



# UNION CROSSING

North Sioux City, South Dakota

Developed by

**PBR Capital Group, LLC 371 West Anchor, Dakota Dunes SD**



# Union Crossing Development Overview & Enhancements

PBR Capital, LLC  
Union Crossing Development





# Phase 1 Development Overview

## Single-Family & Multi-Family Residential

Phase 1 of the Union Crossing residential development includes the following:

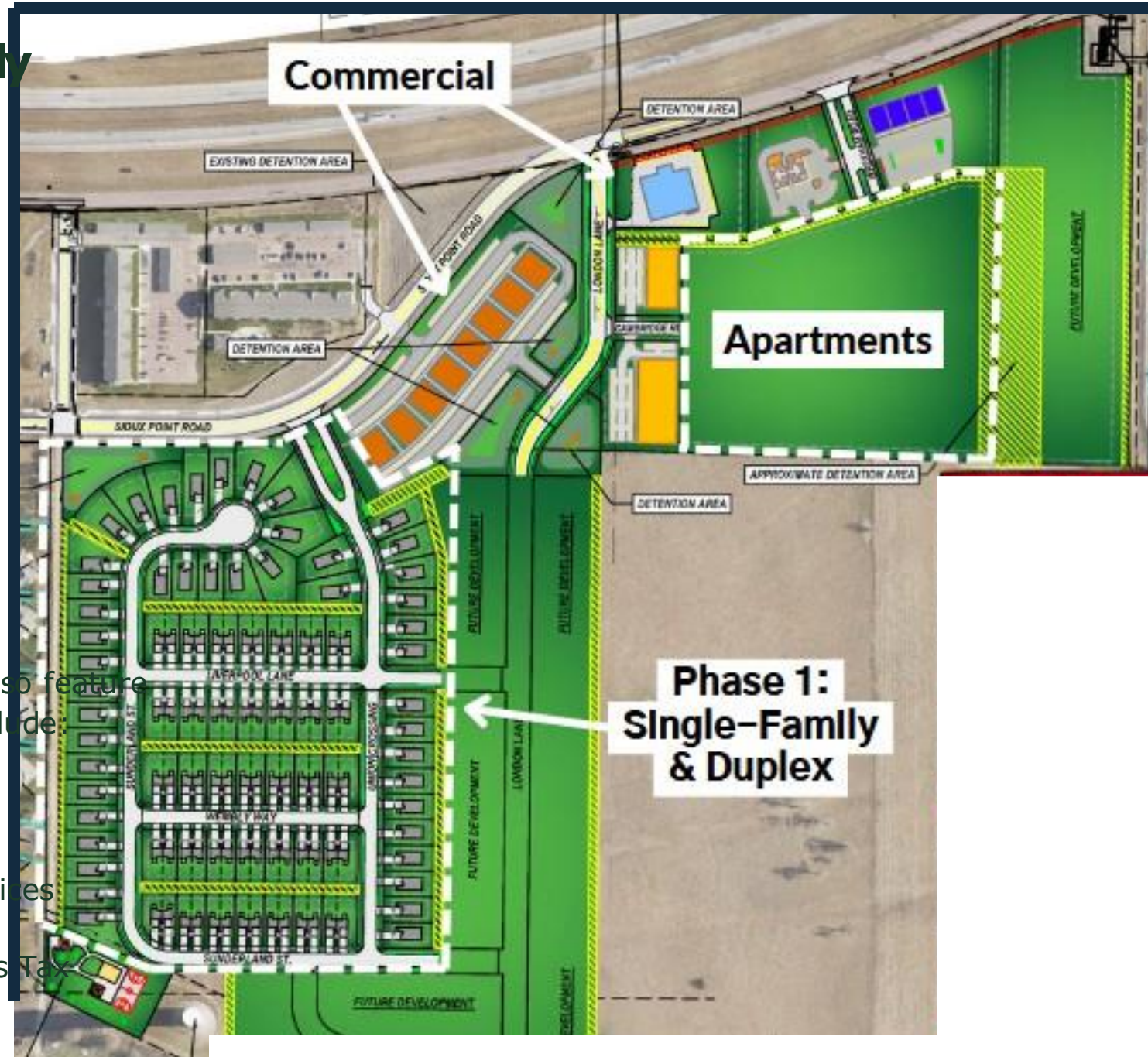
- Single-Family Homes: 46
- Duplex Units: 70
- Apartments:
  - Total Buildings: 14
  - Total Units: 185

