

ANNEXATION STUDY

SOUTHEAST CONNECTOR ANNEXATION AREA

FEBRUARY 2003

Annexation Study of Southeast Connector Annexation Area

INTRODUCTION:

The following is a study prepared pursuant to SDCL 9-4-4.1 which examines the merits of annexing portions of Section 9, 16 and 17, T1N, R8E, Black Hills Meridian, Pennington County, South Dakota. This area is more generally described as lying east of SD Highway 79, south of SD Highway 44 East and west of Jolly Lane Road and includes approximately 133.4682 acres of land (See Figure #1). The area is currently zoned by Pennington County as Suburban Residential and Limited Agriculture. This area includes one residential property and the Southeast Connector Road, with the balance of the area undeveloped. This area is surrounded by lands that were annexed into the City between 1994, 2000 and 2001.

This area is one of the short-term priorities the City Council has established in the Resolution Establishing Future Annexation Study Areas, adopted April 2, 2001. (The Resolution and Map are Figure 2 and Figure 3 respectively). The subject area is within an area surrounded by the City limit boundaries.

The Southeast Connector Annexation Area represents an area that is part of the Rapid City community infrastructure and is a key to the development of properties surrounding this area.

THE ANNEXATION PROCESS:

Annexation is the process by which lands adjacent to a municipality are made part of the municipality so as to share in the services the municipal government provides and share in the obligation of paying for those services. When an area has developed, is in the process of developing, or is key to the development of other properties, annexation should be considered. As stated in the Rapid City Annexation Policy Document, adopted December 19, 1983;

“When a city is willing and able to provide the urban services from which an adjacent and contiguous developing area benefits; when there exists a community of interest between the city and the developing area; when it is essential that a city be allowed to exercise proper police powers to ensure orderly growth and development; when the development of an area may easily effect the health and safety of the residents of a city; and when a tax inequity exists because of the provision of urban services to (a) developing area; then the area so described must fairly be considered for annexation.”

The process of annexation as spelled out in South Dakota Codified Law Chapter 9-4 provides for annexation by petitioner of the property owners and annexation initiated by the municipality. This study represents the first step in the process of a city-initiated annexation. This study will present the justification for annexing the subject territory and identify the municipal resources that are in place or available to serve the area. With this study as a basis, the Rapid City Council may adopt a Resolution of Intent to Annex following a public hearing with proper notice given to the affected landowners and the Pennington County Commissioners. Within sixty (60) days of the adoption of the

Resolution of Intent to Annex, and after the proper notification to the same parties, the City Council shall conduct a hearing on the annexation of the subject territory. The City Council must act on the annexation resolution within one hundred and twenty (120) days of the hearing. The annexation may be referred to a vote of the combined residents of the municipality and residents of the territory to be annexed pursuant to SDCL 9-4-4.5 through 9-4-4.9.

DESCRIPTION OF TERRITORY:

The territory considered in this annexation contains 133.4682 acres, more or less, and includes 2 property owners and 12 properties, as evidenced by information provided by the Pennington County Director of Equalization's Office:

1. Balance of Tract A in the E1/2SW1/4 and the W1/2SE1/4, Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and
2. Lot 2 of Tract A of NE1/4SW1/4, Section 9, T1N, R8E, BHM, Pennington County, South Dakota, Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
3. Lot H1 in Tract A in the E1/2SW1/4 and in the W1/2SE1/4 Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
4. Lot H1 in Lot 1 of the Well Addition in the SW1/4 Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
5. Lot H1 in the N1/2SE1/4NW1/4 Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
6. Lot H2 in the N1/2SW1/4NE1/4 lying south and west of SD Highway 44 and the railroad right-of-way, Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
7. Lot H5 in the NE1/4NW1/4 lying south and west of SD Highway 44, Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
8. Lot H2 in the NW1/4NE1/4 lying south and west of SD Highway 44 and the railroad right-of-way, Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
9. The 100 foot railroad right-of-way of the South Dakota Department of Transportation acting through the Office of Railroads, lying adjacent and north of Lot H2 in the NW1/4NE1/4 and Lot H5 in the NE1/4NW1/4 and Lot H2 in the N1/2SW1/4NE1/4, all located in Section 9, T1N, R8E, BHM, Pennington County, South Dakota; and,
10. Lot H1 amending the original plat of Lot H1 recorded in Book 9 Hwy of Plats – Page 54 – dated January 5, 1998, in the N1/2NW1/4 of Section 16, T1N, R8E, BHM, Pennington County, South Dakota; and,
11. Lot H1 amending the original plat of Lot H1 as recorded in Book 9 Hwy of Plats – Page 52 – dated January 5, 1998 in the S1/2NW1/4 of Section 16, T1N, R8E, BHM, excepting therefrom the following described land: the west 210 feet of the north 600 feet of the NE1/4SE1/4NW1/4 and the east 190 feet of the north 600 feet of the NW1/4SE1/4NW1/4 of said Section 16; the balance of the S1/2NE1/4SE1/4NW1/4 of said Section 16; and the SW1/4SW1/4SW1/4NW1/4 of said Section 16, all of Pennington County, South Dakota; and,
12. Lot H1 in the NE1/4SE1/4 of Section 17, T1N, R8E, BHM, Pennington County, South Dakota.

