



# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-5035

## Growth Management Department

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## MEMORANDUM

TO: Planning Commission

FROM: Monica Heller, Community Planning Coordinator

DATE: September 5, 2007

RE: Parkland and School land Dedication

Communities across the Country have utilized a number of ways for developers to set aside part of their development for park and school land. This can be done in a variety of ways that range from the local government purchasing park and school land to mandatory dedication of park and school land.

### Land Dedication Requirements

Some jurisdictions require park and/or school land dedication as part of the subdivision approval process. Usually, a formula, based on size of development or number of units, is used to determine the amount of land that must be dedicated to the local government. Typically, the municipality or school district is then responsible for improving and maintaining the park and/or school land. In some cases, the municipality or school district is allowed to sell the property and place the revenues in a dedicated park or school land acquisition fund. Unfortunately, those parcels dedicated to the municipality or school district are generally the least desirable lots, may be the undevelopable parcels, may be too small for park or school purposes or may be drainage or wetlands that are not otherwise developable. If this approach is utilized, protections must be put in place to insure that the land dedicated to the City or School District is not the most marginal properties

### Fees in Lieu of Dedication

Some jurisdictions allow a fee to be paid in lieu of dedicating land. This fee is used by the Municipality or School District to purchase park and/or school land elsewhere in the jurisdiction. Many communities prefer to collect fees instead of land because it



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allows them to better plan the park and/or school system to meet the community needs.

### **Impact Fees**

Impact fees are payments charged developers by the local government to pay for specific community needs that are directly caused by new development, and have been used to pay for roads, sewers, schools, and less often, for open space. Several tests must be met concerning how the fees are charged and spent. Impact fees have grown very large in some parts of the country, causing great increases in housing prices.

### **Current City Regulations**

Section 16.12.010 of the Rapid City Municipal Code requires: “all sites for parks, schools, and other public facilities shown on the adopted community facilities plan that are located within a proposed subdivision tract shall be offered for sale to the city or the independent school district board at or below the fair market value. The offer shall extend for a period of not less than 30 days from the date of receipt by the city or Board of the written offer”. The City of Rapid City has adopted Future Land Use Plans for the entire community that address the required community facilities including parks, drainage areas and other public lands as required in a Community Facilities Plan. More attention has been drawn to these sites in the updated Neighborhood Future Land Use Plans with alternate uses identified for those areas identified for public land uses. In addition the City has adopted an East Greenway Master Plan as a part of the Comprehensive Plan that also identifies areas appropriate for future acquisition. The Parks and Recreation Department has recently completed the Parks Plan for the City of Rapid City; however, to date that has not been formally adopted as a part of the Comprehensive Plan. Potential school sites have generally not been identified in the adopted land use plans.

Staff can find no record of the City of Rapid City enforcing the provisions of Section 16.12.010. Park land has generally been acquired as specific properties are offered to the City, as lands become available on the open market or a specific need is identified or a funding source becomes available. The lack of available funds is a barrier that limits the effectiveness of the existing ordinance provisions.

Some communities require the lands located within a proposed subdivision be offered for sale to the City or School district in conjunction with the platting of the land. However, by identifying specific parcels for acquisitions rather than identifying areas of need, the City can be at a competitive disadvantage in negotiating for the purchase of these properties resulting in inflated land prices.

### **Summary**

The current City ordinance has not been effective in part due to the lack of adequate funds to purchase the land. Since the need for parks and schools are primarily driven by residential development, most communities require residential subdivisions to dedicate and/or pay a fee-in-lieu of dedication for both park and school land.

### **Staff Recommendation**

Direct staff to develop and bring specific ordinance language to require park and school land dedication in residential subdivisions.