May 27, 2020

City of Rapid City, Public Works
300 6th Street
Rapid City, South Dakota 57701

Subj: Request for Exception to 40-Unit Rule
Lots A and B of Diamond Ridge Subdivision
Rapid City, South Dakota

Public Works Staff:

**Request**
Western Housing Enterprises, LLC, is applying for an exception to the 40-Unit Rule to allow 102 dwelling units with one point of access. Our intention is to subdivide two existing MDR lots (Reference Figure 1) into a total of ten (10) MDR lots, resulting in a total addition of 8-lots to the current lot density. As indicated, the addition of eight (8) additional lots would bring the total service level to 102 lots/dwelling units serviced off of Valley Drive. Please have this item placed on the Public Works and City Council Agenda for Consideration.

**Figure 1**
Existing Legal Description
Lot A and Lot B of Diamond Ridge Subdivision, located in the SW1/4 of the NW1/4 and in the N1/2 of the NW1/4 of the SW1/4, Section 4, T1N, R8E, B.H.M., Rapid City, Pennington County, South Dakota.

Proposed Legal Description
Lot C through Lot H, and Lot J through Lot M of Diamond Ridge Subdivision, located in the SW1/4 of the NW1/4 and in the N1/2 of the NW1/4 of the SW1/4, Section 4, T1N, R8E, B.H.M., Rapid City, Pennington County, South Dakota.

Background
Existing Valley Drive is a dead end street with a current service level of 94 lots/dwelling units. This area of Rapid City has seen significant expansion in recent history, including single-family residential development along Diamond Ridge Boulevard to the immediate east of the property. The two (2) lots in question were purchased from the developer of Diamond Ridge Subdivision, who has provided a copy of the Subdivision Master and Phasing Plan for reference in this request, see attached. Note that Phase 2 of Diamond Ridge Subdivision is currently under construction, with Phases 3 and 4 to follow immediately after. Review of the Subdivision Master and Phasing Plan indicates that the developer of Diamond Ridge Subdivision intends to construct Phase 5 which will extend Homestead Street to connect with Valley Drive, thus eliminating the 40-unit rule restrictions placed on existing Valley Drive. The developer of Diamond Ridge Subdivision indicates that the extension of Homestead Street may begin within a calendar year, depending on market demand for lots. Final construction of Homestead Street may take up to 6-months to complete.

Note that existing Lot A and Lot B of Diamond Ridge Subdivision as platted could be developed with an apartment complex on each. However, Western Housing Enterprises, LLC believes that this does not represent the highest use of the property. The intended use will be to create ten (10) MDR lots, with each lot containing a single fifteen (15-plex) building with associated parking lot.

The platting, design and construction process will likely take up to a year to complete the first 15-plex unit, with subsequent units following. Given our projected completion schedule, we anticipate that Homestead Street will be constructed well in advance of this project’s overall completion date.

Closure
If you have any questions or require additional information do not hesitate to contact me at (605) 484-9918.

Rob Poeppel
Member: Western Housing Enterprises, LLC

Attachments: Diamond Ridge Subdivision Master and Phasing Plan