The property is more generally described as lying east of SD Highway 79 South, south of SD Highway 44 East, and west of Jolly Lane Road. Figure #1 provides a map of the property and its location relative to principal streets and highways, and to the City of Rapid City. One residential property is located in the annexation area, with the balance of the area undeveloped. The proposed Southeast Connector Road is located in a north/south direction in this annexation area.

The land along either side of Rapid Creek, particularly north of the creek is relatively flat. The amount of vertical relief between Rapid Creek and SD Highway 44 East is only about forty feet over a distance of two-thirds of a mile. The amount of vertical relief south of Rapid Creek is relatively flat for a short distance but then rises approximately two hundred feet over a distance of two-thirds of a mile cresting on top of a northwest/southeast-oriented ridge.

A majority of the proposed annexation area is designated floodplain and floodway. Rapid Creek crosses this area in an east/west direction. As mentioned, relatively gentle topography for some distance on either side of the creek has resulted in an expansive floodplain area. Most of the area is located either in the floodway, 100 year floodplain, or 500 year floodplain of Rapid Creek. The area is currently part of the adopted Unnamed Tributary Drainage Basin Plan and the Perrine Drainage Basin Plan.

Most of the undeveloped property is currently under cultivation or used as rangeland or pastureland with little native prairie grass areas in existence. Riparian and wooded areas exist adjacent to Rapid Creek with common species including cottonwood, green ash, American plum, boxelder, choke cherry, willow, buffalo berry, snow berry and wild rose. Some limited areas of wetland vegetation are found in poorly drained areas such as old stream meanders and oxbow areas along Rapid Creek. It is unknown if any unique or endangered plant or animal species inhabit the territory. The State Archaeological Research Center and State Office of History have indicated there are no known historic or prehistoric resources that exist on the properties involved in this annexation.

AREA STUDIES:

The City of Rapid City Comprehensive Plan recommends residential land uses across this study area. The proposed Southeast Connector Annexation Area has not yet been included in the City's ongoing future land use planning update process.

The Rapid City Annexation Policy Document of December 1983 identifies the majority of this area as Annexation Priority Area #1. This document was adopted by the City of Rapid City to set forth the criteria under which land was to be considered for annexation, and to specifically identify the geographic priority areas for annexation.

The East Greenway Master Plan, adopted December 1999, is the extension of the City Greenway and encompasses the floodplain located in this area. The East Greenway Master Plan sets forth recommendations relating to floodplain management, environmental considerations, possible land acquisition, infrastructure improvements, regulatory measures and construction guidelines.

On April 2, 2001, the Rapid City Council adopted a Resolution Establishing Future Annexation Study Areas. This area is one of the short-term priorities listed in the

resolution. The resolution and a map of the area are shown in Figure 2 and Figure 3 respectively.

FUTURE DEVELOPMENT:

This report addresses the current land uses and zoning in the area. The Rapid City Comprehensive Plan identifies this area as appropriate for residential land uses. The City will be updating the future land use plan for this area in the future.

The majority of the annexation area is zoned Suburban Residential District or Limited Agricultural District by Pennington County.

The maximum build-out of the annexation area could result in approximately ten additional dwelling units. This estimate is based upon the East Greenway Master Plan and the Rapid City Comprehensive Land Use Plan, limited by the topography and floodway/floodplain conditions. Current land use trends and zoning preclude commercial or industrial development in the annexation area.

Approximately 60 acres of undeveloped land is located within the annexation area. Of this total area, the majority of the area is located within the floodway along Rapid Creek and cannot be built upon or is within the 100 year or 500 year floodplain. The 60 acres is currently zoned as Suburban Residential District by Pennington County. The Rapid City Comprehensive Land Use Plan for this area identifies the area as appropriate for single family residential with densities of 2.4 dwellings per acre. However, the East Greenway Master Plan indicates that the majority of the area is within the area to be used for recreation and park land. A small area west of the Southeast Connector Road adjacent to Orchard Road would be appropriate for approximately ten single family residences. Based on the East Greenway Master Plan and the average household sizes of 2.5 to 3 persons, the estimated build-out population of the Southeast Connector Annexation Area is approximately 28 persons.