## Commercial

The Union Crossing development will also feature various commercial development to include:

- Professional Services
- Financial Institutions
- General Retail & Retail Trade & Services

All of which will generate valuable Sales Tax revenue for North Sioux City.



## What's Changed

Union Crossing creates critically needed workforce housing in North Sioux City. We are confident that our revised proposal meets all of the concerns that were brought to our attention. The key components of the revised development proposal include:



# 1

The revised development plan eliminates three and four plex units. This change results in a design that closely aligns with the character of existing neighborhoods in the area, such as the Prairie development in Dakota Dunes, South Dakota. These project enhancements result in the following residential land use adaptations:\*

# 2

To address any potential concerns that Union Crossing will develop canals or connect to future canals that have been proposed in McCook Lake, land use restrictions will be placed on the property to address these concerns

# 3

PBR/Union Crossing has committed to sharing TIF proceeds with the City of NSC. The proposed TIF would contribute up to **15%** of total TIF payments to North Sioux City (up to **\$1,500,000**). This would represent the first development in North Sioux City's history to allocate a portion of TIF dollars to the City.





## Conceptual Multi-Family Apartment Development







# North Sioux City Housing Needs

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# North Sioux City's Housing Needs

This development was born out of PBR Capital Group's desire to invest in North Sioux City and address the community's growing need for housing.

## Job Growth

Union County added nearly 850 jobs between 2010 and 2020, and is projected to grow employment by 16.8% in the next six years.  
- *South Dakota Department of Labor and Regulation.*

## Bussiness Retention & Expansion Program Summary Report

Each year, the North Sioux City Economic Development Corporation (NSCEDC) conducts interviews with local employers. The top concern in 2024 remained workforce housing and population growth; a long-standing issue since 2017.

As of 2019, only 7% of the 3,099 employed people in North Sioux City lived in the community.

## Lack of Inventory

The 2022 Housing Study predicts an increase of 210 households by 2026, which is contrasted by a lack of housing inventory. Likewise, North Sioux City's housing shortage is compounded by a lack of multi-family housing inventory.

## Declining Enrollment

Not only will increased housing availability aid the declining Dakota Valley School District enrollment, but it will also aid in the recruitment and retention of educators within North Sioux City.

## Union Crossing's Response:

- The proposed development provides financially obtainable housing for the North Sioux City workforce and those looking for a mid-market home in the community.
- Home prices will be below the South Dakota first time home buyer threshold of \$385,000.





## UNION CROSSING

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### What happens if this project is not approved?

**#1**

North Sioux City's housing needs will remain a critical issue for growing businesses and it will send a message to future developers that North Sioux City no longer favors economic development.

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**#2**

North Sioux City has invested millions of dollars in infrastructure to allow for more housing. If that housing is not developed, these infrastructure costs will be spread across existing taxpayers. This would include the costs associated with the Southwest Lift Station.

