

MINUTES OF THE
RAPID CITY PLANNING COMMISSION
February 9, 2012

MEMBERS PRESENT: Sandra Beshara, Erik Braun, John Brewer, Linda Marchand, Dennis Popp, Kay Rippentrop, Josh Snyder, Jan Swank and Len Weimer. John Roberts, Council Liaison was also present.

MEMBERS ABSENT: Patrick Fink, Steve Rolinger and Andrew Scull.

STAFF PRESENT: Brett Limbaugh, Vicki Fisher, Fletcher Lacock, Robert Laroco, Kip Harrington, Karen Bulman, Patsy Horton, Tim Behlings, Dale Tech, Ted Johnson, Joel Landeen and Risë Ficken.

Brewer called the meeting to order at 7:00 a.m.

Brewer reviewed the Consent Agenda and asked if any member of the Planning Commission, staff or audience would like any item removed from the Consent Agenda for individual consideration.

Staff requested that Items 9, 10, 11 and 14 be removed from the Consent Agenda for separate consideration.

Motion by Snyder, seconded by Marchand and unanimously carried to recommend approval of the Consent Agenda Items 1 thru 15 in accordance with the staff recommendations with the exception of Items 9, 10, 11 and 14. (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

---CONSENT CALENDAR---

1. Planning Commission approved the January 26, 2012 Planning Commission Meeting Minutes.
2. No. 02TI001 - Resolution No. 2012-011 to Dissolve Tax Increment Financing District No. 35 generally described as being located west of Elk Vale Road and north of South Dakota Highway 44 East.

Planning Commission recommended approval of the Resolution Dissolving Tax Increment District No. 35.

3. No. 05TI011 - Resolution No. 2012-012 to Dissolve Tax Increment Financing District No. 55 generally described as being located north and south of Country Road and east and west of Haines Avenue.

Planning Commission recommended approval of the Resolution Dissolving Tax Increment District No. 55.

4. No. 11CA001 - Airport Master Plan
Summary of Adoption Action for a request by Rapid City Regional Airport to consider an application for an **Amendment to the adopted Comprehensive**

Plan to incorporate the City of Rapid City's Regional Airport Master Plan, Land Use Compatibility Plan, October 2010.

Planning Commission approved the summary and authorized publication in the Rapid City Journal.

5. No. 11CA015 - Section 20, T2N, R8E

Summary of Adoption Action for a request by City of Rapid City to consider an application for a **Amendment to the Comprehensive Plan to change the land use designation from Residential to Commercial** for the W1/2W1/2SE1/4SW1/4 less the North 8/10ths of the W1/2W1/2SE1/4SW1/4 also recorded as the W1/4SE1/4SW1/4 less the North 8/10ths of the W1/4SE1/4SW1/4 located in Section 20, T2N, R8E, BHM, Pennington County, South Dakota, more generally described as being located 1700 Seger Drive.

Planning Commission approved the summary and authorized publication in the Rapid City Journal.

6. No. 11CA016 - Section 21, T2N, R8E

Summary of Adoption Action for a request by Dream Design International, Inc. to consider an application for an **Amendment to the Comprehensive Plan to change the land use designation from Residential to Industrial** for a portion of Section 21, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota more fully described as follows: Commencing at the Section Corner common to Sections 20, 21, 28, and 29, T2N, R8E, BHM, thence N00°02'15"W, a distance of 661.35 feet to the point of beginning; Thence, first course: N00°02'15"W, along the section line common to Sections 20 and 21, a distance of 1989.41 feet, to a the Section ¼ Corner common to Sections 20 and 21; Thence, second course: N00°00'41"W, along the section line common to Sections 20 and 21, a distance of 423.05 feet; Thence, third course: S89°56'10"E, a distance of 1331.07 feet; Thence, fourth course: S00°03'50"W, a distance of 2410.10 feet; Thence, fifth course: S89°57'45"W, a distance of 1326.99 feet, to a point on the section line common to Sections 20 and 21, and the point of beginning, more generally described as being located northeast of the intersection of Seger Drive and Dyess Avenue.

Planning Commission approved the summary and authorized publication in the Rapid City Journal.

*7. No. 12PD001 - Denman's Subdivision

A request by Dream Design International, Inc. to consider an application for an **Initial Residential Development Plan** for Lots 1 through 16 of Block 3 of Denman's Subdivision all located in SW1/4 of the NW1/4 of Section 6, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located south of East Saint Joseph Street between Elm Avenue and Birch Avenue.

Planning Commission approved the Initial Residential Development Plan with the following stipulations:

1. **An exception is hereby granted to allow a reduced minimum front**

- yard setback from 35 feet to 10 feet along East Saint Joseph Street;
2. An exception is hereby granted to allow a reduced minimum front yard setback from 35 feet to 10 feet along Birch Avenue;
 3. An exception is hereby granted to allow a reduced minimum rear yard setback from 30 feet to 5 feet;
 4. An exception is hereby granted to allow an increase in the maximum allowed lot coverage from 25% to 31%;
 5. An exception is hereby granted to allow a decrease in the minimum required open space of 300 square feet per apartment to 130 square feet per apartment;
 6. Upon submittal of a Final Residential Development Plan, a revised parking plan shall be submitted in compliance Chapter 17.50.270 of the Rapid City Municipal Code;
 7. Upon submittal of a Final Residential Development Plan, a complete site plan shall be submitted as required per Rapid City Municipal Code Chapter 17.50.060;
 8. Upon submittal of a Final Residential Development Plan, a landscaping plan must be provided for review and approval. All provisions of Section 17.50.300, the Landscaping Regulations of the Rapid City Municipal Code shall be continually met. All landscaping shall be continually maintained in a live vegetative state and replaced as necessary;
 9. Upon submittal of a Final Residential Development Plan, the applicant shall identify the utility connections to be used and show that the unused utility connections will be closed per City Standards;
 10. Upon submittal of a Final Residential Development Plan, a drainage plan shall be submitted for review and approval. The drainage plan shall be designed in compliance with the Drainage Criteria Manual, including calculations demonstrating that discharge from any improvements will not exceed pre-development flow rates or local detention facilities must be provided. The drainage plan shall address how quantity and quality control of storm water will be achieved and verify that downstream improvements are constructed if necessary.
 11. Upon submittal of a Final Residential Development Plan, a site plan shall be submitted showing the site triangles for both alley access points in compliance with Section 8.2.4 of the Street Design Criteria Manual;
 12. Prior to approval of a Final Planned Residential Development, the applicant shall request an exception to allow the alley to serve as the primary access or the site plan shall be revised to comply with the Street Design Criteria Manual;
 13. Prior to approval of a Final Planned Residential Development, construction plan showing proposed improvements to the alley including location, width and grade shall be submitted for review and approval;
 14. Prior to approval of a Final Planned Residential Development approval, a revised wastewater flows estimate for the proposed apartments; demonstrating adequate sewer capacity exists shall be submitted or provide additional sewer capacity as required;
 15. An Air Quality Construction Permit shall be obtained prior to any

