

MINUTES OF THE  
RAPID CITY ZONING BOARD OF ADJUSTMENT  
November 7, 2024

MEMBERS PRESENT: Kelly Arguello, Erik Braun, Karen Bulman, Alicia Ginsberg, Mike Gollither, Eirik Heikes, Haven Stuck, Mike Quasney, and Vince Vidal. Pat Roseland Council Liaison was also present.

MEMBERS ABSENT: John Herr, Brook Kaufman.

STAFF PRESENT: Vicki Fisher, Jessica Olson, Sarah Hanzel, Tanner Halonen, Cassie Hayes, Morgan Twombly, Jennifer Bergstrom, Mike Dugan, Chip Premus, Todd Peckosh, Kinsley Groote and Andrea Wolff.

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

1. Approval of the October 10, 2024 Zoning Board of Adjustment Meeting Minutes.

**Bulman moved, Vidal seconded and the Zoning Board of Adjustment approved the October 10, 2024 Zoning Board of Adjustment Meeting Minutes. 9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

2. No. 24VA013 - Scotts Addition

A request by Jose Gonzalez to consider an application for a **Variance to reduce the front yard setback from 25 feet to 14 feet, reduce the rear yard setback from 25 feet to 6 feet and increase the maximum lot coverage from 30 percent to 33 percent to construct a single-family dwelling** for Lot 7 of Block 20 of Scotts Addition, located in Section 35, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 1108 Van Buren Street.

Hayes presented the application and reviewed the associated slides noting the applicant is proposing to construct a 70-foot long by 30-foot wide residence with an attached garage, but that the size and configuration of the lot restricts the buildable area. Hayes stated that the lot is further restricted by its location within the M Hill Overlay District which requires a 25 foot setback for both the front and rear yards. Hayes noted that the lot sits on a dead-end street in an older developed area with numerous non-conforming structures so the impact of the Variance is not as evident. Hayes said that the applicant plans to retain the mature trees along the northern lot line to provide a buffer. Hayes explained that the proposed house is 2-stories with a side-loading garage which will provide a longer driveway to help deter vehicles from overhanging the sidewalk and provide for a 20-foot parking area in front of the garage door. Hayes reviewed the special circumstances of being located on a corner lot abutting two streets creating the limited building area requiring the setback requests and request for lot coverage increase. Hayes also noted that new construction in this older neighborhood supports the goals of the Comprehensive Plan, but noted that the applicant could reconfigure or reduce the size of the structure to meet the lot coverage requirement and reduce the necessary setback variances. Based on these conflicts Hayes stated that staff is

forwarding without recommendation to allow Zoning Board of Adjustment to determine if the request is appropriate for this location.

Fisher spoke to the difficulties staff had in reviewing this application, stating that there are pros and cons to this request and there are options that could be taken to eliminate the need for a Variance to the extent requested, but that with the potential for the new growth and improvements this offers it becomes a question of is this the minimal adjustment necessary to provide reasonable use and that is why staff is bringing it forward without recommendation, to have that discussion.

Jeff Bocik, friend of applicant, asked what the chance to receive approval was stating he would be available to help answer questions as they discussed the application.

Discussion followed regarding the reason for the stipulation that the garage be side-loading, layout and buildability of the property adjacent to the east, current structures in the neighborhood and potential for newer, improved development of the area, the benefit of developing a difficult property versus leaving it vacant, why the specific setbacks were reduced as they were and the effect on neighboring properties, separation requirements and elevations of the lots, options to redesign the structure or to shift the structure to allow more separation, and the option to continue to allow applicant to redesign.

Premus discussed the required separation for both 1-story and 2-story structures and the need to work with Fire Department to use non-combustible materials. Premus stated that 14 feet is generally considered the minimum sufficient separation of structures so more separation would be acceptable.

Jose Gonzalez, applicant, agreed to shift the structure to provide 10-foot setbacks on both front and rear yards to allow separation.

