

SOUTH DAKOTA CODIFIED LAW 1-19A-11.1 - ARSD 24:52:07:03 CASE REPORT FORM



**SOUTH DAKOTA STATE HISTORICAL SOCIETY
STATE HISTORIC PRESERVATION OFFICE (SHPO)
SOUTH DAKOTA CODIFIED LAW 1-19A-11.1 CASE REPORT**

If a state entity or political subdivision of the state is required by law or rule to report possible threats to the historical integrity of a property listed in the National Register of Historic Places or the State Register of Historic Places, the threat must be reported by means of a case report.

Case reports must provide the State Historic Preservation Office (SHPO) with sufficient information for the office to make an independent review of effects on the historical integrity of historic properties and shall be the basis for informed comments to state entities and the public. Case reports shall thoroughly examine all relevant factors involved in a preservation question. Abbreviated case reports may be requested at the discretion of the SHPO if less than a comprehensive view is needed. (ARSD 24:52:07:03 - Standards for Case Report)

SHPO reserves the right to request more information if needed. Typed forms are preferred. Submittal of this form without all requested information will cause review delays.

This is a new submittal. This is information relating to SHPO project number:

PROJECT LOCATION

Address

City

County

The responsible state entity or political subdivision of the state (cities, counties, etc.) must sign and date this form here prior to submitting it to the SHPO. Projects received without an original signature will cause review delays.

Signature: _____

Date: _____

Name

Title

Agency

FOR SHPO USE ONLY. DO NOT WRITE OR INSERT ANYTHING HERE.

**STATE, CITY, COUNTY, OR OTHER GOVERNING BODY
PERMITTING, FUNDING, LICENSING, OR ASSISTING THE PROJECT**

STATE ENTITY, CITY, COUNTY, OR OTHER GOVERNING BODY

Agency Name

City of Rapid City

Agency Contact Person

Jonathan Howard

Mailing Address

300 Sixth St

City, State, ZIP

Rapid City, SD 57701

Email Address

jonathan.howard@rcgov.org

Phone Number

605-394-4120

APPLICANT OR CONSULTANT CONTACT PERSON, IF APPLICABLE

Company Name

Galt Investments LLC

Contact Person

Peter Schmid

Mailing Address

PO Box 166

City, State, ZIP

Rapid City SD 57709

Email Address

p.schmid@gmail.com

Phone Number

605 431 0865

PROPERTY OWNER, IF DIFFERENT FROM ABOVE

Name

Same

Mailing Address, City, State, ZIP

Email Address

Phone Number

STANDARDS FOR CASE REPORT AS OUTLINED IN ARSD 24:52:07:03

1 & 2. Project Description. Describe the project. Include photographs and maps showing the existing project site and details of the proposed project. Where applicable, drawings, three-dimensional models, or accurate computer-generated representations of proposed construction may be included. The models or representations must clearly show the visual impacts of new construction on the surrounding neighborhood or landscape. Photographs, maps, drawings, and other supplemental materials should be submitted with this form as separate documents.

3. What is the planning and approval schedule for this project?

N/A

4. How was this project brought to the attention of the state or political subdivision (city, county, etc.)?

Demolition Permit

Building Permit

Other - Please explain:

5. Include a physical description of the affected historic property. Economic or situational information relevant to the affected property may be included if applicable.

See attached

6. Describe the potential effects of the proposed project on the historic property, including but not limited to physical and visual effects, alterations to the property, moving the property to another location, or change of use.

N/A

7. Provide a description of the feasible and prudent alternatives that were considered and rejected based on factors relevant to the project. Relevant factors should be supported by facts. Include the reason(s) for rejection of feasible and prudent alternatives. Describe other efforts undertaken to minimize harm to the historic property. Provide as much detail as possible when explaining consideration of alternatives and mitigation measures. Questions to be considered when reviewing the project include:

(a) How were decisions based on the consideration of factual reports, research, tried methods, and/or professional and lay preservation advice?

(b) How were alternatives beyond the immediate project explored, taking into account broad community or regional issues in which the historic resource may play a contributing role?

(c) How was the impact of potentially adverse effects on surrounding historic resources, community preservation plans, and long-range community opportunities taken into account, if applicable?

(d) Were decisions based on professional assessment(s) of the value and basic structural condition of the affected property and estimates of a range of rehabilitation or mitigative options prepared by people experienced in historic preservation work?

(e) Were adequate periods of time provided for information to be prepared and for preservation options to be attempted?

See attached

8. Provide a copy of correspondence with SHPO. Correspondence should include the identification and evaluation of historic properties, assessment of effects, and any consideration of alternatives or mitigation measures. Copies of this information should be submitted with this form as separate documents.

9. Describe efforts made to consider the views of affected and interested parties.

N/A

10. If applicable, the Historic Preservation Commission (HPC) in the community where this project is located should review and comment on this case report prior to its submittal to SHPO.

- The HPC agreed with the findings of the case report.
- The HPC disagreed with the findings of the case report.
- The HPC declined to comment on the findings of the case report.

In addition to the above findings, please include official comments from the HPC, if applicable.

11. Provide copies of written views submitted by the public to the state entity, city, county, or other governing body concerning the potentially adverse effects of projects on historic properties and alternatives to reduce or avoid those effects. Copies should be submitted with this form as separate documents.

