

January 25, 2007

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SUBJECT: Letter of Intent Regarding the Development of Lot 7, Stony Creek South Subdivision

It is the intent of Hutchinson Architect's P.C. to develop the property in two phases of construction. This first phase will encompass the bulk of the proposed development, including 1 of 2 new structures, a 7,000 sq.ft. commercial building located to the North end of the property on Lot 7. The design of the new buildings being proposed will be identical to the previously approved projects to the South on Lots 2 & 3, in both materials and design vernacular. The new buildings will have a full height parapets at all four sides to provide the required screening of the roof-top air handling equipment, all of which will be located on the roof, and there will also be a trash enclosure located to the South end of the Phase 1 building (identical in design to previously approved with brick sidewalls and cedar gates to screen view of dumpsters). This first building will also feature a drive-up window on the North facade, allowing for such future uses as a restaurant, pharmacy or dry cleaner.

Construction under Phase 2 will be limited then to the addition of the second proposed structure, a 5,500 sq.ft. commercial building located just to the South of the 7,000 sq.ft. Phase 1 project. Again this building will be built in the same vernacular and with the same materials. This building while like the Phase 1 project, will not have a drive-up window or trash enclosure.

All proposed development under both phases of construction is intended to be Retail / Commercial oriented and has been designed in accordance with; & shall comply with; the uses outlined in the current Rapid City Zoning code for General Commercial Districts. Based on current city parking ratios (see information by Sperlich Engineering), all building square footage that is non-medical and restaurant oriented, will be composed of, or be similar to, the following:

- Medical Supply Stores
- Offices (insurance, real estate, etc.)
- Retail / Mercantile (clothing, beauty salons, etc.)
- Display / Art Stores
- Copy Centers
- Furniture
- Photography Studios

Uses not allowed to be in this proposed development include, but are not limited to:

- Gaming / Gambling Establishments
- Liquor Stores
- Adult Oriented / Gentlemen's Clubs

Respectfully,

James R. Hutchinson Principal / President, Hutchinson Architect's P.C.