- surface disturbance of one acre or more;
16. Upon submittal of a Final Residential Development Plan, a sign package shall be submitted for review and approval. All signage shall conform to Chapter 15.28 of the Rapid City Municipal Code. No electronic signs are being approved as a part of this Initial Planned Residential Development. Lighting for the signs shall be designed to preclude shining on the adjacent properties and/or street(s);
 17. All outdoor lighting shall be reflected within the property boundaries so as to not shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;
 18. All applicable provisions of the adopted International Fire Code shall continually be met; and,
 19. The Initial Planned Residential Development shall allow for a seven story apartment building with first floor commercial use for the residents of the apartments. A Final Planned Residential Development shall be obtained prior to issuance of a building permit.

The Rapid City Planning Commission's action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Planning & Development Services by close of business on the seventh full calendar day following action by the Planning Commission.

8. No. 12PL001 - U. V. Johnson Subdivision

A request by Britton Engineering & Land Surveying, Inc. for Larry D. Wiechmann to consider an application for a **Layout Plat** for proposed Lots AR and BR of Lot 1 of U. V. Johnson Subdivision, legally described as Lots A and B of Lot 1 of U. V. Johnson Subdivision located in the NW1/4 of the NW1/4 of Section 32, T1N, R7E, BHM, Pennington County, South Dakota, more generally described as being located along the north side of Sheridan Lake Road approximately 550 feet east of the intersection of Sheridan Lake Road and Clarkson Road.

Planning Commission recommended approval of the Layout Plat with the following stipulations:

1. Upon submittal of a Preliminary Plat application, road construction plans for Sheridan Lake Road shall be submitted for review and approval. In particular the plans shall show the street constructed with a minimum 36 foot wide paved surface, curb, gutter, sidewalk, street light conduit, water and sewer or a Variance to the Subdivision Regulations shall be obtained. In addition, the plat document shall be revised to show the dedication of 17 additional feet of right-of-way along Sheridan Lake Road as it abuts the property or a Variance to the Subdivision Regulations shall be obtained;
2. Upon submittal of the Preliminary Plat application, the plat document shall be revised to show access to proposed Lot AR. If access is being provided across proposed Lot BR, then the plat document shall be revised to secure the access within a minimum 45 foot wide access easement. In addition, construction plans shall be submitted for review and approval showing the access easement constructed with a

- minimum 20 foot wide paved surface, curb, gutter, sidewalk, street light conduit, water and sewer or a Variance to the Subdivision Regulations shall be obtained;
3. Upon submittal of the Preliminary Plat application, road construction plans for the section line highway(s) shall be submitted for review and approval or a Variance to the Subdivision Regulations shall be obtained to waive the street improvements or the section line highway(s) shall be vacated. The adjacent property owner shall participate in the platting or vacation of the section line highway(s) or a Variance to the Subdivision Regulations shall be obtained to allow half a right-of-way. In particular, the road shall be located in a minimum 45 foot wide right-of-way and constructed with a minimum 20 foot wide paved surface, curb, gutter, sidewalk, street light conduit, water and sewer or a Variance to the Subdivision Regulations shall be obtained;
 4. Upon submittal of a Preliminary Plat application, water plans prepared by a Registered Professional Engineer showing the extension of water mains shall be submitted for review and approval or a Variance to the Subdivision Regulations shall be obtained. If the applicant obtains water service from Whispering Pines Water Association as proposed, then written approval from the Whispering Pines Water Association to allow the proposed water connection and that adequate water capacity exists to provide domestic and fire flows shall be submitted for review and approval. In addition, the plat document shall be revised to show utility easements as needed;
 5. Upon submittal of a Preliminary Plat application, sewer plans prepared by a Registered Professional Engineer showing the extension of sanitary sewer mains and service lines shall be submitted for review and approval or a Variance to the Subdivision Regulations shall be obtained. If individual on-site wastewater systems are proposed, then an on-site wastewater plan prepared by a Professional Engineer demonstrating that the soils are suitable for on-site wastewater systems shall be submitted for review and approval. In addition, the applicant's site plan shall be revised to show the location of the existing and/or proposed on-site wastewater system(s);
 6. Upon submittal of a Preliminary Plat application, a drainage plan and a grading plan shall be submitted for review and approval if subdivision improvements are required or site grading is proposed;
 7. Upon submittal of a Preliminary Plat application, an Erosion and Sediment Control Plan in compliance with the adopted Stormwater Quality Manual shall be submitted for review and approval if subdivision improvements are required;
 8. Prior to submittal of a Final Plat application, the existing structures located within the 33 foot wide section line highway shall be removed or the section line highway shall be vacated. In addition, a Variance from the Pennington County Zoning Board of Adjustment shall be obtained to allow structural encroachments into the 58 foot setback from a section line or surety shall be posted to ensure their removal;
 9. Upon submittal of a Preliminary Plat application, a cost estimate of

the subdivision improvements shall be submitted for review and approval;

10. Upon submittal of a Final Plat application, the plat document shall be revised to show a reserve drainfield area or a note shall be placed on the plat indicating that at the time a Building Permit application is submitted, a reserve drainfield area will be identified and held in reserve unless a public sewer system is provided;
11. Upon submittal of a Final Plat application, surety for any required subdivision improvements that have not been completed shall be posted and the subdivision inspection fees shall be paid;
12. Prior to the City's acceptance of the public improvements, a warranty surety shall be submitted for review and approval as required; and,
13. The approved Layout Plat for which no grading, construction or other improvements have been initiated within two years of the date of approval of the plat shall be deemed as expired. However, the owner or applicant of the plat may, prior to the termination of the two year period, request a one year extension subject to approval by the City Council.

*12. No. 12UR003 - Original Town of Rapid City

A request by FourFront Design for Trinity Lutheran Church Endowment Foundation to consider an application for a **Conditional Use Permit to allow a Church in the Central Business District** for Lots 1 through 7 of Block 96 of the Original Town of Rapid City located in Section 1, T1N, R7E, Rapid City, Pennington County, South Dakota, more generally described as being located at 405 Saint Joseph Street.