PUBLIC SERVICES:

The following section describes the various public services offered by the City of Rapid City, and which of these services may be provided to the Southeast Connector Annexation Area. Also included in this section are the estimated costs to the City for provision of such services.

Streets/Transportation: There is one proposed principal arterial road, the Southeast Connector Road, within the Southeast Connector Annexation Area.

There are no existing local streets serving the subject territory. The extent to which local streets would have to be expanded will be dependent on the ultimate density of development.

Rapid Creek and the Murphy Irrigation Ditch cross the annexation area in an east/west direction.

The construction of the Southeast Connector roadway is part of Rapid City's 5-year Transportation Improvement Plan and the South Dakota Department of Transportation has begun the first phase of this project from SD Highway 44 north along Elk Vale Road.

This roadway will be a limited-access arterial roadway connecting Elk Vale Road with the existing Catron Boulevard. The Southeast Connector Road will cross this annexation area in a north/south direction. The City will assume costs of electricity and maintenance of roadway lighting and signals in conjunction with the Southeast Connector and other future South Dakota Department of Transportation upgrades. Until plans are developed further, estimates on costs to the City are not available.

Building bike paths in this annexation area is projected in the East Greenway Master Plan. The bike paths are in the planning stage only and no funding sources have been identified.

Water: The Rapid Valley Sanitary District serves the annexation area. The District purchases water from the City and then sells it to their users. The District operates, maintains and repairs all of the distribution system and administers all water billing operations. The arrangement between the Rapid Valley Sanitary District and the City of Rapid City will not change upon annexation. The District will continue to provide water to users within the area unless the City and the Sanitary District re-negotiate their agreement. No City water improvements are projected for this annexation area.

Sanitary Sewer: The Southeast Connector Annexation Area is located within the Rapid Valley Sanitary District. The District operates and maintains all of its own sewage collection system in the area. The arrangement between the Rapid Valley Sanitary District and the City of Rapid City will not change upon annexation. The District will continue to provide sewer service to users within the area unless the City and the Sanitary District agree otherwise. No City sewer improvements are projected for this annexation area.

Drainage/Floodway Development Issues: As stated earlier in this report, the majority of the annexation area is located in the floodway, 100 year floodplain or 500 year floodplain. No development is allowed in the floodway. Future development in some of the floodplain areas will require additional costs to be able to comply with the floodplain regulations for development.

Street and Road Services: Street and road services provided to the residents of Rapid City include road repair and maintenance, snow removal, street cleaning, traffic controls, traffic engineering and street lighting. Rapid City and the South Dakota Department of Transportation are the property owners of the Southeast Connector Annexation Area. There is one residence on the property and the inhabitants have a life estate on the property. There are no other existing public rights-of-way in the annexation area.

Solid Waste Collection and Disposal: The City currently services the annexation area by allowing commercial solid waste haulers serving the area to utilize the landfill and material recovery facility. The cost to commercial haulers for using the landfill is \$45.00 per ton. The City of Rapid City, rather than commercial haulers, would handle the collection and disposal of solid waste for any current households in subdivisions within the subject territory once the subdivision residents petition for this service. Any new residential subdivision will automatically have City Collection service without the petition process. The fee for City service would be based on the size of the container used for collection and would be increased on April 1 each year based upon the annual percentage change in the consumer price index as per Ordinance #3796. The current

rate per month would be \$11.09 per month for a 30 gallon container, \$12.59 per month for a 60 gallon container, and \$14.09 per month for a 90 gallon container.

Fire Protection: The City of Rapid City, under an informal mutual aid agreement with the Rapid Valley Volunteer Fire Department, provides fire suppression services to developed and undeveloped properties in the proposed annexation area when requested. Upon annexation, the Rapid Valley Fire Department would no longer be expected to respond unless assistance was requested by the Rapid City Fire Department. Also, upon annexation all City fire services would be provided to the area including: emergency services such as fire suppression (including structure and wildland protection), fire prevention services (including code enforcement, plan review and fire investigation), hazardous materials response and mitigation, rescue functions (including water related rescue/recovery, vehicle extrications, industrial rescue), and emergency medical services (including basic life support and advanced life support).

In the event the subject territory is annexed, the City would have an obligation to make debt payments to the Rapid Valley Fire Department for any investments that may have been made to service the subject property. The Rapid Valley Fire Department has indicated on August 28, 2002 that there is an outstanding debt and determined the dollar amount due is approximately \$553.55. Due to the length of time that has passed, a new invoice will be submitted with an amended dollar amount when annexation occurs.