**Arguello moved, Vidal seconded to approve based on special circumstances and after further discussion the motion was amended to change the setbacks to 10 foot setback for both front yard and rear yard with both motion maker and second in agreement with the revision.**

Rex Peregrine, neighbor, spoke to his concerns regarding the nearness of the structure to his property and requests they consider increasing the setback a couple of feet or shifting the location of the structure.

**Arguello moved, Vidal seconded to determine that the Variance request to reduce the front yard setback from 25 feet to 10 feet, reduce the rear yard setback from 25 feet to 10 feet, and increase the maximum lot coverage from 30% to 33% to construct a single-family residence is appropriate for the location and approved based on the criteria that special circumstances exist with the following stipulation:**

- 1. Upon submittal of a Building Permit application, plans shall be provided to show a side-loading garage. No garage doors facing Van Buren Street shall be permitted. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

3. No. 24VA014 - South Robbinsdale No. 2

A request by Tony and Amy Klock to consider an application for a **Variance to reduce the east side yard setback from 8 feet to 5 feet for a carport** for Lot 19 of Block 5 of South Robbinsdale No. 2, located in Section 7, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 2830 Willow Avenue.

Hayes presented the application and reviewed the associated slides noting the applicant is requesting the reduction to the side yard setback to allow the construction of a 12-foot by 24-foot carport alongside the house. Hayes noted that due to the layout of the property this the best location to build the carport, as building it in the rear yard would require removing a privacy fence and the existing patio and extending the driveway into the rear yard, and that reducing the size of the carport to 9 feet wide would not be functional. Hayes stated that the Fire Department is requesting non-combustible materials be used in construction of the carport. Hayes explained the requirement that the area up to the parking pad be paved and stated that staff recommends approval of the Variance to reduce the east side yard setback from 8 feet to 5 feet for a carport with the stipulation outlined in the Project Report.

The definition of carport versus garage and fire resistant material was discussed.

**Heikes moved, Quasney seconded and the Zoning Board of Adjustment approved the Variance to reduce the east side yard setback from 8 feet to 5 feet for a carport on the criteria it is the minimum adjustment necessary for reasonable use with the following stipulation:**

- 1. Upon submittal of a Building Permit application, plans shall be provided to show the existing driveway will be paved and the carport will be constructed with fire-treated wood or other non-combustible material. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

4. No. 24VA015 - West Boulevard Addition

A request by Meggan Regelin and Valerie Baker to consider an application for a **Variance to reduce minimum parking requirement from 9 spaces to 4 spaces to utilize existing parking lot** for Lots 2 and 3 of Block 22 of West Boulevard Addition, located in Section 2, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 807 St. Andrew Street.

Bergstrom presented the application and reviewed the associated slides noting that the property has operated as a dental office for a number of years without incident and that the new use, which is an internet-based wholesale travel business, does not propose to have in-person customers so the use should be less impacting to the neighborhood. Bergstrom stated that the existing parking is legal non-conforming and with the change of use the parking needs to conform to minimum off-street parking requirements. Bergstrom explained that based on the proposed operations and floor plan, 9 off-street parking spaces are required and the applicant is requesting a Variance to provide 4 off-street parking places with one being handicap accessible. Bergstrom stated that the applicant is anticipating

to have two full time employees and two seasonal employees so with the provided parking along with the available on-street parking and the 8 public parking spaces located across the street adjacent to Wilson Park there should be sufficient parking. Bergstrom stated that based on the nature of the on-line business and available parking, staff is recommending approval of the Variance to reduce minimum parking requirement from 9 spaces to 4 spaces to utilize existing parking with the stipulation outlined in the Project Report.

Valerie Baker, operator, introduced her business partner, Maggan Regelin, who stated that they do not utilize any vehicles for their business. Baker then explained they provide educational travel programs in a wholesale manner. Baker further explained that they manage and arrange the contracting for the amenities used on these tours, but are not involved in the sale or marketing. Baker stated that they would like to retain the 6 parking spaces to allow for potential growth of the business.

