

CITY of YANKTON
PLANNING COMMISSION MEETING MINUTES
for
August 14, 2017

The meeting was called to order at 5:30 p.m. by Co-Chairman Wenande

ROLL CALL:

Present –Mike Healy, Jon Economy, Marc Mooney, Lynn Peterson, Dr. Scott Shindler, ETJ Member Michael Welch, and Brad Wenande.

Unable to attend: Bruce Viau, Deb Specht, Steve Pier, City Commission Liaison Dave Carda

Co-Chairman Wenande asked for approval of the July 10, 2017, meeting minutes.

17-26 **MINUTES** – July 10, 2017

MOTION – It was moved by Commissioner Shindler and seconded by Commissioner Economy to approve the minutes of the July 10, 2017 meeting.

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

MOTION – PASSED

Co-Chairman Wenande read the public hearing item 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.

Dave Mingo advised that this is a draft version of the TID Plan and there may be minor changes between now and when the City Commission sees the document. SDCL allows unit of governments to form TID's. Have been working with Dial over the years to help them. It is very important to note that the proposed district will include a contract guaranteeing that the City and other governmental entities will be held harmless as it relates to TID debt. Two years ago the commission approved a self-assessment district to create some revenue through assessment. That tool has not been able to be used yet. Other tool is tax increment financing. The Mall's property is large enough for the existing uses and possibly the development of two outlots or more. The mall owners currently have a contract for a hotel on one potential outlot. That contract is contingent upon the City approving a TID. Proceeds from any TID approved would go to the mall for façade improvements. None of the proceeds would go

to any hotel developer. Hotel on site is possible. The proposal has a number of safety valves or plans for the City if there is a problem. Purpose of the facade improvements is to attempt to draw more interest and retail activity to the site. Commissioner Schindler inquired about a hotel.

ETJ Member Welch is concerned that this will affect the downtown & mall. Downtown is owned by locals, mall is owned from someone out of state. Mr. Mingo advised that there may be competition between the two, but it is to help all businesses. The downtown is working to improve. There are a number of initiatives they are considering to improve the business climate there. They are even discussing a Business Improvement District. The mall has a substantial piece of property that impacts the community. The hope is for all to succeed.

Commissioner Mooney inquired if this would adversely affect projects coming forward (debt limit). Mr. Mingo advised no, the city has substantial debt capacity remaining. Commissioner Healy asked how committed is the owner, he is not here at the hearing. Mr. Mingo advised that Toby Morris has been working with the owners throughout the process.

Toby Morris of Daugherty & Company has been working on this project for 7 years and has spoken with Dial representatives many times. Toby is representing the project and advising the city so it can keep moving. Toby introduced the hotel developer to the mall people. Toby advised that there are malls that are worse than here. Retail in general is in tough shape. Malls in the state are struggling, Watertown and Pierre are examples.

Co-Chairman Wenande inquired if hotel project contingent on the TIF. Mr. Morris stated that it is. He also asked if Yankton is underserved as far as hotels. Mingo advised that he has heard discussion by the Chamber, Convention and Visitor's Bureau that would indicate that Yankton is unable to host some events because we don't have enough hotel rooms in the community.

Co-Chairman Wenande asked if the \$2 million dollars discretionary, does City have approval. Mr. Morris advised City is in driver's seat and will stay there. The Development Agreement will have the teeth to make sure that the developer does his job.

Commissioner Shindler asked why didn't they do first project they proposed. Mr. Morris advised that it had to do a lot with the leases, such as when Penny's pulled out.

ETJ Member Welch advised that Lewis & Clark Ford did \$1 million renovation. They didn't ask for money, did it all on their own.

Mr. Mingo advised that this goes back to the "but for test". Housing was an easy one to pass. This proposal isn't going anywhere without the TID and the City has no responsibility or risk involved. Significant number of safety nets in

place. Repurposing of the property may need to be done in the future. Something needs to be done and this is the best performance based assistance the city can provide to help the mall owner help themselves.

Co-Chairman Wenande asked if the owner made any effort on attracting tenants. Mr. Morris advised that they have had discussions with many different prospects including retail owners, grocery store, etc. The proposed \$2 million TID would not be used for anything inside? Mr. Mingo advised just the facade.

