

STAFF REPORT
September 25, 2014

No. 14AN003 - Petition for De-Annexation

ITEM 7

GENERAL INFORMATION:

APPLICANT	Dale and Deanne Schuelke
PROPERTY OWNER	Gerold D. and Deanne Schuelke
REQUEST	No. 14AN003 - Petition for De-Annexation
EXISTING LEGAL DESCRIPTION	The W1/2 of the NE1/4; the SE1/4 of the NE1/4; the NE1/4 of the NE1/4 of Section 27 and the S1/2 of the NE1/4, the SE1/4 less Tract 1 of Bradeen Subdivision, less right-of-way of Section 22, all located in T1N, R8E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 399.26 acres
LOCATION	South of SD Highway 44 and west of Reservoir Road
EXISTING ZONING	Low Density Residential District I - Low Density Residential District II - Neighborhood Commercial District - Medium Density Residential District - General Agricultural District
FUTURE LAND USE DESIGNATION	Low Density Neighborhood
SURROUNDING ZONING	
North:	General Agricultural District
South:	General Agricultural District (Pennington County)
East:	Limited Agricultural District (Pennington County) - General Agricultural District (Pennington County)
West:	Limited Agricultural District (Pennington County) - General Agricultural District (Pennington County) - General Agricultural District
PUBLIC UTILITIES	None
DATE OF APPLICATION	August 22, 2014
REVIEWED BY	Sarah Hanzel / Bob Reiss

RECOMMENDATION:

Staff recommends that the Petition for De-Annexation be approved.

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GENERAL COMMENTS: The applicant has submitted a petition to exclude approximately 339 acres of unplatted property from the Rapid City municipal boundary. The property was annexed voluntarily in 2007 (File number 07AN002).

The letter submitted with the application indicates that the property is currently used for agriculture and will continue to be used for agriculture. The property does not utilize any City utilities at this time. The City's Comprehensive Plan (Plan Rapid City) and Utility System Master Plan support future growth of residential development in this area and expansion of City utilities.

On August 18, 2014 the City Council passed a resolution which reduced the Stormwater Utility Drainage fee for property located within the Rural Service District by 75%. The fee for the property was reduced from \$6,765.04 to \$1,691.26.

This petition is filed concurrently with 14AN002. Action by Council on both applications cannot result in a dis-contiguous City limit. Approval of 14AN003 is contingent on approval of 14AN002.

STAFF REVIEW: The property is located south of SD Highway 44 and west of Reservoir Road. It is unplatted and currently used for agricultural purposes. Portions of the property are located within the 100 year and 500 year floodplain. The property was annexed voluntarily in 2007 to secure utilities for a proposed residential subdivision called "Morningstar." In 2008, Tax Increment District 66 was created to fund public infrastructure improvements for the proposed development; however, TID 66 has since been dissolved with no funds expended.

Surrounding Zoning: The property for de-annexation is zoned Low Density Residential District I, Low Density Residential District II, Neighborhood Commercial District, Medium Density Residential District, and General Agricultural District. The property was rezoned to accommodate residential development following its annexation. The property north of the de-annexation property is zoned General Agricultural District. The property to the east, west, and south of the de-annexation property is zoned Limited Agricultural District and General Agricultural District in Pennington County.

In addition to the surrounding agricultural uses, the Smith Subdivision is located south of Southside Drive, adjacent to the de-annexation area. Platted parcels of the subdivision are located within 500 feet of the de-annexation area.

Long Range Plans: The proposed de-annexation area is located in the Southeast Connector Neighborhood Area. Plan Rapid City supports both residential development and agricultural conservation in this area. The property's location within the Urban Services Boundary suggests that future development of the property may be supported by City services.

Rapid City's Utility System Master Plan calls for sanitary sewer extensions and water main extension within the proposed de-annexation area. Specifically, the Capital Improvements Plan has identified a \$3.8 million dollar project to construct a sewer extension on Southside Drive (Project #50328 - 2014). Future connections to the proposed facilities would be affected by the de-annexation of the properties. Any future development of the property will require connections to these facilities per the adopted regulations.

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The City's Major Street Plan shows a proposed collector street planned to connect the existing Jolly Lane to Southside Drive between Section 22 and Section 27.

Utility Connections Outside City Limits: Chapter 13.04.150 of the Rapid City Municipal Code states that "No water or sewer connection permit shall be issued, after the effective date of this chapter, to serve any property located outside the corporate limits of the city, except with specific approval of the Common Council. The connections shall be authorized by resolution and shall be subject to such terms, conditions and fees as the Council finds necessary or appropriate."

Subdivision Requirements: On September 2, 2014, the City Council approved Ordinance #6001 concerning the general provisions of Chapter 16.04.090 of the Rapid City Municipal Code. This ordinance requires that any area contiguous to Rapid City must be annexed prior to the City's approval of a plat for the property. As such, prior to Council's consideration of a plat, the property must be annexed.

Exclusion Process: The process for excluding property from a municipality is similar to the process for including property in a municipality and is provided in SDCL Sections 9-4-6 through 9-4-10. The City may approve a resolution excluding property from its boundary if the written petition describing the boundaries of the area is signed by no less than three-fourths of the registered voters and by owners of no less than three-fourths of the value of the area to be removed, the area being removed is located upon the border thereof and has not been laid out into lots and blocks.

Section 9-4-7 also identifies that the governing body shall not take action upon the petition until notice of the presentation of such petition has been given by the petitioners by publication at least once each week for two successive weeks. The petitioners have been notified of this Statutory Requirement.

The petition appears to meet all requirements for consideration under the provisions for excluding property from the municipal boundary.

This petition is filed concurrently with 14AN002. Action by Council on both applications cannot result in a dis-contiguous City limit. Approval of 14AN003 is contingent on approval of 14AN002.

Staff has reviewed the petition for annexation and determined that the property receives very little benefit from its inclusion in the City and that no injustice to other City residents would occur if the de-annexation petition is approved. However, the City has engaged in multiple long range planning endeavors which support future urban development in this area including the extension of roads and utility infrastructure. As long as the property is in use for solely agricultural production, these services are not necessary. At such time in the future that the property is ready for further development, annexation may be necessary.

Staff recommends that the Petition for de-annexation of the unplatted property be approved based on the agricultural character of the property and the lack of utility services that are currently provided by the City.

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