Planning Commission approved the Conditional Use Permit to allow a Church in the Central Business District with the following stipulations:

1. All provisions of the Central Business District shall be met unless otherwise specifically authorized as a stipulation of this Conditional Use Permit or a subsequent Major Amendment;
2. A building permit shall be obtained prior to any construction;
3. Prior to issuance of a building permit, an erosion and sediment control plan, construction plans, a stormwater report and a utility plan shall be submitted for review and approval;
4. Prior to issuance of a building permit, revised plans shall be submitted that show the removal of unused driveway approaches on Saint Joseph Street and 4th Street or modification to allow ADA pedestrian access to the site;
5. A temporary use permit shall be obtained prior to installing tents for special events and operated in compliance with Chapter 17.50 (Article III. Temporary Uses) of the Rapid City Municipal Code;
6. All signage shall conform to Chapter 15.28 of the Rapid City Municipal Code. No electronic signs are being approved as a part of this Conditional Use Permit. All signage not in conformance with Chapter 15.28 of the Rapid City Municipal Code or any electronic reader board signs shall require the review and approval of a Major Amendment to the Conditional Use Permit. Lighting for the signs shall be designed to preclude shining on the adjacent properties and/or street(s). A sign

- permit shall also be obtained for each individual sign;
7. All outdoor lighting shall be reflected within the property boundaries so as to not shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;
 8. All applicable provisions of the adopted International Fire Code shall continually be met; and,
 9. The Conditional Use Permit shall allow the church and park use on the property. Any change in use that is a permitted use in the Central Business District shall require the review and approval of a Minimal Amendment. Any change in use that is a Conditional Use in the Central Business District shall require the review and approval of a Major Amendment to the Conditional Use Permit.

The Rapid City Planning Commission's action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Planning & Development Services by close of business on the seventh full calendar day following action by the Planning Commission.

*13. No. 12UR004 - Western Heights Subdivision

A request by Lanny L. Evans to consider an application for a **Conditional Use Permit to allow a University in a Medium Density Residential Zoning District** for Lot 2 of Block 8 of Western Heights Subdivision located in Section 4, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 4021 Range Road.

Planning Commission approved the Conditional Use Permit to allow a University in conjunction with an existing church in a Medium Density Residential Zoning District with the following stipulations:

1. The existing church use and proposed university shall not operate concurrently;
2. The university shall be allowed with a maximum of 84 students or additional parking shall be provided. A Major Amendment to a Conditional Use Permit shall be required to increase the maximum number of students;
3. The university shall operate in compliance with the approved operational plan;
4. All provisions of the Medium Density Residential District shall be met unless otherwise specifically authorized as a stipulation of this Conditional Use Permit or a subsequent Major Amendment;
5. A building permit shall be obtained prior to any construction and a Certificate of Occupancy shall be obtained prior to occupancy;
6. Prior to issuance of a building permit, a revised landscaping plan shall be submitted for review and approval. All provisions of Rapid City Municipal Code Section 17.50.300, the Landscaping Regulations, shall be continually met. All landscaping shall be continually maintained in a live vegetative state and replaced as necessary;
7. A minimum of 42 parking spaces shall be provided. In addition, two of the parking spaces shall be handicap accessible. One of the

- handicap spaces shall be “van accessible.” All provisions of the Off-Street Parking Ordinance shall be continually met;
8. All signage shall conform to Chapter 15.28 of the Rapid City Municipal Code. No electronic signs are being approved as a part of this Conditional Use Permit. All signage not in conformance with Chapter 15.28 of the Rapid City Municipal Code or any electronic reader board signs shall require the review and approval of a Major Amendment to the Conditional Use Permit. Lighting for the signs shall be designed to preclude shining on the adjacent properties and/or street(s). A sign permit shall also be obtained for each individual sign;
 9. All outdoor lighting shall be reflected within the property boundaries so as to not shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;
 10. The applicant shall coordinate with the Rapid City Fire Department regarding fire protection requirements specific to this use, building construction and available fire flows. All applicable provisions of the adopted International Fire Code shall continually be met; and,
 11. The Conditional Use Permit shall allow for a university in conjunction with the existing church in the Medium Density Residential District. Any change in use that is a permitted use in the Medium Density Residential District shall require the review and approval of a Minimal Amendment. Any change in use that is a Conditional Use in the Medium Density Residential District shall require the review and approval of a Major Amendment to the Conditional Use Permit.

The Rapid City Planning Commission's action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Planning & Development Services by close of business on the seventh full calendar day following action by the Planning Commission.

15. 12TP001 - Approval of Resolution #2012-016 for Transportation Improvement Program Projects funded by the Urban Systems Program in 2013 – 2017.

Planning Commission recommended approval of the Resolution for Transportation Improvement Program Projects funded by the Urban Systems Program in 2013 – 2017.

---END OF CONSENT CALENDAR---

---BEGINNING OF REGULAR AGENDA ITEMS---

Fisher requested that Items 9 and 10 be considered concurrently.

9. No. 12PL002 - North 80 Subdivision
A request by Centerline, Inc. for Lazy P-6 Land Co., Inc. to consider an application for a **Preliminary Plat** for proposed Lot 6 of North 80 Subdivision, legally described as unplatted Government Lot 2 less North 80 Subdivision, less Lot H2 and less right-of-way all located in Section 19, T1N, R8E, BHM, Rapid

City, Pennington County, South Dakota, more generally described as being located southeast of the intersection of East Stumer Road and Shelby Avenue.

10. No. 12SV001 - North 80 Subdivision

A request by Centerline, Inc. for Lazy P-6 Land Co., Inc. to consider an application for a **Variance to the Subdivision Regulations to waive the requirement to install water and sewer along Catron Boulevard as per Chapter 16.16 of the Rapid City Municipal Code** for proposed Lot 6 of North 80 Subdivision, legally described as unplatted Government Lot 2 less North 80 Subdivision, less Lot H2 and less right-of-way all located in Section 19, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located southeast of the intersection of East Stumer Road and Shelby Avenue.

