

**ANNEXATION STUDY**

**SOUTH VALLEY DRIVE AREA ANNEXATION**

**OCTOBER 2001**

**Annexation Study of**  
**South Valley Drive Area Annexation**

**INTRODUCTION:**

The following is a study prepared pursuant to SDCL 9-4-4.1 which examines the merits of annexing portions of Section 4,8,9,16,17 and 18, T1N, R8E, Black Hills Meridian. This area is more generally described as lying east of SD Highway 79 South, south of SD Highway 44 East, and west of Elks Country Estates and includes approximately 1231 acres of land. Included within this one annexation are five sub-areas (See Figure #1). From west to east, these five areas are as follows:

Sub-Area #1: Approximately 60 acres of land located adjacent to and including the SD Highway 79 right-of-way. Most of this area is currently zoned as Heavy Industrial and General Commercial by Pennington County. The majority of this area is already fully developed. The lands to the west, north and east were previously annexed to Rapid City at various stages from 1956 to 1998 (See Figure #2).

Sub-Area #2: Approximately 160 acres of land located east of SD Highway 79, south and east of Old Folsom Road. There is one commercial property located in this area adjacent to SD Highway 79. The balance of the area is undeveloped. The current zoning in Pennington County is General Commercial next to SD Highway 79 where there is commercial property, then Heavy Industrial and General Commercial east of Old Folsom Road and the railroad tracks. A portion of Sub-Area #1 is located to the northeast of this area. The land northwest of this area was annexed into the city in 1988 (See Figure #2).

Sub-Area #3: Approximately 620 acres of land extending south from St. Patrick Street, west and south of Valley Drive, to the northern boundary of the existing City limits. The area is currently zoned by Pennington County as Suburban Residential and Limited Agriculture. Much of this area is still undeveloped. This area is surrounded by lands that were annexed into the City between 1973 and 2000 (See Figure #2).

Sub-Area #4: Approximately 336 acres of land extending south from SD Highway 44, including all development along South Valley Drive. There are approximately 300 residences (including numerous mobile homes) and several commercial properties currently located in this area. Some of the subdivisions in this area include: Rapid Valley, Long Acre Square, Sedivy, Eden Gardens, Fravel Tract, Orchard, Melody Acres and Melody Acres #2. The area is currently zoned by Pennington County as Suburban Residential with a small area of General Commercial along SD Highway 44. This area is surrounded by lands that were annexed into the City between 1973 and 2000 (See Figure #2).

Sub-Area #5: Approximately 55 acres of land located south of SD Highway 44 along Pioneer Drive. There are approximately seventy existing residences (including numerous mobile homes) in this area. Pioneer Subdivision is included within this area. This area is primarily zoned as Suburban Residential by Pennington County with a small portion zoned as Limited Agriculture and General

Commercial. The majority of the land along Pioneer Drive is already fully developed. This area is surrounded by lands that were annexed to the City between 1988 and 1994 (See Figure #2).

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 3 and Figure 4 respectively). The subject area is surrounded by the City limit boundaries.

South Valley Annexation Area represents a developing area that is part of the Rapid City community and the types of services and protection that other areas of the City receive should be available to 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 1231 acres, more or less, and includes 203 property owners and 289 properties, listed in Appendix A. The Pennington County Equalization Office compiled this list in August 2001. The property is more generally described as lying east of SD Highway 79 South, south of SD Highway 44

East, and west of Elks Country Estates. Figure #1 provides a map of the property and its location relative to principal streets and highways , and to the City of Rapid City.

Of the total approximate 1231 acres, about 280 acres are developed at urban-level densities, while the remaining 951 acres are primarily undeveloped or developed at low, non-urban level densities. Sub-Areas #1, #4 and #5 are generally fully developed. Sub-Area #2 has one commercial property and the balance of the area is undeveloped land. Sub-Area #3 contains significant undeveloped lands, including the right-of-way for the Southeast Connector Road.

The platted subdivisions located in the South Valley Annexation Area were platted mainly between 1950 and 1980. Table 1 below shows the approximate number of developmental lots currently contained in each subdivision, the year during which the largest number of platted lots was approved by the County or City, and the average size of lot for each subdivision.

Table 1. Larger Platted Subdivisions in the South Valley Annexation Area

<b>Subdivision Name</b>	<b>Date of Approval</b>	<b>Current # of Lots (Approx.)</b>	<b>Ave. Lot Size in Acres</b>
Rapid Valley	1953	29	.428
Long Acre Square	1950	14	.644
Sedivy		15	.467
Eden Gardens	1973	21	.369
Melody Acres	1962	18	.734
Melody Acres #2	1989	63	.412
Fravel Tract		5	2.070
Pioneer #2	1978	8	.555

The above table reflects 173 of the 289 parcels of property included in the proposed annexation area. Most of these lots are built upon. Many of the lots contain more than one residence, particularly when mobile homes are present. The remaining 116 parcels were either platted on an individual basis or as part of very small subdivision plats, or else represent unplatted balances of property.

