

DVKH PROPERTIES LLC – INCENTIVE REQUEST

City of Pipestone, Minnesota

Applicant: Darrin De Kam

Phone:

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Project Summary

DVKH Properties LLC represents a \$1,500,000 private investment in Pipestone, creating a modern, high-quality facility that will serve residents year-round while increasing long-term property value and economic activity.

The project will generate consistent, high-volume utility usage (estimated 125,000–150,000 gallons/month) and provide reliable ongoing revenue to the city.

Estimated annual water and sewer revenue to the City: \$34,000–\$41,000, with consistent long-term usage.

Requested Incentives

- 7-year abatement on the city portion of real estate taxes
- 7-year water & sewer rate adjustment with a 40% reduction

Why This Makes Sense for the City

- \$1.5M immediate private investment
- Increased tax base after abatement period
- High-volume, consistent utility revenue
- Essential year-round community service
- Encourages further local development

Closing

This request is limited in duration and structured to support the project during early years while positioning it as a long-term, stable contributor to the city. With council support, this project will deliver lasting value to Pipestone.

Darrin De Kam