Fisher identified proposed Lot 6 in relationship to Lots 4 and 5 of North 80 Subdivision that were approved at the last Planning Commission meeting. Fisher advised that the applicant provided a letter requesting that Stipulation 4 be removed from the conditions of approval. Fisher identified the approximate location of the proposed easement noting that staff is requesting that the easement be dedicated at this time. Fisher stated that the applicant can sign a waiver of right to protest future assessment noting that the applicant will not be required to install the improvement at this time. Fisher requested that the Planning Commission acknowledge the letter from the applicant and approve the plat and variance applications with the stipulations as outlined by staff.

Popp moved, Marchand seconded and unanimously carried, with a friendly amendment accepted from Swank, to acknowledge receipt of the applicant's letter and to recommend approval of the Preliminary Plat (12PL002) with the following stipulations:

- 1. Prior to Preliminary Plat approval by the City Council, all necessary changes shall be made to the construction plans as identified on the red lined drawings. In addition, the red lined drawings shall be returned to the Community Planning and Development Services Department;**
- 2. Prior to Preliminary Plat approval by the City Council, road construction plans for Catron Boulevard shall be submitted for review and approval. In particular, the road construction plans shall show the street constructed with a 12 inch water main in conformance with the City's Utility System Master Plan and sewer or a Variance to the Subdivision Regulations shall be obtained;**
- 3. Prior to Preliminary Plat approval by the City Council, the applicant shall obtain written approval from the City Engineer to allow the use of a sewer termination riser or the construction plans shall be revised accordingly;**
- 4. Prior to Preliminary Plat approval by the City Council, the plat document shall be revised to show a minimum 20 foot wide water main easement through Lot 6 from E. Stumer Road to Catron Boulevard for a future 12 inch water main extension;**
- 5. Prior to Preliminary Plat approval by the City Council, the applicant shall confirm that drainage on Lot 6 complies with the United States**

Army Corp of Engineers 404 Permit (Permit #2004-30258) and the requirements identified in the associated 2005 Wetland Mitigation Plan. If the drainage does not comply, a drainage report shall be submitted for review and approval for the area. In addition, drainage easements shall be secured as needed;

6. Prior to Preliminary Plat approval by the City Council, an Erosion and Sediment Control Plan in compliance with the adopted Stormwater Quality Manual shall be submitted for review and approval if subdivision improvements are required. In addition, an Erosion and Sediment Control Permit shall be obtained prior to any construction;
7. Prior to Preliminary Plat approval by the City Council, required drainage easements located on the unplatted balance north of proposed Lot 6 shall be secured and a copy of the recorded easement submitted to the Community Planning and Development Services Department for review and approval;
8. Prior to Preliminary Plat approval by the City Council, a revised cost estimate reflecting red line comments of the required subdivision improvements shall be submitted for review and approval;
9. Prior to Preliminary Plat approval by the City Council, the second page of the plat document showing the Certificate Titles shall be submitted for review and approval;
10. Upon submittal of a Final Plat application, surety for any required subdivision improvements that have not been completed shall be posted and the subdivision inspection fees shall be paid;
11. Prior to the City's acceptance of the public improvements, a warranty surety shall be submitted for review and approval as required; and,
12. The approved Preliminary Plat for which no grading, construction or other improvements have been initiated within two years of the date of approval of the plat shall be deemed as expired. However, the owner or applicant of the plat may, prior to the termination of the two year period, request a one year extension subject to approval by the City Council; and,

To recommend approval of the Variance to the Subdivision Regulations to waive the requirement to install water and sewer along Catron Boulevard as per Chapter 16.16 of the Rapid City Municipal Code (12SV001) with the following stipulations:

1. Prior to approval by the City Council, the applicant shall sign a waiver of right to protest any future assessments for the improvements; and,
2. Prior to approval by the City Council, the plat document shall be revised to show the dedication of a minimum 20 foot wide water main easement through Lot 6 from E. Stumer Road to Catron Boulevard for a future 12 inch water main extension. (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

11. No. 12PL003 - Symcom Subdivision

A request by FMG, Inc. for SC Building, LLC to consider an application for a **Layout Plat** for proposed Lots A, B and C of Symcom Subdivision, legally described as Lot 2a of Tract A, Less Lot 1 of Lot 2a of Tract A of Control Data Addition located in the SW1/4 of NE1/4 of Section 25, T2N, R7E, BHM, Rapid

City, Pennington County, South Dakota, more generally described as being located east and north of Disk Drive located east of the intersection of Haines Avenue and Disk Drive.

Fisher advised that the applicant has withdrawn the Layout Plat application. Discussion followed.

Snyder moved, Marchand seconded and unanimously carried to acknowledge the applicant's withdrawal of the Layout Plat application. (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

14. No. 12VE001 - Feigel Subdivision

A request by Advanced Engineering for Terry W. and Debra Henrikson to consider an application for a **Vacation of an Access Easement** for the access easement located within the vacated alley between Tract B and Tract F of Block 1 of Feigel Subdivision located in Section 31, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 930 East North Street.

Fisher advised that the applicant has withdrawn the Vacation of an Access Easement application. Discussion followed.

Snyder moved, Marchand seconded and unanimously carried to acknowledge the applicant's withdrawal of the Vacation of an Access Easement application. (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

Harrington requested that items 16 and 17 be considered concurrently.

16. No. 12CA001 - Una Del Acres No. 2

A request by John Sundby and Robert T. Sundby to consider an application for an **Amendment to the Comprehensive Plan to change the land use designation from Residential to Commercial** for Lot 1 less Lot H1 of Una Del Acres No. 2 located in Section 21, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at the northwest corner of the intersection of Catron Boulevard and Sheridan Lake Road.

17. No. 12RZ001 - Una Del Acres No. 2

A request by John Sundby and Robert T. Sundby to consider an application for a **Rezoning from Low Density Residential District to Office Commercial District** for Lot 1 less Lot H1 of Una Del Acres No. 2 located in Section 21, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at the northwest corner of the intersection of Catron Boulevard and Sheridan Lake Road.

Harrington presented the requests and reviewed the slides noting the Future Land Use Committee's recommendation for approval of the Comprehensive Plan

Amendment application and staff's recommendation for approval of the Rezoning application.

In response to a question from Snyder, Limbaugh stated that another rezone application will be required to be submitted if the applicant wants to rezone the property from Office Commercial District to General Commercial District in the future.