The Elk Vale Neighborhood Future Land Use Plan was adopted May 2000 for the area located to the north of the Southeast Connector Annexation Area and identifies a future fire station location. The entire East SD Highway 44 area is currently being served by the south fire station on Fairmont Boulevard. The Fire Department has indicated that at this time the Southeast Connector Annexation Area will not warrant construction of a new fire station. The annexation area will continue to be served by the south fire station.

The current cost to the City for providing mutual aid fire protection services to this area is negligible.

Police Protection: Law enforcement is currently provided to the subject properties by the Pennington County Sheriff's Department. Upon annexation, the territory would become the responsibility of the City of Rapid City Police Department. At the existing level of development the estimated cost to the City for providing police service would be negligible.

The Department has noted that the annexation area is an outlying area and it will be difficult to maintain the ideal response times of 2 to 2 ½ minutes. The Police Department has noted, however, that the City can choose to retain the services of the Sheriff's Office for emergency call purposes.

Building Inspection and Ordinance Enforcement: The services of the Building Inspections Division required by City Ordinance and available immediately to the proposed annexation area include: building permits, sign permits, addressing, plan reviews, building inspections, mechanical inspections, electrical inspections, ordinance enforcement, and other similar services. The estimated costs to the City for providing services from the Building Inspection Department are negligible. Fees or charges for building inspection services would recover any added costs for staff and facilities needed in the future.

Public Transit: The City of Rapid City currently operates both a fixed route and dial-a-ride transit systems. There are no plans for expansion of the fixed-route system to serve the annexation area; however the need for service will be monitored along with all other parts of the community.

It is the policy of the City to provide dial-a-ride service to all incorporated areas of the City. Dial-a-ride service must be provided to all individuals meeting Americans with Disabilities Act (ADA) certification criteria. Dial-a-ride service is provided on a space available basis to the public at large provided they reside more than three-quarters of a mile from a transit stop. Therefore, there will be some increase in cost to the City for providing Dial-a-ride service to the Southeast Connector Annexation Area as the area is outside of this three-quarter mile zone. Because of the limited number of residents and the limited potential for residential development, no significant costs are anticipated.

Parks: The annexation of the subject territory would not, in itself, necessitate the construction of any new parks or recreational facilities within the area. However, as a majority of the property is owned by Rapid City, there have been indications that the property could be used for park and recreation facilities. Recommendations for park and recreation areas in this annexation area are also included as part of the East Greenway Master Plan.

Other Public Services: Community wide services provided to residents of Rapid City include but are not limited to: parks and recreation, the Rushmore Plaza Civic Center, Dahl Fine Arts Center and the Public Library.

Residency is not considered for services provided patrons of the Rushmore Plaza Civic Center, Dahl Fine Arts Center or Rapid City Regional Airport. While fees and rental payments help offset costs for these and other citywide facilities, tax support from the City residents is necessary.

Summary of Public Services/Costs: Table 5 represents an itemization of the city services and associated costs described in the preceding sections.

Table 5
Summary of Estimated Costs of Annexation

Improvement	Estimated Cost
Street Upgrades	\$0
Irrigation Ditch Crossings (streets)	\$0
Water System Upgrades	Costs are possible but difficult to quantify
Sewer System Upgrades	Costs are possible but difficult to quantify
Street/Road Maintenance	\$0
Solid Waste Collection/Disposal	No Cost (all increased expenses recovered by new fees)
Fire Department	\$0
Police Department	\$0
Code Enforcement	Costs are possible but difficult to quantify
Building Inspections	\$0

Transit	Costs are likely but cannot be quantified
Parks and Recreation	Costs are likely but cannot be quantified
TOTAL	\$0

TAXATION

The estimated difference in the 2002 tax assessment rate applied to the subject territory upon annexation would be the addition of the City of Rapid City levy of 3.3041 mills (except for land classified as agricultural for which the mill rate is .8260) and elimination of a total of 2.2410 mills for the County Fire Administration, Library, Unorganized Road District, and Rapid Valley Fire District. Table 6 gives the current mill rates and the anticipated changes upon annexation for the taxing district found in the Southeast Connector Annexation Area.

