

Memo: Rapid City Common Council  
From: Rick Kahler, Kensington Heights, LLC

I am requesting a variance from the 40 unit rule for my next phase of Kensington Heights.

The plan that Doug Sperlich presented to you initially was to connect Fieldview Drive to complete a loop to Parkview. Now, I am asking only to complete Davin Drive to connect to Fieldview. I realize this is a change from my initial intentions, and for that I apologize.

When the announcement came on May 13<sup>th</sup>, regarding the base closure, I saw the interest level in lots stop and has remained flat. Certainly, the short term future of the building and real estate industry is cloudy, at best.

The cost of extending Fieldview drive is just over \$400,000. Given the current economy and situation at the base, it would not be economically prudent for me to borrow the money necessary to complete Fieldview.

What I would like to do is to complete Davin Drive to connect with Fieldview. This would open up 6 additional lots. Once the remaining 7 lots in Phase II these 6 new lots are sold, I will then extend Fieldview.

I hope you will favorably consider my request for a variance. To work through the challenging times that lie ahead for Rapid City will require some extraordinary flexibility on behalf of government and business.

If you have any questions at all, please feel free to call me at 343-1400. Thank you for your understanding and consideration.

Best Regards,

Rick Kahler