Robert (Bobby) Sundby advised that a meeting was held to provide information on the proposed project and was attended by approximately 10 of the residents from the Wildwood neighborhood. R. Sundby displayed a presentation showing the existing residence redeveloped into a real estate office noting that they intend to make substantial improvements to the property. R. Sundby identified the commercial uses located on the east side of Sheridan Lake Road directly across the street from the property. R. Sundby identified commercial uses located on the west side of Sheridan Lake Road beginning at the intersection of West Main Street on the north and extending south to Dunsmore Road. R. Sundby indicated that he is willing to record covenants on the property stating that no outdoor storage will be allowed on the property. R. Sundby identified issues he feels are contributing to the decline in the property's value including setbacks and increased traffic volumes. R. Sundby described discussions with an adjoining property owner concerning fencing and lighting associated with the proposed redevelopment of the property. R. Sundby stated that he feels that office commercial zoning is appropriate for this property. R. Sundby added that he feels that rezoning the property will raise property values in the area. Discussion followed.

In response to a question from Snyder, R. Sundby identified the properties that he owns located on the south side of Wildwood Drive noting that there are no plans to rezone the properties at this time. Discussion followed.

In response to questions from Snyder, R. Sundby explained that the other commercial properties identified in his presentation along Sheridan Lake Road are also located at signalized intersections. R. Sundby explained that this property is not increasing in value as a residence as a result of the proximity of the home to the street and the significant traffic volumes at this location. Discussion followed.

In response to a question from Snyder, R. Sundby advised that they have owned the property since 2006 noting that they did not own the property in 2001 when the previous rezoning application was made.

R. Sundby requested that any Planning Commissioners living within the Wildwood Subdivision abstain from voting on these items.

Gene Hensley advised that he is the President of the Wildwood Homeowners Association. In response to a request from Hensley, members of the audience that are opposed to the rezoning request stood up. Hensley stated that all of the property on the west side of Sheridan Lake Road from Jackson Boulevard to the City limits is single family residential. Hensley stated that the commercial

development along this area is located on the east side of Sheridan Lake Road with Sheridan Lake Road serving as a buffer between the uses. Hensley expressed concern that if this property is rezoned to commercial a precedent will be established that will allow additional commercial rezoning requests to occur along the west side of Sheridan Lake Road. Hensley expressed concern that if this rezoning is approved the applicants will request that the additional properties that they own located immediately to the south of this property be rezoned to Office Commercial. Hensley noted that any use permitted in the Medium Density Residential zoning district is allowed in the Office Commercial zoning district. Hensley indicated that multi-family dwelling units can be constructed if the lots south of Wildwood Drive are rezoned to Office Commercial. Hensley stated that they have a nice quiet neighborhood noting that he would like to keep it that way.

In response to a question from Weimer, R. Sundby stated that the property is located in the Una Del Acres Subdivision. Discussion followed.

In response to a question from Weimer, R. Sundby stated that the open space to the north of the existing residence is not shown on the proposed parking plan. R. Sundby indicated that the existing residence will be remodeled with a copper roof, river rock, timber frame trusses and accents along with extensive landscaping. Discussion followed.

In response to a question from Weimer, R. Sundby stated that the northern portion of the lot that is not shown on the proposed parking plan will remain undeveloped. Discussion followed.

R. Sundby stated that there is a commercial overlay at the corner of Corral Drive and Sheridan Lake Road.

Fisher clarified that although the applicant has identified a possible plan for the development of the property, once rezoned, any use permitted in the Office Commercial District will be allowed to be developed on the property by this property owner, or any subsequent property owner. Discussion followed.

Hensley requested that the Planning Commission keep the property zoned Low Density Residential District.

In response to a question from Snyder, Hensley stated that he lives approximately a quarter of a mile from the property. Discussion followed.

Debby Jensen stated that her mother lives at 5550 Una Del Drive noting that the back portion of her lot is exposed to the Sundby's property. Jensen stated that the neighborhood is quiet and she expressed concern that bringing in a commercial business will significantly change the neighborhood. Jensen added that the house and property is visible from their patio and deck. Jensen stated that she does not feel the addition of a commercial building in this area benefits their residential property. Jensen noted that the existing residential area is unique due to the size of the lots noting that the properties are well maintained. Jensen expressed concerns related to safety, signage, lighting and increased traffic in and out of the neighborhood. Jensen requested that the property remain

residential.

Douglas Scheller, Secretary of Wildwood Homeowner's Association advised that his residence is located approximately one quarter of a mile from the property. Scheller stated that he has lived in the neighborhood for 22 years and he expressed concern that the approval of commercial development will lead to more commercial development and will change the complexion of the neighborhood.

Janet Gundersen Powers, 6260 Chokecherry Lane, stated that the Catron Boulevard connection was already constructed in 2006 at the time the property was purchased by the applicant. Powers indicated that the applicant was aware that the property was residential at the time of purchase and she noted that it is important that this property remain residential. Powers stated that there are no sidewalks in the subdivision and she expressed concern that the commercial development will affect the sense of privacy. Powers requested that the rezoning be denied and she expressed concern that if this application is approved the applicant may request that the properties to the south be rezoned to commercial as well.

Galen Meek, 5850 Wildwood Drive, stated that he is a 20 year Wildwood resident and he expressed concern that if this rezone is approved the applicant will expand the commercial development to the adjacent properties. Meek requested that the property be kept residential noting that the neighborhood is private, quiet and his home.

Karen Gunderson Olson, 6241 Chokecherry Lane, advised that she has owned her house since 1972. Olson stated that her opposition to the request to rezone the property noting that there is ample commercial property to the east of Sheridan Lake Road. Olson added that considerable time and studies show that Sheridan Lake Road provides a logical buffer between commercial development to the east and the residential properties to the west. Olson stated that maintaining the Low Density Residential zoning respects and recognizes the homeowner investment the 40-plus year residential neighborhood in this area. Olson discussed the centralized locations of the Pizza Hut and Creekside commercial developments referenced by the applicant. Olson clarified that the west side of Sheridan Lake Road extending from Jackson Boulevard south is residential. Olson indicated that it is important to protect the residential character of these neighborhoods by maintaining Low Density Residential zoning. Olson expressed concern that a change in zoning would be harmful to people who have lived in the neighborhood for an extended period of time. Discussion followed.

Lee Thiel, 5669 Shadow Court, indicated that she lives approximately one quarter of a mile from the property. Thiel stated that she retired to Rapid City approximately six years ago noting that she had always wanted to live in the Wildwood area. Thiel stated that she and her husband oppose the proposed rezoning and asked that the neighborhood be maintained as a secluded residential area.