Fisher discussed the requirements for parking, noting that a change to the requested parking spaces would require a new application, explaining that the purpose of requiring non-conforming uses to come into compliance allows for staff to ensure that the minimum requirements are being met. In response to a question from the applicant regarding their ability to grow their staff size, Fisher indicated that the parking requirement will be calculated based on the use and square footage of the commercial site, not the number of employees.

The type of business, number of potential vehicles, the utilization of floor space and calculation of parking and the option to return at a later date to address growth were discussed.

**Quasney moved, Bulman seconded and the Zoning Board of Adjustment approved the Variance request to reduce the minimum off-street parking requirement from 9 spaces to 4 spaces to utilize the existing parking lot, on the criteria that it is the minimum adjustment necessary for reasonable use with the following stipulation:**

- 1. Any change in use or operational plan for the travel company that requires additional off-street parking beyond 9 spaces shall require a new Variance request. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

5. No. 24VA016 - Skyline Subdivision #2

A request by Calvary Baptist Church to consider an application for a **Variance to increase maximum fence height from 4 feet to 6 feet in a front yard** for Tract 1 including vacated Section Line right-of-way of Skyline Subdivision #2, located in Section 23, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 4601 Mount Rushmore Road.

Olson presented the application and reviewed the associated slides explaining that as both frontages abut a road they are both identified as front yards so the Variance is to reduce the front yard setback requirement on the east and south property lines. Olson reviewed the uses on the property which include the church, school, and gymnasium with recreation areas to the south and east of the structures. Olson

stated that the recreational areas cannot reasonably be relocated on the property and that the existing fence is four feet high. Olson stated that the increased height would provide more safety for the recreational uses located along the roads. Olson noted that the open nature of the area reduces the impact on surrounding properties and that staff recommends approval of the Variance to increase maximum fence height from 4 feet to 6 feet in a front yard with the stipulation to maintain sight triangles outlined in the Project Report.

Signs being attached to the fencing and the sign requirements were discussed.

**Quasney moved, Bulman seconded and the Zoning Board of Adjustment approved the Variance request to increase the maximum fence height from 4 feet to 6 feet in a front yard based on the criteria of special circumstances with the following stipulation:**

- 1. The fence shall be chain link and shall not be opaque. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Golliher, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

6. Staff and Zoning Board of Adjustment Items

**There being no further business Vidal moved, Quasney seconded and the Zoning Board of Adjustment unanimously carried to adjourn the meeting at 8:13 a.m. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Golliher, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

MINUTES OF THE  
RAPID CITY PLANNING COMMISSION  
November 7, 2024

MEMBERS PRESENT: Kelly Arguello, Erik Braun, Karen Bulman, Alicia Ginsberg, Mike Gollither, Eirik Heikes, Mike Quasney, Haven Stuck and Vince Vidal. Pat Roseland Council Liaison was also present.

MEMBERS ABSENT: John Herr, Brook Kaufman.

STAFF PRESENT: Vicki Fisher, Jessica Olson, Sarah Hanzel, Tanner Halonen, Cassie Hayes, Morgan Twombly, Jennifer Bergstrom, Mike Dugan, Chip Premus, Todd Peckosh, Kinsley Groote and Andrea Wolff.

Braun called the meeting to order at 8:13 a.m.

**Braun 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.**

**Vidal moved, Ginsberg seconded and the Planning Commission unanimously carried to recommend approval of the Consent Agenda Items 1 thru 5 in accordance with the staff recommendations. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

**---CONSENT CALENDAR---**

1. Approval of the October 10, 2024 Planning Commission Meeting Minutes.
2. No. 24PL088 - Moon Meadows Park Subdivision  
A request by Towe Design Group for Kent Hagg to consider an application for a **Preliminary Subdivision Plan** for proposed Lots 4 and 5 of Block 2 and Lots 1 thru 7 of Block 4 of Moon Meadows Park Subdivision, legally described as the SW1/4 of the NW1/4, less Moon Meadows Park Subdivision, less right of way, located in Section 35, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located southeast and northeast of the intersection of Highway 16 and Moon Meadows Drive.

