generation, it is possible to estimate an expected revenue stream that can be utilized to retire debt that will be created as a result of implementing the Project Plan.

City of Mitchell TID #46 is proven feasible based upon the projections made by the Developer, projecting a total in excess of the \$1,144,413 grant request in tax revenue during the life of the 20-year TIF.

TID Tax Revenue Estimates Available for City of Mitchell

This project will be classified as Non-Ag Other. The following projections show TIF #46 revenue:

**Tax Increment District #46
Revenue Assumptions**

Assumed Base Value** \$ 31,750											
Construction Year	Valuation Year	Revenue Year	Valuation Increment	Total School "Other"	City of Mitchell	County Mill Rate	JR District	Total Mill Rate*	Total Revenue Increment	Total Increment for Debt Service	Cumulative
2026	2027	2028	1,500,000	9,346	4,2603	3,201	0,056	16,8635	\$ 24,759.83	\$ 24,759.83	\$ 24,759.83
2027	2028	2029	2,265,000	9,346	4,2603	3,201	0,056	16,8635	\$ 38,195.83	\$ 62,955.66	\$ 87,715.50
2028	2029	2030		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 150,671.16
2029	2030	2031		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 213,626.82
2030	2031	2032		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 276,582.48
2031	2032	2033		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 339,538.14
2032	2033	2034		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 402,493.80
2033	2034	2035		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 465,449.46
2034	2035	2036		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 528,405.12
2035	2036	2037		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 591,360.79
2036	2037	2038		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 654,316.45
2037	2038	2039		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 717,272.11
2038	2039	2040		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 780,227.77
2039	2040	2041		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 843,183.43
2040	2041	2042		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 906,139.09
2041	2042	2043		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 969,094.75
2042	2043	2044		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 1,032,050.42
2043	2044	2045		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 1,095,006.08
2044	2045	2046		9,346	4,2603	3,201	0,056	16,8635	\$ -	\$ 62,955.66	\$ 1,157,961.74
									\$	1,157,961.74	

* Assumes Mill Levies remain constant for the duration of the TIF
 ** Property has been annexed into city limits

Note: The Increment Valuations above are for projection purposes only and do not reflect what the actual number(s) may be. These projection numbers have not been certified or assessed by the Davison County Director of Equalization.

SCHEDULE 3

ECONOMIC DEVELOPMENT STUDY

The City of Mitchell has been approached concerning the creation of a tax increment district (TID) located within the city limits. Per South Dakota Codified Law 11-9-8, 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.

Study Area Boundary

The Project boundaries are described and depicted on the maps in Attachments 1 and 2 of this Plan.

Establishing Affordable Housing

The developer has identified real property located in the City of Mitchell, SD along northern edge of Lake Mitchell, adjacent to the National Guard Amory on North Harmon Drive, consisting of 3.35 acres. The project will provide for the construction of two structures consisting of 38 total apartment units and 38 enclosed parking spaces. Pursuant to South Dakota Department of Revenue guidelines, the apartments will offer a monthly rental rate not to exceed the calculated rent for the state's 80% area median income as of the date the district is completed and as modified from time to time by the state of South Dakota.

The project is expected to be completed on or before May 1, 2027.

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 definitively found that once the improvements set forth within the Project Plan are initiated, the improvements will enhance significantly the value of substantially all of the other real property in the district. The City of Mitchell TID #46 will have a tremendous economic impact on the region's infrastructure advancement.

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.

Findings within the Project Area Analysis

It is found 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 of South Dakota through the promotion and advancement of affordable housing. It is also found that the improvement of the area is likely to enhance significantly the value of substantially all the other real property in the District in accordance with SDCL 11-9-8.

The Project area currently consists of an undeveloped area located along the northern edge of Lake Mitchell, adjacent to the National Guard Amory. The project will create a vibrant environment that will bring additional housing opportunities to the area.

The investment of about \$7,800,000 in the Project area will stimulate and develop the general economic welfare and prosperity of the State through the promotion of employment and advancement of commerce during the construction period. The Project will enhance the community of Mitchell with a substantial annual economic impact to the region and state.

SCHEDULE 4

FISCAL IMPACT STATEMENT FOR CITY OF MITCHELL TID #46

A fiscal impact statement shows the impact of the TID, both until and after the bonds or obligations are repaid, upon all entities levying taxes upon property in the District. The following fiscal impact statement is intended to provide only a brief 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 challenge a more detailed, complete financial analysis.

