



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PLANNING DEPARTMENT

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MEMORANDUM

TO: Rapid City Planning Commission

FROM: Bill Lass, Senior Planner

DATE: 9/11/01

RE: Required Timeframe for Completion of Subdivision Improvements

This memo is to request the Planning Commission to authorize Staff to review the draft amendments regarding the amount of time allowed for the completion of subdivision improvements with the development community. Currently, the Subdivision Regulations require that the developer post financial surety for incomplete subdivision improvements prior to a Final Plat being approved by the City Council. The City then can draw upon this financial surety in the event the developer fails to complete the subdivision improvements. The Subdivision Regulations do not, however, specify the timeframe in which the developer must complete the required improvements after the surety is in place and the plat approved. Recently, problems have occurred with several subdivisions in which houses were completed but the subdivision improvements had not yet been installed. Furthermore, the Fire Code requires that certain improvements (such as fire access roads and water systems) be in place before buildings are constructed.

Staff has researched how other communities in the region handle this issue (see attached summary). Based upon this research, Staff has determined that the timeframes used in other communities typically range from one to two years. The research has revealed several options for incorporating required timeframes and generally strengthening the Subdivision Regulations to help ensure that subdivision improvements are completed in a timely manner:

Mandate Construction Timeframes in Ordinance: Some communities operate similarly to Rapid City and don't specify set timeframes, however, typically those are communities in which developer agreements are required or no building permits are issued until completion of improvements. Of those communities that do specify timeframes, one to two years seems to be the normal time frame.

Developer Agreements: Developer agreements are commonly used by municipalities. Developer agreements set forth various terms under which the plat is being approved by the City. The specific timeframes in which certain subdivision improvements must be completed can be included within the agreement. However, in many cases, the development agreements simply restate the requirements already identified in ordinance.

Building Permit Issuance: At least two of the communities contacted, require that developers install subdivision improvements prior to the issuance of any building permits. This approach ensures that any structures will have services in place at the time they are occupied.

Staff from the Planning Department, Engineering Division, Public Works Department, and City Attorney's Office have met and discussed this matter in detail. Staff is suggesting that variations of two of the above options be incorporated into Rapid City Code. First, no building permits would be issued until such time as the subdivision improvements are completed. Footing and foundation permits could be issued during the first twelve months after which the plat has been approved. Second, all subdivision improvements would need to be completed within one year after the plat has been approved with the City Council being able to grant a one-year extension to this time limit. Staff feels that with the above two changes adopted as part of the Ordinance there would be no need to require developer agreements for every individual plat.

Based upon the preceding information, Staff is suggesting that the Planning Commission authorize Staff to solicit input from the development community regarding the proposed changes.

Staff looks forward to discussing this matter in detail at the September 20, 2001 Planning Commission meeting. We welcome your input, comments and direction prior to meeting with the development community.

Thank you.

Cc: Mayor Munson
Randy Nelson, Engineering Division Manager
Jason Green, Assistant City Attorney
Dan Bjerke, Public Works Director
Gary Shepherd, Fire Chief

Amount of Time Allowed for Developers to Install Subdivision Improvements

- *A sampling of communities from the region (July/August, 2001)*

Saint Cloud, MN –

- No set time for completion of improvements;
- Financial surety (unless improvements completed) and subdivision agreement is required prior to Final Plat approval;
- No construction is allowed or building permits issued until the developer has installed all improvements.

Loveland, CO –

- Developer has two years after plat approval to begin infrastructure construction otherwise plat is invalid;
- No financial surety required;
- Development agreement is required prior to plat approval.

Omaha, NE –

- Developer has 1 year initially to complete subdivision improvements. This may be extended to maximum of three years upon City Council approval.
- Financial surety required or improvements complete prior to plat approval;
- Development agreement is required prior to plat approval.

Billings, MT –

- Time period negotiated between developer and Public Works Dept. much like Rapid City;
- Financial surety required or improvements complete prior to plat approval;
- Subdivision agreement required but time period not placed within the agreement.

Fargo, ND –

- No set time period but improvements are done when developer chooses to but no later than issuance of 1st building permit;
- If developer chooses not to install improvements then the City will install them and assess the costs back to the property owners. Usually developers choose this option over installing the improvements themselves.
- Financial surety is required for incomplete subdivision improvements prior to plat approval.

Bismarck, ND –

- Usually there is no set time period for completion of subdivision improvements;
- Financial surety is required for incomplete subdivision improvements in 3 mile area but not within the City;
- Development agreements are required stating that the developer shall complete certain improvements.

Sioux Falls, SD –

- Development agreement is required prior to Final Plat approval. The agreement sets forth the timeframes under which each improvement shall be completed. These timeframes are negotiated between the City Engineering Dept. and the developer.

Sioux City, IA –

- Most improvements must be completed within one year of Final Plat approval;
- Sidewalk improvements may be extended by the City Council beyond one year;
- Financial surety is required.