**Planning Commission recommended that the Preliminary Subdivision Plan be approved with the following stipulations:**

1. **Prior to the submittal of a Development Engineering Plan application, the applicant shall schedule a pre-application conference as required by §16.08.040 of the Rapid City Municipal Code;**
2. **Upon the submittal of a Development Engineering Plan application, all information as per §16.12.040 of the Rapid City Municipal Code shall be submitted for review and approval, as applicable;**
3. **Upon the submittal of a Development Engineering Plan application, engineering design reports (in part to include water, sewer, drainage, and pavement) shall be submitted for review and approval as per §1.15 of the Infrastructure Design Criteria Manual. All final engineering reports shall**

be signed and sealed by a Professional Engineer and contain a Certification Statement of Conformance with City Standards, as required by the Infrastructure Design Criteria Manual;

4. Upon the submittal of a Development Engineering Plan application, construction plans shall be submitted for review and approval for a 12-inch water main to be constructed within both the Sammis Trail right-of-way and the Mount Rushmore Road right-of-way adjacent to Lots 4 and 5 of Block 2. An Exception shall be obtained for a dead end water main;
5. Upon the submittal of a Development Engineering Plan application, construction plans shall be submitted for review and approval for a 16-inch water main to be constructed within the Healing Way right-of-way. A flushing hydrant shall be required at the northern terminus of the water main;
6. Upon the submittal of a Development Engineering Plan application, the plat documents shall be revised for Bella Luna Place to show a turnaround at the eastern terminus. In addition, construction plans pursuant to §2.13 of the Infrastructure Design Criteria Manual for a Commercial turnaround shall be submitted for review and approval or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan application;
7. Upon the submittal of a Development Engineering Plan application, construction plans shall be submitted for review and approval for Sammis Trail pursuant to Figure 2-1 of the Infrastructure Design Criteria Manual for a Commercial Street or the criteria for obtaining an Exception shall be met. In addition, a cul-de-sac bulb shall be provided at the west end of Sammis Trail and constructed in compliance with §2.13 for a Commercial cul-de-sac or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan;
8. Upon the submittal of a Development Engineering Plan application, the plat documents shall be revised for Healing Way to show dedication of an additional 5 feet of right-of-way for the first 200 feet north from Moon Meadows Drive. In addition, construction plans shall be submitted for review and approval for Healing Way pursuant to Figure 2-1 of the Infrastructure Design Criteria Manual for a Collector Street or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan;
9. Upon the submittal of a Development Engineering Plan application, construction plans for the Access Easement on Lot 5 of Block 2 shall be submitted for review and approval pursuant to Figure 2-1 of the Infrastructure Design Criteria Manual for a Commercial Street or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan;
10. Prior to the approval of a Development Engineering Plan application, a Development Agreement shall be entered into with the City for all public improvements;

11. Prior to the approval of a Development Engineering Plan application, a cost estimate for the required subdivision improvements shall be submitted for review and approval;
12. Prior to the approval of a Development Engineering Plan application, approval from the South Dakota Department of Agriculture and Natural Resources shall be secured;
13. Prior to the approval of a Development Engineering Plan application, any necessary off-site easements shall be secured;
14. Upon the submittal of a Final Plat application, the plat document shall identify all necessary easements. Miscellaneous documents shall be provided for all necessary easements outside of the plat boundary;
15. Upon the submittal of a Final Plat application, a Covenant Agreement shall be entered into with the City for the maintenance and ownership of any proposed drainage elements; and,
16. Prior to the City's acceptance of public improvements, a warranty surety shall be submitted for review and approval as required.