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 46

“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 projects will have improvements, which at completion, are estimated at taxable purposes up to \$3,800,000.
2. The average tax levy of all taxing districts will be \$16.8635 per thousand dollars of taxable valuation.
3. Tax increment will start to be collected in 2028 and end prior to 2046.
4. The discretionary formula will be waived by Developer.

SCHEDULE 5 ESTIMATED CAPTURED TAXABLE VALUES

For purposes of this Project Plan, City assumes that **Developer will elect not to use any real property tax discretionary formula** currently utilized in Davison County or 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).

* 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 \$1,144,413 covering a span of captured tax years not to exceed 20. Collection is anticipated to begin in 2028, 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 for Non-AG Other property types:

2025 Property Tax Rates

<u>2025 Payable in 2026</u>	<u>\$ per \$1,000 assessed</u>
City of Mitchell	\$ 4.2603
Davison County	\$ 3.2012
JR District	\$ 0.056
<u>School District "Other"</u>	<u>\$ 9.3460</u>
Total Tax Levy	\$ 16.8635

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

ATTACHMENT 1

Description of Real Property:

- LOT 4 OF SINGAPORE SLAB TRACT 1, A SUBDIVISION OF THE EAST ½ OF THE SE ¼ OF SECTION 32, T 104 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA
- THE SIXTY-SIX FEET (66') OF IRREGULAR TRACT NUMBER 1 PARALLEL AND ADJACENT TO THE ABOVE DESCRIBED LOT 4 ALL IN SECTION 32, T 104 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA

ATTACHMENT 2

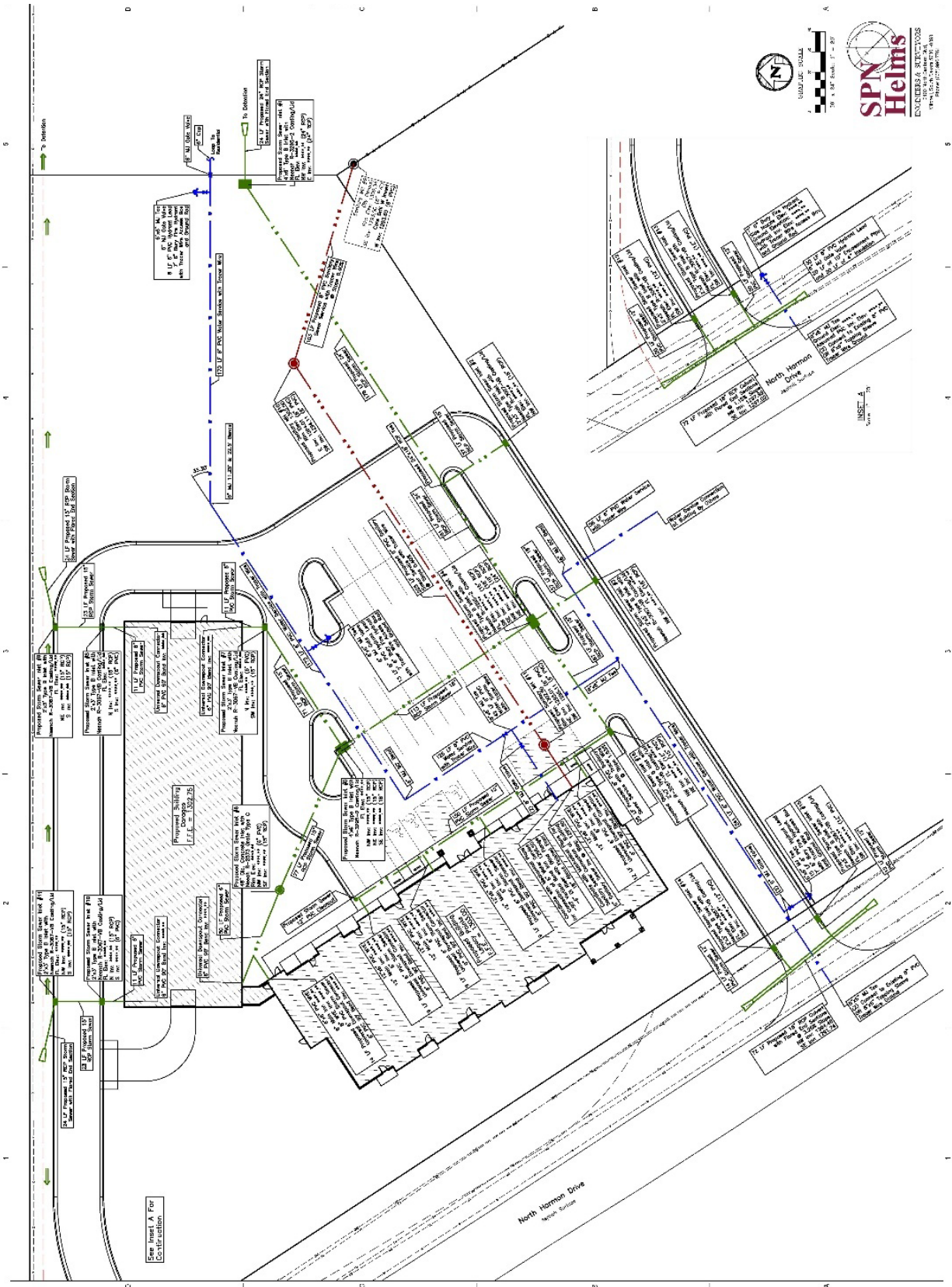
Conditions picture for the City of Mitchell Tax Incremental District #46, SDCL § 11-9-16(1)