George Beal, 5650 Sunburst Drive, stated that he and his wife have lived in their

home since March of 1985 noting that it is a beautiful neighborhood and they would like to keep it that way. Beal indicated that he previously served on the Homeowner's Association Board and was Secretary for a number of years in the mid-1990s. Beal stated that as property developed to commercial along the east side of Sheridan Lake Road they could see a potential encroachment and intrusion into their neighborhood. Beal advised that the Homeowners Association adopted and approved a resolution setting forth the Association's opposition to rezoning for commercial activity in an area extending south from Corral Drive to the City limits. Beal stated that a copy of the resolution is attached to the letter submitted by Gene Hensley. Beal stated that Sheridan Lake Road has historically served as a natural buffer between commercial activity on the east side of the road and the Low Density Residential on the west side. Beal estimated that there are approximately 90 homes in Wildwood and the surrounding neighborhood. Beal clarified that on the west side of Sheridan Lake Road between Jackson Boulevard on the north and extending south to the City limits, all of the structures are single family residential homes with the exception of three properties: the Wesleyan Church, the Calvary Lutheran Church and Arrowhead Country Club. Beal indicated that property owners take pride in the Wildwood neighborhood noting that it is quiet and serene. Beal expressed concern that rezoning the property would set a precedent that would open the door for commercial development on the west side of Sheridan Lake Road. Beal expressed concern that the Sundby's will subsequently file an application to commercially rezone the properties lying to the south of this property. Beal discussed an application that was previously submitted to rezone this property to commercial in 2002 noting that it was met with the same neighborhood opposition. Beal stated that the proposed rezoning will only increase the property values on the commercial property and will not increase neighboring residential property values. Beal requested that the rezoning request be denied. Discussion followed.

Swank thanked the members of the public for coming forward to offer their verbal and written comments on this item and requested that property owner rights be considered. Swank noted that the recommendation of the Future Land Use Committee indicates that this development may be appropriate. Discussion followed.

Kibbe Conti, 5576 Wildwood Drive, advised that she is a co-owner of the property and she stated that she does not feel the property is suitable as a residence. Conti stated that the commercial development along Sheridan Lake Road has changed the character of the neighborhood. Conti indicated that she approached the City Council in 2010 and requested \$1,000,000 in 2012 funding to convert the property into a park noting that the Council elected to fund the Skyline Drive Wilderness expansion instead. Conti emphasized that half of the lot will be left undeveloped and she requested that the Planning Commission approve the rezoning request.

Kathy Sundby clarified that they do not want or plan to decrease the value of the residential properties in the neighborhood. K. Sundby stated that they are willing to place covenants on the property and she stated that she feels the project will improve the neighborhood. K. Sundby described past problems with renters at

the property. K. Sundby indicated that their office hours are 9:00 a.m. to 5:00 p.m. noting that everyone is gone from the property after 5:00 p.m. K. Sundby stated that she feels the office will be a good addition to the existing neighborhood services. Discussion followed.

R. Sundby advised that none of the property owners that are adjacent to this property object to the requested zoning change. R. Sundby stated that he believes that there are approximately 80 people in the Wildwood neighborhood and he stated that he believes that most people either support or have no opinion on the proposed zoning change. R. Sundby noted that the property has a problem that needs to be addressed. Discussion followed.

Brewer requested clarification from staff concerning the Future Land Use Committee's recommendation for approval of this request and asked staff to identify all of the office commercial uses that would be permitted on this site if the property is rezoned.

Harrington stated that there are three members of the Planning Commission members that serve on the Future Land Use Committee. Harrington stated that there was a significant amount of discussion on the request and on the existing commercial development on the east side of Sheridan Lane Road in particular noting that the Future Land Use Committee's final vote was 5 to 1 in favor of the zoning change.

Braun advised that he serves on the Future Land Use Committee and stated that the discussion on the issue was contentious. Braun stated that members of the Future Land Use Committee felt that the issue could be better addressed in a public setting. Discussion followed.

Marchand indicated that the purpose of the affirmative vote of the Future Land Use Committee was to bring the issue forward for open discussion. Discussion followed.

Harrington reviewed the uses permitted in the Office Commercial Zoning District.

Braun requested clarification concerning an article in the Rapid City Journal that reported that the City Council has taken action on this request.

Fisher advised that State law requires two readings at City Council for rezoning requests. She explained that the discussion on rezoning applications typically occurs at second reading before the City Council, after a recommendation is provided by the Planning Commission. Fisher noted that first reading is placed on the City Council agenda prior to the Planning Commission hearing in order to expedite zoning requests.

Snyder stated that Sheridan Lake Road serves as a buffer between the commercial and residential development. Snyder stated that he cannot support the encroachment of commercial development into the residential neighborhood.

Snyder moved, Marchand seconded and carried to recommend denial of

the Amendment to the Comprehensive Plan to change the land use designation from Residential to Commercial (12CA001) and to recommend denial of the Rezoning from Low Density Residential District to Office Commercial District (12RZ001). (7 to 2 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop and Snyder voting yes and with Swank and Weimer voting no)

*18. No. 12PD002 - Gateway Business Park Subdivision

A request by Rapid City/BH Lodging, LLC to consider an application for a **Major Amendment to a Commercial Development Plan to allow an On-Sale Liquor Establishment** for Lot 1 of Block 1 of Gateway Business Park Subdivision located in Section 28, T2N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 3333 Outfitter Road.

Laroco presented staff's recommendation for approval of the request with stipulations noting that all of the stipulations of the original Planned Development approval have been met.

Braun moved, Beshara seconded and unanimously carried to approve the Major Amendment to a Commercial Development Plan to allow an On-Sale Liquor Establishment in conjunction with a full service restaurant with the following stipulations:

- 1. A building permit shall be obtained prior to any construction. A Certificate of Occupancy shall be obtained prior to occupancy;**
- 2. Prior to issuance of a building permit, an Air Quality Construction Permit shall be obtained for construction activities disturbing one acre or more of surface area;**
- 3. Prior to issuance of a Certificate of Occupancy, all stipulation of the original Planned Commercial Development and thus Major Amendment to the Planned Commercial Development shall be met;**
- 4. Prior to issuance of a building permit, all recommendations of the updated Cambria Suites Traffic Impact Study dated March 2011 shall be met. Changes to the site plan which comply with the City's Design Standards shall be allowed as a Minimal Amendment to the Planned Commercial Development;**
- 5. The proposed structure shall conform architecturally to the plans and elevations and color palette reviewed and approved as part of the original approved Planned Commercial Development. Revisions to the design of the structure, that the Director of Community Planning and Development Services determines to be consistent with the original approved elevations, shall be allowed as a Minimal Amendment to the Planned Commercial Development;**
- 6. A minimum of 111 parking spaces with five of the spaces being handicap accessible shall be provided as a part of Phase One of the development. In addition, one of the handicap spaces shall be "van" handicap accessible;**
- 7. A minimum of 153,040 landscaping points shall be provided. In addition, the landscaping shall be planted in accordance with the approved plans. All landscaping shall be continually maintained in a live vegetative state and replaced in compliance with the City's**