3. No. 24PL089 - Apple Valley Subdivision and Poeppel Subdivision

A request by Towey Design Group for Meadow Valley, LLC to consider an application for a **Preliminary Subdivision Plan** for proposed Lots 17 thru 21 of Block 4, Lots 23 thru 27 of Block 6, Lots 28 and 29 of Block 11, Lots 12 and 13 of Block 12 of Apple Valley Subdivision and Tract 1 of Poeppel Subdivision, legally described as a portion of the NW1/4 of the SW1/4 and the SW1/4 of the NW1/4 and the NW1/4 of the NW1/4 less Lot A and less right-of-way of Section 13, all located in T1N, R8E, BHM, Pennington County, South Dakota, more generally described as being located north of the intersection of Anderson Road and Highway 44.

**Planning Commission recommended that the Preliminary Subdivision Plan be approved with the following stipulations:**

1. Prior to the submittal of a Development Engineering Plan application, the applicant shall schedule a pre-application conference as required by §16.08.070 of the Rapid City Municipal Code;
2. Upon the submittal of a Development Engineering Plan application, all information as per §16.12.040 of the Rapid City Municipal Code shall be submitted for review and approval, as applicable;
3. Upon the submittal of a Development Engineering Plan application, engineering design reports (in part to include water, sewer, drainage, and pavement) shall be submitted for review and approval as per §1.15 of the Infrastructure Design Criteria Manual. All final engineering reports shall be signed and sealed by a Professional Engineer and contain a Certification Statement of Conformance with City Standards, as required by the Infrastructure Design Criteria Manual;
4. Upon the submittal of a Development Engineering Plan application, construction plans pursuant to Figure 2-1 of the Infrastructure Design Criteria Manual for a Local Street shall be submitted for review and approval for the extensions of Lodi Lane and McIntosh Lane or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan application;
5. Upon the submittal of a Development Engineering Plan application, the plat document shall continue to identify temporary turnarounds at the



eastern termini of Lodi Lane and at the northern termini of McIntosh Lane or the criteria for obtaining an Exception shall be met. If an Exception is obtained a copy of the approved document shall be submitted with the Development Engineering Plan application;

6. Prior to the approval of a Development Engineering Plan application, the plat document shall continue to show property line sidewalks adjacent to the proposed lots or a Variance shall be obtained from City Council to waive this requirement. If a Variance is obtained a copy of the approval document shall be submitted with the Development Engineering Plan application;
7. Prior to the approval of a Development Engineering Plan application, a Development Agreement shall be entered into with the City for all public improvements;
8. Prior to the approval of a Development Engineering Plan application, a cost estimate for the required subdivision improvements shall be submitted for review and approval;
9. Prior to the approval of a Development Engineering Plan application, approval from the South Dakota Department of Agriculture and Natural Resources shall be secured;
10. Prior to the approval of a Development Engineering Plan application, any necessary off-site easements shall be secured;
11. Upon the submittal of a Final Plat application, a Major Drainage Easement shall be dedicated for all drainage improvements;
12. Upon the submittal of a Final Plat application, the plat document shall identify all necessary easements. Miscellaneous documents shall be provided for all necessary easements outside of the plat boundary;
13. Upon the submittal of a Final Plat application, a Covenant Agreement shall be entered into with the City for the maintenance and ownership of any proposed drainage elements;
14. Upon the submittal of a Final Plat application, surety approved by the City Attorney's Office shall be posted for any required subdivision improvements that have not been completed and the subdivision inspection fees shall be paid; and,
15. Prior to the City's acceptance of public improvements, a warranty surety shall be submitted for review and approval as required.

4. No. 24RZ018 - Spring Brook Acres

A request by Eduardo Lopez for City of Rapid City Public Works Department to consider an application for a **Rezoning request from Low Density Residential District I to Public District** for Lot 1 in Block 1 of Spring Brook Acres, located in Section 15, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located at 3008 Spring Brook Road.