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**#3**

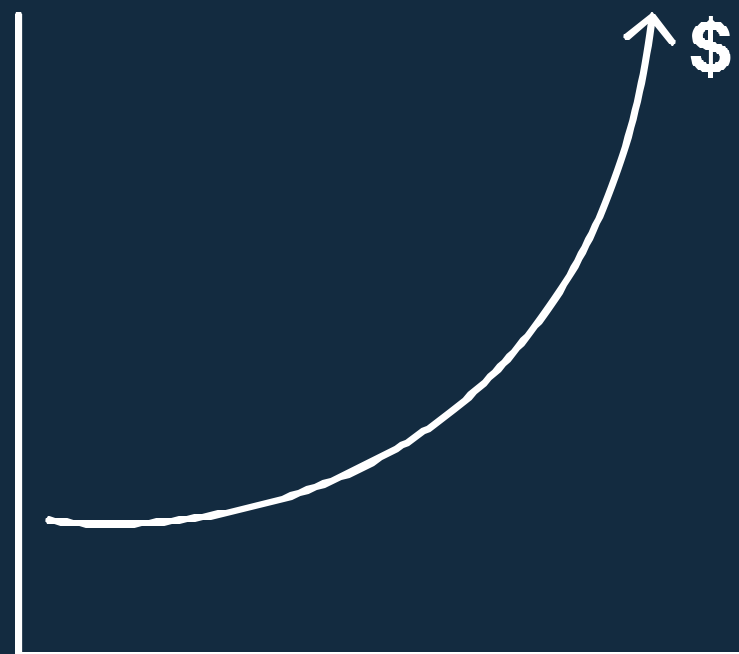
The \$2.7mm South Dakota Housing Grant, which was awarded to the developer, will be allocated to another community.

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**#4**

The proposed TIF Sharing (up to **15%** of total TIF payments to North Sioux City, up to **\$1,500,000**) would not be realized by the City.





# Tax Increment Financing (TIF)

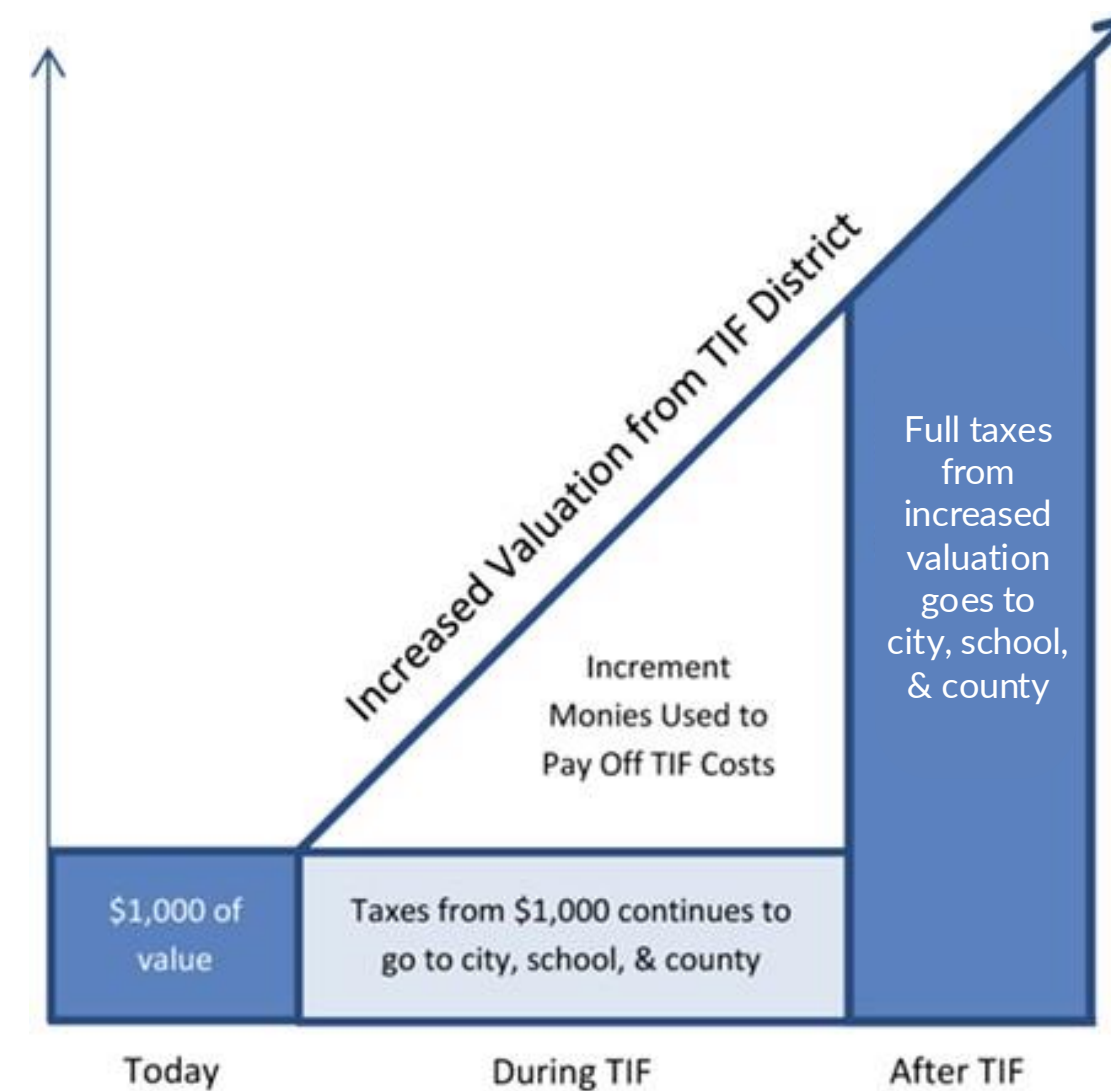
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# UNION CROSSING