Table 6
Mill Rate Comparisons

<u>Taxing District</u>	<u>Current Mill Rate</u>	<u>Mill Rate Upon Annexation</u>	<u>Net Change in Mills</u>	<u>% Change in Total Tax</u>
4D-VF VS Owner Occupied	18.7064	19.7695	1.0631	5.69%
4D-VF VS Ag	16.4091	14.9941	-1.415	-8.63%
4D-VF VS NonAg	25.6387	26.7018	1.0631	4.15%

(4D is Rapid City School District, VF is the Rapid Valley Fire Department, and VS is the Rapid Valley Sanitary Sewer District)

NEED FOR ANNEXATION

The annexation of the subject territory is warranted from a number of perspectives. A municipality formed to meet the needs of the residents of a community must endeavor to provide efficient public services in an attempt to keep the cost of services reasonable to the residents. The economies of most municipal services are directly related to the form and size of the City. A city that can achieve a compact form, while still providing space for internal expansion and recreation, can minimize those public costs.

The achievement of an economical city form requires that development occur in an orderly and planned fashion. Recognizing the desirability of this orderly growth, the City of Rapid City adopted an Annexation Policy Document in December of 1983. In developing the policy document the City adopted four annexation goals. These goals are:

- (1) The annexation of lands which are necessary for the orderly growth and development of the City;
- (2) The annexation of lands which are urbanized or urbanizing to the extent that they require an urban level of services;
- (3) The annexation of lands the development of which effects the health and/or safety of the residents of the City;
- (4) The annexation of lands to ensure an equitable tax base.

The Southeast Connector Annexation Area represents an area for which annexation should be considered according to the four previous goals:

- The annexation of the land is necessary for the orderly growth and development of Rapid City. Generally speaking, annexation allows the City to plan in advance of development occurring. Annexation of the Southeast Connector Annexation Area will ensure that future utility service and road improvements are done in accordance with City standards. In addition, the implementation of City zoning and nuisance ordinances will ensure that negative impacts from future development are minimized.
- The annexation of the Southeast Connector Annexation Area is necessary because of the urbanization that will be occurring there and the future demand for an urban level of service. As stated earlier in this report, a major roadway, the Southeast Connector Road, is planned for the annexation area. The possibility of future parks and recreation in this annexation area to serve the City will require urban-level improvements.
- The annexation of the Southeast Connector Annexation Area is necessary as the area directly impacts the health and safety of the residents of Rapid City. This annexation area is an “island” of unincorporated land surrounded by the City limits. What happens within these islands will have a very direct impact upon the adjoining incorporated areas. This is particularly true for things such as zoning or nuisance requirements.
- The annexation of the Southeast Connector Annexation Area is also necessary to preserve an equitable tax base. Islands of unincorporated lands located within a City lead to certain inefficiencies. Services such as police and fire protection are more adequately and efficiently provided if they cater to a cohesive service area rather than a scattered or broken service area. Infrastructure improvement costs and maintenance costs are also reduced with a compact urban form rather than a sprawling form.

The residents of the Southeast Connector Annexation Area share a community of interest with Rapid City and benefit now from certain city services. Residents of the annexation area drive upon City streets, utilize City parks, and benefit from other City services such as City planning. The properties within this territory have available to them an urban level of service due to the growth that has occurred in adjacent portions of Rapid City.

Based upon the growth pressures present in this area with the inclusion of the Southeast Connector Road, and the goals of the City’s adopted Annexation Policy Document, it is the opinion of the Planning Department Staff that the annexation of the subject territory is prudent and warranted.

COMMUNITY GROWTH

The City of Rapid City and surrounding area has continued to grow in recent years as evidence by the following figures:

- Rapid City Population (source: U.S. Census Bureau):
1980 – 46,492
1990 – 54,523 (17.3% increase from 1980)
2000 – 59,113 (8.5% increase from 1990)
- Rapid City and Three-Mile Area Population (source: U.S. Census Bureau):
1990 – 67,434
2000 – 73,431 (9% increase from 1990)

As can be seen from the preceding figures, the population of Rapid City and the surrounding area continues to grow. To accommodate this continuing growth, the community needs additional areas for residential development.

CONCLUSIONS

The City of Rapid City continues to experience significant growth. Annexation has generally kept pace with this growth creating an environment in which City policies and procedures have both ensured orderly growth and the equitable development of supporting infrastructure.

Costs upon annexation will not be incurred by the City for services such as street repair and maintenance, police protection, and fire and emergency services. Supporting infrastructure and service are in place to accommodate urban scale development. Water and sewer service will continue to be provided by the Rapid Valley Sanitary District until such time the District negotiates with the City to accept these responsibilities.

The study area complies with all aspects of the City's Annexation Policy Document. To continue the orderly growth of the City and ensure equitable development of supporting infrastructure, the annexation of this Southeast Connector Study Area is warranted.