Commissioner Healy asked if parking lot and inside will have any consideration to fix them. Mr. Mingo advised that this proposal does not create enough increment to address those issues but that if another outlot were to develop, that could generate enough to help with those problems on the site.

Mr. Mingo advised that he receives more calls on parking lot and inside than anything else.

17-27 **MOTION** – It was moved by Commissioner Economy and seconded by Commissioner Shindler to approve 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.

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

The district boundaries shall be: 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.

Determination of eligibility by the City's TID #9 advisor; and

A recommendation to approve the Plan.

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

MOTION – PASSED

Co-Chairman Wenande read the action item for a Plat review, Tract A in Lot 1 of W. G. & A. Addition to the City and County of Yankton, South Dakota. Addresses, 2216 Broadway Avenue. Fifth Generation Investments LLC, owner.

Mr. Mingo advised this is the Bomgaars lot, adjacent to Yesterday's Café. Deed restrictions will need to be in place to make sure that one of the two adjacent owners own the property in perpetuity. The proposed plat doesn't create zoning issues. All subdivision ordinance provisions have already been met. Staff recommends approval.

- 17-28 **MOTION** – It was moved by Commissioner Healy and seconded by Commissioner Peterson to approve the plat of Tract A in Lot 1 of W. G. & A. Addition to the City and County of Yankton, South Dakota. Addresses, 2216 Broadway Avenue. Fifth Generation Investments LLC, owner.
VOTE – Voting “Aye” – all members present. Voting “Nay” – none.
MOTION – PASSED

Co-Chairman Wenande read the action item for a Position Statement regarding the possible vacation of the Timberland Drive section line right-of-way between W. 8th Street and w. 11th Street.

Mr. Mingo advised that this is technically a county action item and they have asked for a statement from the city regarding the issue. The County anticipates a petition being filed. This is entirely a county decision, however it is within the city's three mile platting jurisdiction so the county would appreciate input from the city. There has been discussions with City Engineers about growth of the City and the need for the corridor. Came to the clear conclusion that it won't be practical for a road to be there but it is important that an easement be created for utilities like water, sanitary sewer, electrical, natural gas, and telecommunications. Staff recommends that we tell county that OK to vacate, as long as a 20 feet easement be put in place.

Co-Chairman Wenande asked how wide? Mr. Mingo advised it has not been vacated, need to find out what is there and not there. On beacon site, shows 33' being in place. It is in a section line so it should all be there. Co-Chairman Wenande advised that 20 feet is not enough for all of the utilities.

Commissioner Economy asked why do we want to vacate? Mr. Mingo advised that vacating the ROW would provide more developable land for the area property owners. Because of how steep the hill is, there is no purpose for traveling public to be there, it's only use would be for utilities.

Commissioner Healy asked if there has been any feedback from property owners? Mr. Mingo advised that it is not our purpose to see what property owner's thoughts are, that will be part of the county's process if they consider a section line ROW vacation. The two adjacent property owners have mentioned over the years that they would like to see it vacated.

Commissioner Healy asked if this would be used for trails? Mr. Mingo –advised that it won't meet ADA requirements in that area.

17-29 **MOTION** – It was moved by Commissioner Peterson and seconded by Commissioner Economy to recommend a Position Statement by the city that says we do not see a need for a street in the area, but do see a need for an easement of 33 feet at minimum regarding the possible vacation of the Timberland Drive section line right-of-way between W. 8th Street and w. 11th Street.

VOTE – Voting “Aye” – Wenande, Healy, Shindler, Economy, Viau and Pier.
Voting “Nay” – none.

Abstained: Specht

MOTION – PASSED

Building Permit Report Update - Mr. Mingo discussed the valuations are substantially higher than last year. Even if we take out the permit for the water plant. It is amazingly better than we thought it would be. Census information has conflicts because they apply regional modifiers. The drop in the federal prison population affects out census numbers but doesn't really impact our economy

17-30 **ADJOURNMENT**

MOTION – It was moved by Commissioner Peterson and seconded by Commissioner Shindler to adjourn at 6:15 p.m.

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

MOTION – PASSED

Respectfully submitted,



Dave Mingo
Secretary