Current land use trends and zoning preclude substantial additional commercial or industrial development in the annexation area. Some commercial development may occur along SD Highway 44 East and some industrial development may occur along SD Highway 79 South. The Rapid City Comprehensive Plan identifies industrial land uses along SD Highway 79 South. The land uses to the east of SD Highway 79 is identified as agricultural.

Soils in the South Valley Annexation Area are generally of a clay substance. Many of the soil types experience significant shrink/swell and are prone to flooding and wetness. The location of septic tanks on such soils can be problematic due to the poor percolation rates generally found in the area. The soils are somewhat more desirable for low intensity land uses such as recreational and agricultural uses.

The land along either side of Rapid Creek, particularly north of the creek, in Sub-Area #4 is relatively flat. The amount of vertical relief between Rapid Creek and East SD

Highway 44 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.

Significant portions of the proposed annexation area are designated floodplain and floodway. Rapid Creek crosses Sub-Area #3 and #4 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. Approximately 450 acres (including 150 acres of residential development) in Sub-Area #3 and #4 is located either in the floodway, 100 year floodplain, or 500 year floodplain of Rapid Creek. There is an extensively developed area along Valley Drive that is located within the floodway. These structures were placed in the floodway prior to the current prohibition on construction within the floodway and are thereby legal nonconforming uses.

The large low-lying area along and north of Rapid Creek is prone to poor drainage even for those portions not located in the floodplain. Most of this area north of Rapid Creek is located in the Unnamed Tributary Drainage Basin adopted as part of the City of Rapid City's Major Drainage Plan. Most of the recommendations of the drainage plan have been achieved. For example, in 1992 the Saint Patrick Street dike project was completed which removed areas on the west side of Valley Drive from the floodplain. There are, however, no other improvements proposed that will significantly alleviate the remaining drainage problems that exist in this area. The areas south of Rapid Creek are not currently part of an adopted drainage basin plan.

Drainage issues are also prevalent in Sub-Area #5 even though this area is not located in a regulatory floodplain. A recent drainage diversion project involving the rerouting of the Unnamed Tributary Drainage north of Sub-Area #5 has resulted in much of this area no longer being located in the floodplain. However, again, the area is low-lying and drainage is poor, particularly after heavy rain events.

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 recommended the area along SD Highway 79 South as appropriate for industrial land uses, and residential land uses across the remainder of the study area. The proposed South Valley 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 all but 240 acres of this area as an annexation priority. 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 Sub-Areas #4 and #5. 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 3 and Figure 4 respectively.

### **FUTURE DEVELOPMENT:**

This report addresses the current land uses and zoning in the area. However, as mentioned earlier in this report, the City will be updating the future land use plan for this area in the future.

The majority of the annexation area is zoned by Pennington County as Suburban Residential. Over one-half of Sub-Area #4 and nearly all of Sub-Area #5 are zoned Suburban Residential. A substantial portion of the annexation area is also zoned Limited Agricultural with nearly all of this zoning classification being located in Sub-Area #3. Much smaller portions of the annexation area are zoned Heavy Industrial and General Commercial with most of this zoning located in Sub-Area #1, Sub-Area #2, and near SD Highway 44 East in Sub-Area #4.

The maximum build-out of the annexation area could result in approximately 1,968 additional dwelling units thereby creating a total future estimated number of dwellings of 2,240. Current land use trends and zoning preclude substantial additional commercial or industrial development in the annexation area. Some commercial development may occur along SD Highway 44 East, some industrial development may occur along SD Highway 79 South, and some commercial and industrial development may occur in Sub-Area #2, south of the proposed Southeast Connector Road. These estimates are based upon the Rapid City Comprehensive Land Use Plan, limited by the topography and floodway/floodplain conditions and guided by estimates of lot size and land requirements for streets and public use.

Approximately 935 acres of undeveloped land is located within the annexation area. Approximately 80 acres of this total area is located within the floodway along Rapid Creek and cannot be built upon. Approximately 720 acres of developable land is located in Sub-Area #3 and #4 and is currently zoned as Suburban Residential or Limited Agricultural 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. The remaining 135 acres of developable land is located in Sub-Area #2, and is currently zoned General Commercial and Heavy Industrial by Pennington County. The Comprehensive Land Use plan for this area indicates this area is appropriate for industrial, agricultural, and residential land uses. The residential and agricultural area could encompass approximately 100 acres. Based on the

Comprehensive Land Use Plan, this area could also be developed at single family residential densities of 2.4 dwellings per acre.