- adopted Landscape Ordinance;**
- 8. The dumpster shall be located as shown on the site plan of the original Planned Commercial Development and screened along all four sides with an 8 foot high veneered wall and gated as proposed;**
 - 9. All outdoor lighting shall be reflected within the property boundaries so as to not shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;**
 - 10. The currently adopted International Fire Code shall be continually met. In addition, the applicant shall coordinate any expansion or alterations of the project with the Fire Department;**
 - 11. Any changes to the original sign package for the Planned Commercial Development which the Director of Community Planning and Development Services determines to be consistent with the original approved Planned Development may be allowed as a Minimal Amendment to the Planned Commercial Development. The addition of any electronic signage beyond that approved in the original Planned Commercial Development shall require a Major Amendment to the Planned Commercial Development. Signage advertising the restaurant and on-sale liquor establishment shall not be allowed. A sign permit shall be obtained for any additional signage;**
 - 12. The looped internal access aisle shall be constructed as a part of Phase One of the development as stipulated in the original Planned Commercial Development. In particular, the access aisle shall be constructed with a minimum 26 foot wide paved surface when adjacent to parking spaces. The balance of the access aisle shall be constructed with a minimum 200 foot wide paved surface. In addition, the access aisle shall be secured within and access easement prior to issuance of a Certificate of Occupancy;**
 - 13. The maximum allowable height of the structure shall be 56 feet in the southeast corner of the hotel as stipulated in the original Planned Commercial Development in lieu of the maximum 45 feet per the General Commercial District;**
 - 14. The required setback from the western property line to be reduced to 15 feet as stipulated in the original Planned Commercial Development in lieu of the required 25 feet per the General Commercial District;**
 - 15. All other provisions of the General Commercial District shall be met unless specifically authorized as a stipulation of the original Planned Commercial Development or a subsequent Major Amendment to the Planned Commercial Development;**
 - 16. The approved use for the property shall allow for a hotel with meeting rooms, conference rooms, and a dining and lounge area with an on-sale liquor establishment in conjunction with a full-service restaurant to be used exclusively by patrons of the hotel. Any other use of the property shall require a Major Amendment to the Planned Commercial Development; and,**
 - 17. The Planned Commercial Development shall expire if the use is not undertaken and completed within two years of the date of approval by the Planning Commission, or if the use as approved has ceased for a period of two years. (9 to 0 with Beshara, Braun, Brewer, Marchand,**

Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

The Rapid City Planning Commission's action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Planning & Development Services by close of business on the seventh full calendar day following action by the Planning Commission.

*19. No. 12UR001 - Section 5, T1N, R8E

A request by Kent Kennedy for M.G. Oil Company to consider an application for a **Major Amendment to a Conditional Use Permit to expand an On-Sale Liquor Establishment** for a portion of Lot B of Lot 3 of Tract D of the SW1/4 of the SW1/4, Section 5, T1N, R8E, B.H.M., Rapid City, Pennington County, South Dakota more fully described as follows: Commencing at the southwesterly corner of said Lot B of Lot 3 of Tract D of the SW1/4 of the SW1/4 of Section 5: Thence, N11°02'55"E, a distance of 170.875 feet, to a point on the westerly wall of the existing building, common to the southwesterly corner of the License Area, and the Point of Beginning; Thence, first course: N00°08'01"E, along the westerly edge of the westerly wall of said building, a distance of 41.37 feet, to the northwesterly corner of the License Area; Thence, second course: S89°51'59"E, along the northerly edge of a common wall, a distance of 40.43 feet, to a corner of said License Area; Thence, third course: S44°54'46"E, along the northerly edge of a common wall, a distance of 13.52 feet, to the northeasterly common wall corner of the said License Area; Thence, fourth course: N45°05'14"E, along the northerly edge of a common wall, a distance of 0.60 feet, to the northeasterly common wall corner of the said License Area; Thence, fifth course: S44°54'46"E, along the northerly edge of a common wall, a distance of 8.85 feet, to the northeasterly corner of said License Area; Thence, sixth course: S00°08'01"W, along the easterly edge of a common wall, a distance of 9.00 feet, to a corner of said License Area; Thence, seventh course: N89°51'59"W, along the southerly edge of a common wall, a distance of 6.00 feet, to a corner of said License Area; Thence, eighth course: S00°08'01"W, along the easterly edge of a common wall, a distance of 12.00 feet, to a corner of said License Area; Thence, ninth course: S89°51'59"E, along the northerly edge of a common wall, a distance of 6.00 feet, to a corner of said License Area; Thence, tenth course: S89°51'59"E, along the northerly edge of a outdoor patio, a distance of 10.00 feet, to a corner of said License Area; Thence, eleventh course: S00°08'01"W, along the easterly edge of a outdoor patio, a distance of 22.83 feet, to a corner of said License Area; Thence, twelfth course: N89°51'59"W, along the southerly edge of a outdoor patio, a distance of 8.00 feet, to a corner of said License Area; Thence, thirteenth course: N89°51'59"W, along the southerly edge of a common wall, a distance of 19.18 feet, to a corner of said License Area; Thence, fourteenth course: N00°08'01"W, along the westerly edge of a common wall, a distance of 17.78 feet, to a corner of said License Area; Thence, fifteen course: N89°51'59"W, along the southerly edge of a common wall, a distance of 39.49 feet, to a point on the westerly wall of the existing building, common to the southwesterly corner of said License Area, and the Point of Beginning, more generally described as being located at 1624 East Saint Patrick Street.

Lacock presented staff's recommendation for approval of the request with stipulations and provided a brief review of the staff report.