The following shows the boundary of the City of Mitchell TID #46:



ATTACHMENT 3

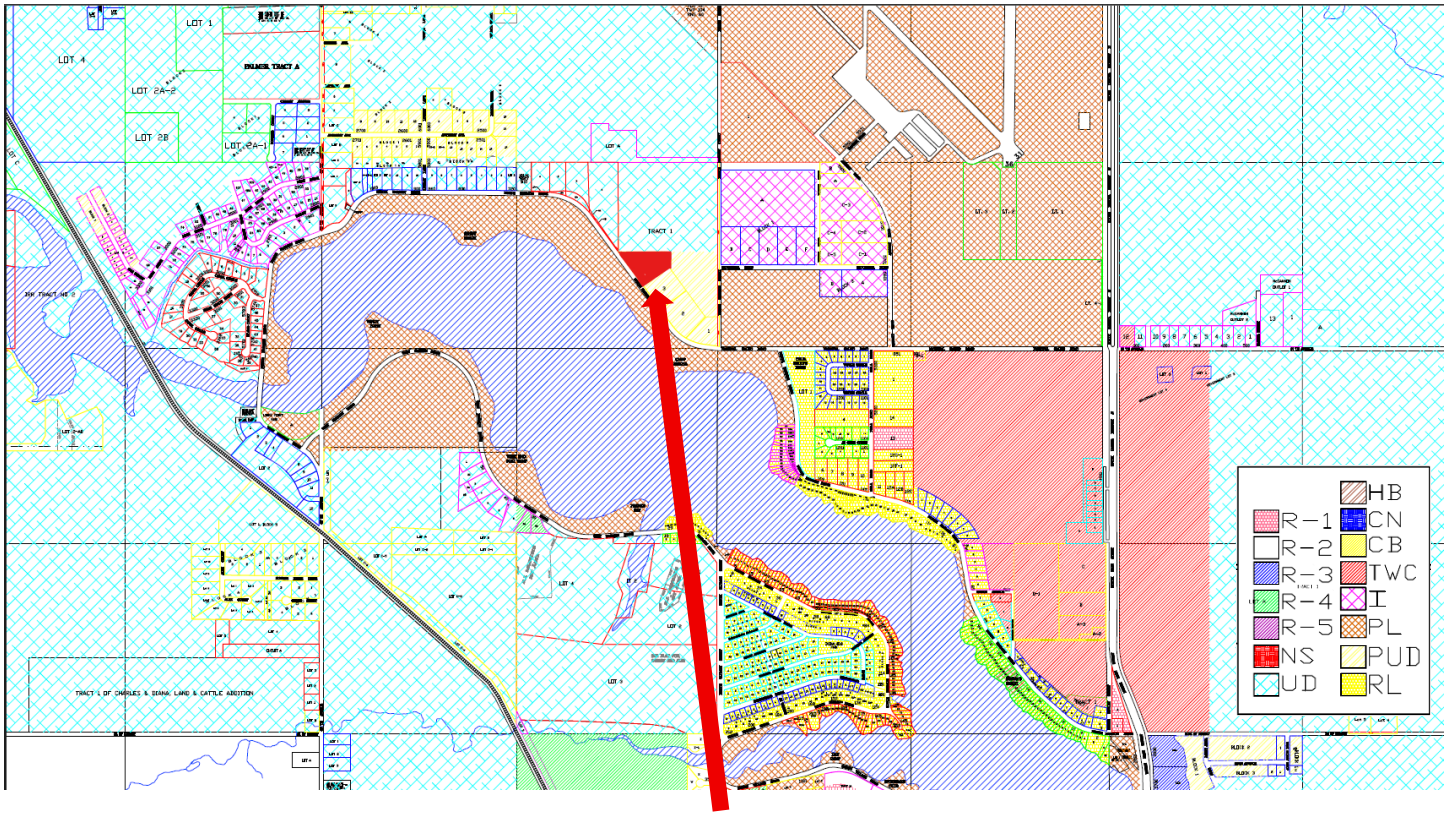
Improvements map for City of Mitchell Tax Incremental District #46, SDCL § 11-9-16(2).