Based upon average household sizes of 2.5 to 3 persons, the estimated build-out population of the South Valley annexation area is approximately 6100 persons. This number could vary dramatically, especially if increased densities are allowed due to multi-family zoning or Planned Residential Development overly districts, or if there is a net decrease in areas for residential development due to commercial or industrial zoning.

**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 South Valley Annexation Area. Also included in this section are the estimated costs to the City for provision of such services.

**Streets/Transportation:** There are a number of existing and proposed roads within the South Valley Annexation Area that are identified on the 2000 Major Street Plan (See Figure 5 and Table 2 and 3).

Table 2. Existing Major Streets

<u>Road Name</u>	<u>Classification</u>
SD Highway 79 South	Principal Arterial
SD Highway 44 East	Principal Arterial
Elk Vale Road	Principal Arterial
Saint Patrick Street	Principal Arterial
South Valley Drive	Collector

Table 3. Proposed Major Streets/Street Extensions

<u>Road Name</u>	<u>Classification</u>
Southeast Connector	Proposed Principal Arterial
Minnesota Street	Proposed Minor Arterial
Fairmont Boulevard	Proposed Minor Arterial
Creek Drive	Proposed Minor Arterial
Valley Drive	Proposed Collector

A number of existing local streets serve the subject territory with most of these extending from South Valley Drive. The extent to which these local streets would have to be expanded will be dependent on the ultimate density of development, the proposed network and the distribution of traffic.

Most of the existing roads within the annexation area are located in public right-of-ways. There is some question, however, as to the degree to which these roadways comply with current City street standards, such as roadway width, pavement condition, and provisions for public sidewalks, curb and gutter, and drainage facilities. A

comprehensive evaluation of the status of the streets is needed to determine overall conformance with City standards.

The Rapid City Engineering Division has completed a preliminary assessment of the road network in the annexation area. The Engineering Division has developed cost estimates for upgrading streets in the annexation area to City standards (see Table 4). The total cost for these upgrades, including drainage improvements in the adjacent right-of-way, is estimated at \$5.5 million.

Table 4. Cost Estimates for Street Upgrades  
In South Valley Annexation Area

<b>Street/Drainage Improvement</b>	<b>Estimated Cost</b>
Valley Drive	\$2.50 million
Valley Drive Bridge Replacement	\$1.00 million
Pioneer Drive	\$1.25 million
Misc. Residential Street Improvements	\$ .75 million
<b>TOTAL</b>	<b>\$5.50 million</b>

In addition to the costs stated above, additional costs could be incurred for correcting drainage problems associated with streets in the South Valley Annexation Area. Although difficult to quantify costs, one area of concern is road ditches. Road ditches in some places are inadequate or nonexistent, therefore not allowing private property to drain towards the street. Moreover, relatively flat street grades will make drainage difficult to achieve.

Additional drainage costs may also be incurred due to the presence of the two irrigation ditches which cross the annexation area and the unique problems associated with them: (1) Overland drainage causes overflowing of the irrigation ditches. Overflowing irrigation ditches may cause flooding of properties on the downstream side. (2) In order to keep drainage flows separate from the irrigation ditches, it will be necessary to construct storm sewer crossings on either side of Valley Drive. Some land acquisition may be necessary for this construction. (3) At the time Valley Drive is reconstructed, improved road crossings for the irrigation ditches will have to be constructed. Two 36" reinforced concrete pipes, each 75 feet in length are needed. The cost estimate for these improvements is \$25,000. (4) There are two irrigation ditch crossings on Pioneer Drive. The cost of one of these crossings has been included in Table 4 while the cost of the second crossing is estimated at \$5,000.

Another transportation system issue in Sub-Area #4 and #5 is related to the length of South Valley Drive and Pioneer Drive. These two roadways essentially function as long cul de sacs, as they are the only roads connecting developed areas along South Valley Drive and Pioneer Drive with the outside street network. These two roadways exceed the allowable distance under the City Subdivision Regulations for cul de sac roadways. This may pose a challenge to any additional development involving extensions to these existing roadways until such time that these roads connect with other transportation system links (such as those shown in the Major Street Plan – see Figure 5).