**Please print this entire form, sign and date the first page,
and mail completed form with any additional documentation to:**

Review and Compliance Coordinator
South Dakota State Historical Society
900 Governors Drive
Pierre, SD 57501

Questions about South Dakota Codified Law 1-19A-11.1 can be directed to:

Review and Compliance Coordinator
(605) 773-8370

Restoration Specialist
(605) 773-6005

Project information submitted to SHPO cannot be returned. This documentation is kept on file at the South Dakota State Historical Society. We review faxed and electronic submissions in the same manner as any other submission and with the same considerations for clarity and completeness. However, original documents with original signature must follow all faxed and electronic submissions. The submission of incomplete, unclear, or confusing information may result in unnecessary delays in the review process until adequate information is obtained.

Additional Resources:

South Dakota State Historic Preservation Office: <http://history.sd.gov/Preservation/>
Link to National and State Register Listed Properties: <http://history.sd.gov/Preservation/NatReg/NatReg.aspx>
Historic Contexts: <http://history.sd.gov/Preservation/OtherServices/SHPODocs.aspx>

National Park Service: <http://www.nps.gov/nr/>
Publications (National Register Bulletins, Preservation Briefs, etc.): <http://www.nps.gov/history/publications.htm>

Project: 230425007S – 809 South St - 4th Floor Addition

5. Include a physical description of the affected historic property. Economic or situational information relevant to the affected property may be included if applicable.

At some point, the original wood frame portion of the hospital was destroyed by fire and not rebuilt. That section of the property was sold off and a building erected that is not connected to my building. The current occupant is Papa Johns Pizza.

I do not own that building. It does obstruct the view of my building from Mt Rushmore Road. I believe that the proposed 4th floor addition will beautify Mt Rushmore Road while keeping the existing structure as-is.

The building currently is office occupied and every system should be updated. A fire sprinkler should be installed, the galvanized plumbing replaced, wiring updated, elevator modernized, the roof needs replaced, old asbestos boiler pipe and tiles removed, HVAC, etc. These repairs will help the building last for my lifetime, but the current tenants won't see much change to the space they are renting.

The building is currently rented as small offices. The market rent for small offices in Rapid City is not enough to support making the updates the building needs.

Since the building was constructed for a 4th floor, I can make the improvements while at the same time generating additional revenue needed to pay for the aforementioned repairs.

The existing building will be left in-tact.

7. Provide a description of the feasible and prudent alternatives that were considered and rejected based on factors relevant to the project. Relevant factors should be supported by facts. Include the reason(s) for rejection of feasible and prudent alternatives. Describe other efforts undertaken to minimize harm to the historic property. Provide as much detail as possible when explaining consideration of alternatives and mitigation measures.

See attached estimates for my 4 options. I used construction costs from a previous project, and I included that cost report. The elevator estimate and 4th floor shell estimates are from conversations with local contractors. I estimated apartment rent at \$1200 for 3rd and 3rd floor and \$1500 for 4th floor.

I did consider converting the 2nd and 3rd floors of the building to residential. Based on the costs of a similar project completed in 2022, I determined this to be unfeasible. The entire building would need to be vacated and substantial interior demolition work completed. make the project work, on paper even, I would have to charge a rent that the market could not support.

Per the original application, the building was designed for a 4th floor. Instead of having the costs of purchasing land and building a foundation for a new building, I can use that portion of the budget to update the rest of the building without having to raise the office rents.

The only way a remodel will make sense is to increase the square footage of the leasable space. I can not get a loan approved if the money invested in the building does not provide some return.

My office is located in the building. I live in the same Historic District. If I wasn't 100% convinced that this project would benefit my neighborhood and the Mt Rushmore Road corridor I would not do it. I am very concerned with property not being taken care of properly in the area. But, projects have to make financial sense, they can't solely be a labor of love.

For example, take the house across Mt Rushmore Road from this building, 727 South Street. I believe this home is owned by a non-profit dedicated to preservation. The home was purchased almost 12 years ago, and the building permit has been open for about 9 years. I would never want to see another building get run down from neglect, when the expense of updating could only be born by a non-profit. A labor of love can take 15 years, but that can't be expected from other property owners and ultimately their tenants.



gross rents = money available monthly for building expenses and debt service

loan paymet = 20 years at 8%

Option 1 - Do nothing

remodel costs	\$0
elevator	\$0
4th floor shell	\$0
gross office rent	\$8,900
gross apartment rent	\$0
additional loan payment	\$0
month gross rent less additional loan payment	\$8,900

Option 2 - convert 2nd and 3rd floor to 8 apartments

remodel costs	\$1,536,000
elevator	\$150,000
4th floor shell	\$0
gross office rent	\$3,100
gross apartment rent	\$9,600
additional loan payment	\$12,850
month gross rent less additional loan payment	-\$150

Option 3 - 3 apartments on a new 4th floor, 4 apartments 3rd floor

remodel costs	\$1,344,000
elevator	\$200,000
4th floor shell	\$600,000
gross office rent	\$5,700
gross apartment rent	\$9,300
additional loan payment	\$17,930
month gross rent less additional loan payment	-\$2,930

Option 4 - 3 apartments on a new 4th floor, leave existing office space

remodel costs	\$576,000
elevator	\$200,000
4th floor shell	\$600,000
gross office rent	\$8,900
gross apartment rent	\$4,500
additional loan payment	\$11,500
month gross rent less additional loan payment	\$1,900