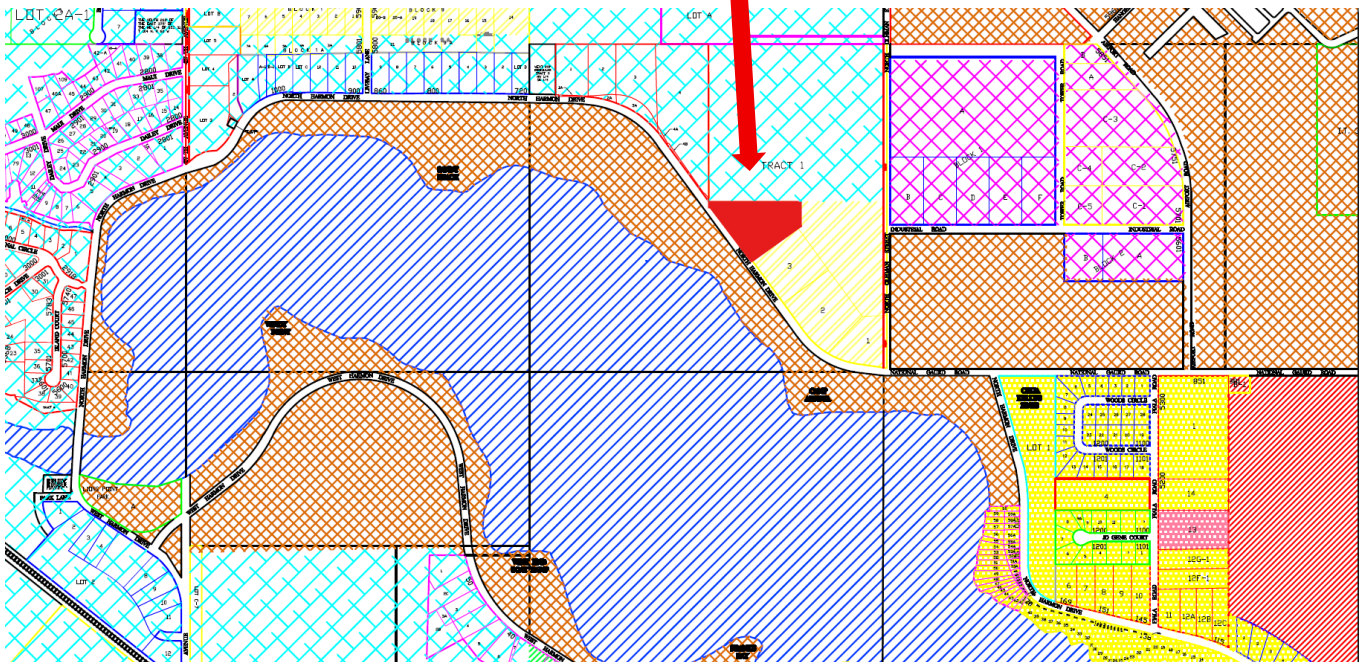
ATTACHMENT 4

Zoning Map for City of Mitchell Tax Incremental District #46, SDCL § 11-9-16(2).

The Site was rezoned into a Planned Unit Development (“PUD”) in 2025 and no changes to the zoning are necessary.



Proposed Development



ATTACHMENT 5



SOUTH DAKOTA DEPARTMENT OF REVENUE
445 East Capitol Avenue • Pierre, SD 57501
(605) 773-3311 • dor.sd.gov

March 24, 2026

City Finance Office
612 N Main
Mitchell SD 57301

RE: Preliminary Classification of City of Mitchell # 46

Dear Michelle Bathke:

The Department of Revenue hereby acknowledges receipt of your request for Preliminary Classification of Tax Increment Financing District submitted on 03/24/2026.

Upon review of the provided information, the Department has determined the preliminary classification for the TIF District "City of Mitchell # 46" to be Affordable Housing for the purposes of the State Aid to Education formula.

If you have any questions or concerns, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Semmler'.

Wendy Semmler, Director
Property Tax Division