Probably the biggest single transportation issue associated with the South Valley Annexation Area is the proposed Southeast Connector. The construction of this



roadway is part of Rapid City's 5-year Transportation Improvement Plan and SDDOT has a tentative bid letting date of November 30, 2001 to begin the first phase of this project from Fairmont Boulevard north to Elk Vale Road. This roadway will be a limited-access arterial roadway connecting Elk Vale Road with the existing South Truck Route. The Southeast Connector road will cross Sub-Area #4 in a north/south direction with a gradual southwest curve near the south end of Sub-Area #3. The Southeast Connector will then follow the southern border of Sub-Area #1 and northern border of Sub-Area #2 (See Figure 5). 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. Future upgrades being considered are: a center turn lane on SD Highway 44 on Twilight to Longview, a widening for turn lane and signal at Minnesota Street and SD Highway 79, and new traffic signals at Valley Drive and SD Highway 44 and Valley Drive and East St. Patrick Street.

Two other areas that need to be mentioned are building bike paths that are projected in the East Greenway Master Plan and the realignment of Old Folsom Road that will occur with the Southeast Connector Road project in Sub-Area #2. The bike paths are in the planning stage, however no funding sources have been identified.

**Water:** The Rapid Valley Sanitary District serves most of the annexation area. The District purchases water from the City and then sells it to their users within the South Valley Annexation Area. 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.

Should the City and the Rapid Valley Sanitary District agree at some future point that the City will begin serving water users in this area, then the City may incur some oversizing costs for upgrading water lines to City standard sizes and specifications. But for now, no other additional City water improvements are projected for this annexation area. Additions or extensions to the City water system will be borne by the developer and in accordance with the City Subdivision Ordinance.

**Sanitary Sewer:** The majority of the South Valley 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. Only two residences on Orchard Lane continue to use individual collection systems. The remainder of homes are connected to the Rapid Valley Sanitary District collection system. 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 Rapid Valley agree otherwise.

Should the City and the Rapid Valley Sanitary District agree at some future point that the City will begin providing sewer service in this area, then the City may incur some oversizing costs for upgrading lines to City standard sizes and specifications. But for now, no other additional City sewer improvements are projected for this annexation area. Additions or extensions to the City sewer system will be borne by the developer and in accordance with the City Subdivision Ordinance.

**Drainage/Floodway Development Issues:** As stated earlier in this report, there is significant existing development in Sub-Area #4 that is located within the floodway. The location of these structures within the floodway is problematic both for the property owners and the community in general. Property owners cannot build new structures or expand existing structures in the floodway. Moreover, the location of structures within the floodway potentially can adversely affect surrounding areas as these structures can restrict and thereby divert flood flows to other areas. Once annexation has occurred, the City may want to explore ways, including possible federal funds, to purchase property and clear out existing structures in the floodway.

**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. Existing public right-of-ways in the annexation area will be included in our street program. It is estimated that the cost to the City for maintaining the approximate four miles of existing streets within the annexation area would be \$21,000. This cost estimate is for maintenance only and does not include any necessary upgrades to the street system. Cost estimates for upgrading the streets to city standards are included in the prior section entitled "Streets/Transportation".

**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, based on current rates, would be \$11.57 per month or \$138.84 annually.

**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 that there is no such debt at this time.

The Elk Vale Neighborhood Future Land Use Plan was adopted May 2000 for the area located to the north of the South Valley Annexation Area. This plan identifies a future fire station location near Twilight Drive and Radar Hill Road. 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 South Valley

Annexation Area will not warrant construction of a new fire station. Sub-Area #1, #3 and #4 would continue to be served by the south fire station. Further significant development or annexations in the East SD Highway 44 area, specifically in Sub-Area #2 and #5, however, may necessitate the need for construction of a new fire station.

The current cost to the City for providing mutual aid fire protection services to this area is negligible. The Rapid City Fire Department has developed a way of calculating future incremental costs for providing services to an annexation area after annexation is completed. In the Study Area, this incremental approach towards determining cost is based upon the premise that at some point, as development continues to occur in and around the annexation area, a new fire station will need to be constructed. It is estimated that the annual future incremental cost to the City is \$232,325. This figure includes the future construction of a fire station that will service this area.

**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 \$43,000. This amount would cover the cost of one additional patrol officer, which the City Police Department has stated is required to adequately service the area.

The Police Department has reviewed the calls-for-service in the annexation area and has noted that a number of serious calls were received, including assaults, burglaries, thefts and other similar crimes. The Police Department has stated, therefore, that the annexation area is an area that will deserve regular patrol attention. The Department has also 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. According to the Building Inspections Division, one additional building inspector will be needed to serve this area in addition to one vehicle for a total estimated cost of \$80,000. Fees or charges for building inspection services recover the added costs for staff and facilities. The Code Enforcement Division would need to be evaluated upon annexation, to determine if additional personnel would be required for the level of enforcement needed in the City.