Swank moved, Snyder seconded and unanimously carried to approve the Major Amendment to a Conditional Use Permit to expand an On-Sale Liquor Establishment with the following stipulations:

- 1. The proposed fencing shall be consistent with the sample elevation as submitted;**
- 2. The outdoor patio area shall be continually fenced if on-sale liquor is to be allowed within the area;**
- 3. All provisions of the General Commercial District shall be met unless otherwise specifically authorized as a stipulation of this Major Amendment to the Conditional Use Permit or a subsequent Major Amendment;**
- 4. A building permit shall be obtained prior to any construction and a Certificate of Occupancy shall be obtained prior to occupancy;**
- 5. A minimum of 123 parking spaces shall be provided. In addition, five of the parking spaces shall be handicap accessible. One of the handicap spaces shall be "van accessible." All provisions of the Off-Street Parking Ordinance shall be continually met;**
- 6. A minimum of 68,866 landscaping points shall be provided. All provisions of Section 17.50.300, the Landscaping Regulations of the Rapid City Municipal Code shall be continually met. All landscaping shall be continually maintained in a live vegetative state and replaced as necessary;**
- 7. All outdoor lighting shall be reflected within the property boundaries so as to not shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;**
- 8. All signage shall conform to Chapter 15.28 of the Rapid City Municipal Code. No electronic signs are being approved as a part of this Major Amendment to the Conditional Use Permit. All signage not in conformance with Chapter 15.28 of the Rapid City Municipal Code or any electronic reader board signs shall require the review and approval of a Major Amendment to the Conditional Use Permit. Lighting for the signs shall be designed to preclude shining on the adjacent properties and/or street(s). A sign permit shall also be obtained for each individual sign;**
- 9. All applicable provisions of the adopted International Fire Code shall continually be met; and,**
- 10. The Major Amendment to the Conditional Use Permit shall allow for the expansion of the on-sale liquor establishment. Any change in use that is a permitted use in the General Commercial District shall require the review and approval of a Minimal Amendment. Any change in use that is a Conditional Use in the General Commercial District shall require the review and approval of a Major Amendment to the Conditional Use Permit. (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)**

The Rapid City Planning Commission's action on this item is final unless any party appeals that decision to the Rapid City Council. All appeals must be submitted in writing to the Department of Community Planning & Development Services by close of business on the seventh full calendar day following action by the Planning Commission.

*20. No. 12UR002 - Providence Addition

A request by John Lushbough for Gina Goodshield to consider an application for a **Conditional Use Permit to allow a Child Care Center** for Lot E and Lot F of Block 21 of Providence Addition located in Section 34, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 2626 West Main Street.

Popp left the meeting at this time.

Laroco stated that the applicant has requested that the Conditional Use Permit application be continued to the March 22, 2012 Planning Commission meeting.

Marchand moved, Snyder seconded and unanimously carried to continue the Conditional Use Permit to allow a Child Care Center to the March 22, 2012 Planning Commission meeting at the applicant's request. (8 to 0 with Beshara, Braun, Brewer, Marchand, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

Bulman requested that Items 21 and 22 be considered concurrently.

21. No. 12TI001 - Denman's Subdivision

A request by Dream Design International, Inc. for Technology Housing, LLC to consider an application for a **Resolution Creating Tax Increment District No. 72** for Lots 1 through 16 and the alley adjacent to Lots 1 through 16 of Block 3 of Denman's Subdivision all located in SW1/4 of the NW1/4 of Section 6, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located south of East Saint Joseph Street between Elm Avenue and Birch Avenue.

22. No. 12TI002 - Denman's Subdivision

A request by Dream Design International, Inc. for Technology Housing, LLC to consider an application for a **Tax Increment District No. 72 Project Plan** for Lots 1 through 16 and the alley adjacent to Lots 1 through 16 of Block 3 of Denman's Subdivision all located in SW1/4 of the NW1/4 of Section 6, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located south of East Saint Joseph Street between Elm Avenue and Birch Avenue.

Popp returned to the meeting at this time.

Bulman advised that the requested funding is for the purpose of redevelopment including the purchase of the properties, the demolition of the structures on the properties and paving the alley. Bulman indicated that on October 3, 2011 the City Council approved the applicant's request to include the purchase of property

in the Project Plan. Bulman stated that the applicant has indicated that he anticipates obtaining a 6.5% interest loan. Bulman advised that based on the information provided it is estimated that at a 9% interest rate the loan would be repaid in 19 years and at a 6.5% interest rate the loan would be repaid in 15 years. Bulman stated that this is an economic development request and will not require an additional mill levy for the school district. Bulman reviewed the project costs. Discussion followed. Bulman advised that the Tax Increment Financing Review Committee recommended approval of the creation of the district and approval of the Project Plan on January 24, 2012.

Mayor Sam Kooiker stated that he visited the site and he expressed concern regarding the existing condition of the property. Mayor Kookier stated that the property is clearly blighted noting that the proposed Tax Increment District is an important component of revitalizing this area. Mayor Kooiker indicated that he is working with the developers to include a requirement that the property will remain on the tax rolls for 20 to 25 years. Mayor Kooiker advised that additional review of the property acquisition costs will occur to insure that the tax payers are paying an appropriate amount. Mayor Kooiker stated that the amount to be paid for the property will be in an amount equal to the appraised value or a maximum amount of \$1.3 million, whichever is less. Mayor Kooiker encouraged the Planning Commission to support the request. Discussion followed.

Tim Henderson, Vice President of Finance and Administration at the South Dakota School of Mines & Technology stated that the South Dakota School of Mines & Technology Foundation owns property in the area and pays property taxes. Henderson added that the project is extremely important to the school and to Rapid City. Henderson stated that the project will provide a dramatic change for Rapid City and will help the school in recruiting and retention of students.

Popp moved and Marchand seconded to recommend approval of the Resolution Creating Tax Increment District No. 72. (12TI001) and to recommend approval of the Tax Increment District No. 72 Project Plan (12TI002).

In response to a question from Snyder, Mayor Kooiker stated that the requirement to keep the property on the tax rolls will be included in the Developer's Agreement for the project. Discussion followed.

The motion unanimously carried to recommend approval of the Resolution Creating Tax Increment District No. 72. (12TI001) and to recommend approval of the Tax Increment District No. 72 Project Plan (12TI002). (9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)

23. Discussion Items

Brewer reminded the Planning Commission members of the Tax Increment Financing training scheduled for February 14, 2012 at 11:30 a.m. in the 1st Floor Community Room. Brewer spoke in support of the use of Tax Increment Financing as an economic development tool. Discussion followed.

There being no further business, Snyder moved, Swank seconded and unanimously carried to adjourn the meeting at 8:45 a.m. 9 to 0 with Beshara, Braun, Brewer, Marchand, Popp, Rippentrop, Snyder, Swank and Weimer voting yes and none voting no)