

CITY of YANKTON
PLANNING COMMISSION MEETING MINUTES
for
June 12, 2017

The meeting was called to order at 5:30 p.m. by Chairman Pier

ROLL CALL:

Present – Brad Wenande, Deb Specht, Mark Mooney, Mike Healy, Dr. Scott Shindler, Jon Economy, and Steve Pier.

Unable to attend: Bruce Viau, Lynn Peterson City Commission Liaison Chris Ferdig.

Chairman Pier asked for approval of the May 8, 2017, meeting minutes.

17-14 **MINUTES** – May 8, 2017

MOTION – It was moved by Commissioner Wenande and seconded by Commissioner Shindler to approve the minutes of the May 8, 2017 meeting.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

Chairman Pier read the consent item to establish July 10, 2017, as the date for a public hearing to consider the formation of a tax incremental district to be located on the following described property:

Lot 1A, Block 1 less Parcel 5, Slaughter's Subdivision, Lot 3A, Block 1, Section 12 less Parcel 4 and less part Parcel 5, Slaughter's Subdivision, Lots 5A, Block 1, Section 12, Slaughter's Subdivision, Lot 6 except Parcels 1, 2 and 3, Block 1, Slaughter's Subdivision all in the City of Yankton, South Dakota. Address 2101 Broadway Ave. Yankton- Omaha Partnership c/o Dial Enterprises, owner.

17-15 **MOTION** – It was moved by Commissioner Wenande and seconded by Commissioner Healy to establish July 10, 2017, as the date for a public hearing to consider the formation of a tax incremental district to be located on the following described property:

Lot 1A, Block 1 less Parcel 5, Slaughter's Subdivision, Lot 3A, Block 1, Section 12 less Parcel 4 and less part Parcel 5, Slaughter's Subdivision, Lots 5A, Block 1, Section 12, Slaughter's Subdivision, Lot 6 except Parcels 1, 2 and 3, Block 1, Slaughter's Subdivision all in the City of Yankton, South Dakota. Address 2101 Broadway Ave. Yankton-Omaha Partnership c/o Dial Enterprises, owner.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

Chairman Pier read the Public hearing to consider the formation of a tax incremental district to be located on the following described property:

The East Half of the Southeast Quarter except the East 700' in Section 2 and the 23rd Street and West City Limits Road right-of-way adjacent to the described property and extending east to the east boundary of West City Limits Road (right-of-way located in Sections 1, 2, 11 and 12), and future Lots 10 and **11**, Block 1, Westbrook Estates, all in Township 93 North, Range 56 West of the 5th Principal Meridian Yankton County, South Dakota. Addresses, TBD. Bob Law Inc., owner.

Dave Mingo advised that the packet includes a two page information sheet. The first page contains some background on TIF in Yankton and what Yankton has used for bench marks when considering TID's in the past. Page 2 is a list of bullet points not necessarily in the plan, City Commission will see this as a part of the agreement associated with the plan for TID #8. Planning Commission only has 1 action, the plan while the City Commission has 2 actions, the plan and the agreement.

TID #8 is Phase 2 of Westbrook estates Subdivision located directly west of Phase 1. Phase 2 does not include large apartments. It will be mostly single family lots with a few 6 plex or 8 plex facilities.

Based on the calculations of build-out and tax increment, it is estimated that TID #8 should be able to sunset in 16 years. That is ahead of the state law allowed 20 years. The City's involvement is to receive the property tax increment as development supports it and forward them to the developer if it is available.

Commissioner Healy asked if there a price cap on homes, if lumber prices took off? Dave Mingo advised that yes, there is a cap defined in the associated agreement. It is up to developer to calculate the risk and absorb any cost overruns.

Dave Mingo explained the "but for" test that the City has used when considering TID's in the past. If private market was able to meet needs staff wouldn't recommend TID. In this instance where we have house shortages and busy developers not interested or able to meet the price point. Therefore, this type of housing would not be created "but for" the creation of the TID.

Chairman Pier asked if the property was annexed into the City. Dave Mingo advised that it was. About 30 acres. Everything but the property that Bob Law's sheds are on was annexed.

Chairman Pier asked what is the tax base the City received? Dave Mingo advised City hasn't received any money. Because it was previously outside of the corporate limits.

Chairman Pier asked if the city is held harmless? Dave Mingo responded yes, the developer fronts the debt. It is performance based. If the developer does not perform, he does not receive any increment.

Commissioner Wenande asked what the difference between \$2.4 & \$3.6 million. Dave Mingo advised difference is what City is going to capture to fund 23rd Street improvements and a small amount of administrative fees.