**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 South Valley Annexation Area as the area is outside of this three-quarter mile zone. Unfortunately, a cost estimate cannot be determined at this time due to the uncertainty of the neighborhood need for transit. Transit ridership varies widely from one portion of the community to another over time and is difficult to predict.

**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, any increase in population of the community does further the eventual need for additional park and recreation facilities. Locations for future park areas in the South Valley Annexation Area are identified on the Elk Vale Neighborhood Future Land Use Plan. Additionally, park and recreation recommendations are 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

<u>Improvement</u>	<u>Estimated Cost</u>
Street Upgrades	\$5.5 million
Irrigation Ditch Crossings (streets)	\$30,000
Water System Upgrades	Costs are possible but difficult to quantify
Sewer System Upgrades	Costs are possible but difficult to quantify
Purchase of Floodway Properties	Future costs are possible but cannot be quantified at this time
Street/Road Maintenance	\$21,000 annually
Solid Waste Collection/Disposal	No Cost (all increased expenses recovered by new fees)
Fire Department	\$232,325 annually <u>after</u> new station
Police Department	\$43,000 annually
Code Enforcement	Costs are possible but difficult to quantify
Building Inspections	No Cost (\$80,000 increase recovered by fees)
Transit	Costs are likely but cannot be quantified
Parks and Recreation	Costs are likely but cannot be quantified
<b>TOTAL</b>	<b>\$5,826,325.00 <u>after</u> new fire station</b>

## TAXATION

The estimated difference in the 2001 tax assessment rate applied to the subject territory upon annexation would be the addition of the City of Rapid City levy of 3.4252 mills (except for land classified as agricultural for which the mill rate is .8563) and elimination of a total of 2.4045 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 two primary taxing districts found in the South Valley Annexation Area. Appendix "B" provides a complete parcel by parcel break down of the estimated tax changes.

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 Owner Occupied	17.9265	18.9472	1.0207	5.7%
4D-VF Ag	15.8849	14.3367	-1.5482	-9.75%
4D-VF NonAg	26.5457	27.5664	1.0207	3.85%
4D-VF VS Owner Occupied	18.5659	19.5866	1.0207	5.5%
4D-VF VS Ag	16.5243	14.9761	-1.5482	-9.37%
4D-VF VS NonAg	27.1851	28.2058	1.0207	3.76%

(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 South Valley 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 South Valley 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. This is particularly critical with the South Valley Annexation Area as the majority of the area is currently surrounded entirely by the City limits.
- The annexation of the South Valley Area is necessary because of the urbanization that is occurring there and the demand for an urban level of service. As stated earlier in this report, there are approximately 370 residences in the annexation. The development of these neighborhoods started in the 1950's and has continued until the present. Melody Acres is the largest single subdivision in the annexation area and was platted in 1989. The current direction of growth in Rapid City is to the south and east and this trend is expected to continue well into the future. As stated earlier in this report, several major roadways are planned for the annexation area including the Southeast Connector and extensions of Minnesota Street, Fairmont Boulevard, Valley Drive, and Jolly Lane. These road connections will help spur continued development in the annexation area. This development is likely to be relatively intensive with urban-level densities. Central water and sewer services, streets built to modern design standards, and other urban-level infrastructure improvements will be necessary to serve the area.
- The annexation of the South Valley Area is necessary as the area directly impacts the health and safety of the residents of Rapid City. Sub-Areas #3, #4, and #5 are "islands" of unincorporated land completely surrounded by the City limits. Therefore, 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 South Valley 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 South Valley 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. Many of 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. Major urban streets surround the territory and sewer and water services are available for much of the annexation area.

Based upon the growth pressures present in this area 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)
- South Valley Annexation Area (source: Planning Dept. estimates)  
1990 – 938  
2000 – 1214 (29% increase from 1990)

As can be seen from the preceding figures, the population of Rapid City and the surrounding area continues to grow and the population of the proposed annexation area is growing even faster than Rapid City. 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.

The area under consideration in this annexation is largely developed with residential uses. Supporting infrastructure and service are in place to accommodate urban scale development. Some infrastructure upgrades – especially upgrades to streets, will need to be done to accommodate the projected full build-out of the territory. Costs will be incurred by the City for certain City services such as street repair and maintenance, police protection, and fire and emergency services. 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 South Valley Drive Study Area is warranted.

## APPENDIX A. PROPERTY OWNER LIST



August 31, 2001

APPENDIX B. PROPERTY TAX IMPLICATIONS OF ANNEXATION  
UPON ALL LAND PARCELS

August 31, 2001