## What Is Tax Increment Financing (TIF)

- Tax Increment Financing (TIF) is a way for cities to fund development projects. The idea is simple: a city invests in an area to improve it, and as property values rise, the extra tax money (the "increment") helps pay for those improvements.
- The funds for this investment come from future tax revenues, not otherwise expected to occur, generated by increased private investment in an underperforming tax area; specifically, agricultural ground.
- Since TIF was first authorized in 1978, there have been a total of 487 TIF districts created in South Dakota. There are currently 261 active TIF districts.







## Union Crossing TIF Overview & Impact

- The State has classified this TIF as Economic Development. Specifically, this TIF involves commercial and workforce housing (\$385,000 or less) development, which contributes substantially to the economic health of North Sioux City.
- This TIF classifications results in **NO** tax increases or mill levy increases.
- If the TIF does not receive final approval, Union Crossing will be forced to void the development. This in turn denies North Sioux City growth and thereby valuable property and sales tax revenue.
- TIF =Growth =
  - A larger tax base leads to lower mill levies
  - Increased sales tax for the City
  - Additional water & sewer hook ups, which pays for needed infrastructure and lessens the tax burden on current citizens.
  - Affordable homes will have a direct impact on the number of families in the community.
    - More Families =More Students
    - More Students =More revenue for the Dakota Valley School District.

# A TIF Does Not Burden Taxpayers—Here’s Why:

## School Funding

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- TIF does NOT take money away from schools
- South Dakota’s school funding formula ensures that every district is fully funded.
  - The state fills the gap during the TIF period, so schools get the same amount of funding as they would if TIF didn’t exist.
  - Once the TIF expires, the school gets a major permanent boost in property tax revenue.

## TIF & Current Taxes

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- TIF does NOT raise taxes on current residents
- TIF ensures that new development pays for its own infrastructure costs—not existing taxpayers.
  - Without TIF, the cost of sewer, roads, and utilities could fall on current residents.

## TIFs Are Not New

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- TIF is a Standard, Proven Tool for Growth
- Numerous housing projects throughout the state that have been awarded state funding, also utilize a TIF.
  - North Sioux City TIFs #3 & #4 have a combined base value of \$460,956 and are currently valued at over \$24,000,000. This represents a substantial increase in property tax and school funding.

## TIF Impacts on Public Services

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North Sioux City Officials have confirmed in the North Sioux City Times that the cost of public services as it relates to the Union Crossing development will be far outweighed by the revenue generated by the development. Furthermore, **15%** of the TIF payments will be allocated to the City, or up to **\$1,500,000**.