Commissioner Economy asked to clarify area, is it just to the end of 23rd street. Dave Mingo advised yes

Commissioner Wenande inquired about what remains for debt capacity for city. Dave Mingo advised that although developer is taking on debt, it still counts against the City as an obligation for accounting purposes. The City is substantially under the state debt limit.

Commissioner Specht would like opinion from the Planning Commission about voting because of her business. In Phase 2, YAPG is not the developer, there is no listing agreement with Nielsen. But, there are Visions Real Estate signs out there so she is asking about perception. Dave Mingo stated that although there is no personal conflict, he recommends being extremely conservative and would lean towards abstaining. It not that Commissioner Specht has a conflict, it's just that from another perspective, if there is a perception by someone oppose to the project, it could create an issue.

Dan Specht then presented to the Planning Commission. He advised that there are approximately 250 people living out there from 2 years ago when it was a cornfield. Several contractors are involved. He provided additional information about the progress of Phase 1.

Commissioner Mooney asked how many days homes there are on the market? Dan Specht advised 40-50 days.

Commissioner Shindler- asked if the homes' basements are finished, Kelly Nielsen advised less than 20% are finished.

Dan Specht advised houses are \$150,000-200,000.

Dan Specht advised that he was representing YAPG. YAPG had not planned on getting involved with housing, but with 400-600 more jobs available in Yankton's workforce, the YAPG board felt it was important. YAPG planned all along to turn project over to private sector and Kelly Nielsen has stepped forward and he wants to work with other builders. He also stated that he has spoken to Dr. Kindle and he is completely supported and positive about additional housing.

BY Water Midwestern Energy & others see an increase in customers.

There was discussion about the number of units being constructed in the community not matching up with the population growth. It seems that more units are being built that we are growing in population. Dave Mingo advised that there are a couple of things contributing to that. One is that across the country there are fewer people per unit. Also, Yankton may be growing a little faster than in the past. We were growing 6% every 10 years. The next decennial count in 2020 will tell us more.

John Kramer advised every company, manufacturing complained there was no housing. Housing has grown significantly. We anticipated that over next 3-5 years another 500 employees will be working in Yankton with 20-30% living in Yankton.

- 17-16 **MOTION** – It was moved by Commissioner Mooney and seconded by Commissioner Shindler to approve the formation of a tax incremental district to be located on the following described property:

The East Half of the Southeast Quarter except the East 700' in Section 2 and the 23rd Street and West City Limits Road right-of-way adjacent to the described property and extending east to the east boundary of West City Limits Road (right-of-way located in Sections 1, 2, 11 and 12), and future Lots 10 and 11, Block 1, Westbrook Estates, all in Township 93 North, Range 56 West of the 5th Principal Meridian Yankton County, South Dakota. Addresses, TBD. Bob Law Inc., owner; and

That the Naming of the district shall be Yankton Tax Incremental District Number 8; and

The district boundaries shall be: The East Half of the Southeast Quarter except the East 700' in Section 2 and the 23rd Street and West City Limits Road right-of-way adjacent to the described property and extending east to the east boundary of West City Limits Road (right-of-way located in Sections 1, 2, 11 and 12), and future Lots 10 and 11, Block 1, Westbrook Estates, all in Township 93 North, Range 56 West of the 5th Principal Meridian Yankton County, South Dakota;

Determination of eligibility by the advising attorney; and

A recommendation to approve the Plan.

VOTE – Voting “Aye” – Marc Mooney, Jon Economy, Mike Healy, Dr. Scott Shindler, Brad Wenande, and Steve Pier

Voting “Nay” – none.

Abstained – Deb Specht

MOTION – PASSED

ADJOURN SINE DIE:

ROLL CALL:

Present – Brad Wenande, Deb Specht, Mark Mooney, Mike Healy, Dr. Scott Shindler, Jon Economy, City Commission Liaison David Carda and Steve Pier.

Unable to attend: Bruce Viau, and Lynn Peterson and

- 17-17 Nominations were made for Chairman, Steve Pier was nominated, No other nominations were made. All voting “aye”.
- 17-18 Nominations were then made for Vice-Chairman, Brad Wenande was nominated, No other nominations were made. All voting “aye”. Vice-Chairman Wenande wanted it noted that due to his travel schedule for work, he is unable to attend all meetings.

Building Permit Report Update - Mr. Mingo discussed that we are experiencing an all-time record for building permits. 2017 is going to set the total building valuation record for the city. The Water Plant is \$34 million on its own. The Water plant is a huge project that is going to drive a lot of business in the community. There will be construction workers living here for 2 years. It will also support new businesses because we will have a higher capacity to produce water.

17-19 **ADJOURNMENT**

MOTION – It was moved by Commissioner Economy and seconded by Commissioner Wenande to adjourn at 6:30 p.m.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

Respectfully submitted,

Dave Mingo
Secretary