**Planning Commission recommended approval of the Rezoning Request from Low Density Residential District 1 to Public District.**

5. No. 24RZ019 - Spring Brook Acres

A request by Eduardo Lopez for City of Rapid City Public Works Department to consider an application for a **Rezoning request from Low Density Residential District I to Flood Hazard District** for Lot 2 in Block 1 of Spring Brook Acres, located in Section 15, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more

generally described as being located at 3008 Spring Brook Road.

**Planning Commission acknowledged the applicant's withdrawal of the Rezone request from Low Density Residential District 1 to Flood Hazard District.**

**---END OF CONSENT CALENDAR---**

**---BEGINNING OF REGULAR AGENDA ITEMS---**

\*6. No. 24PD021 - Orchard Meadows No. 2

A request by Advanced Design Engineering and Surveying, Inc for Creekside Heights Apartments LLC to consider an application for a **Final Planned Development Overlay to allow an apartment complex** for Lot 1 of Orchard Meadows No.2, located in Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located south of the western terminis of Jaffa Garden Way and west of Jim Street.

Hayes presented the application and reviewed the associated slides, noting this is a Final Planned Development Overlay to complete Phases 3 and 4 of a 4 phased plan for Creekside Heights Apartments. Hayes reviewed prior phases and the number of units stating that these 7 additional buildings will provide 300 market rate units with 3 buildings of 59-units, 3 buildings of 32-units and 1 building of 27-units. Hayes stated that all buildings will be 3 stores or 39 feet and 9 inches in height. Hayes explained that the applicant is requesting an Exception to allow a setback of 23 feet and 6 inches to the Elk Vale Road right-of-way in lieu of the minimum required 25 feet for Building #11 only, as the layout of the buildings and parking requires that Building #11 encroach slightly into the setback. Hayes stated that neither SDDOT nor City Transportation Division have issue with this request as there is still approximately 80 feet of setback from Elk Vale Road. Hayes reviewed the number of garages that will be provided including ADA units. Hayes outlined the open space provided in this phase as well as the open space provided in the previous phases and amenities such as the fitness center, pool and community room that are accessible to these units as well. Hayes noted that there is a separate property located within the development area for which access is required to be provided and explained how that will be provided through the apartment complex ensuring that the property will not become landlocked.

Hayes stated that staff recommends approval of the Final Planned Development Overlay to allow an apartment complex with the stipulations outlined in the Project Report.

Setbacks and drainage impacts on construction, internal access flow that allows two accesses, one from Jim Street and one from Jaffa Garden Way, and floodplain were discussed.

**Bulman moved, Stuck seconded and the Planning Commission unanimously approved the Final Planned Development Overlay to allow an apartment complex with the following stipulations:**

- 1. An Exception is hereby granted to allow a setback of 23 feet 6 inches to the Elk Vale Road right-of-way in lieu of the minimum required 25 feet for Building #11 only;**

2. A minimum of 450 off-street parking spaces shall be provided for Phases 3 and 4 combined. A minimum of 9 parking spaces shall be ADA accessible with at least 2 of those spaces being van accessible. All parking shall be in compliance with Rapid City Municipal Code §17.50.270;
3. A minimum of 368,824 landscaping points shall be provided for Phases 3 and 4 combined. Landscaping shall comply with Rapid City Municipal Code §17.50.300;
4. A minimum of 120,000 square feet of combined usable open space shall be provided for Phases 3 and 4; and,
5. The Final Planned Development Overlay shall allow for Phases 3 and 4 of a 4-phase apartment development and includes three 59-unit apartment buildings, three 32-unit apartment buildings, and one 27-unit apartment building for a total of 300 dwelling units. All requirements of the Medium Density Residential District shall be maintained accordingly unless specifically authorized per Chapter 17.50 of the Rapid City Municipal Code. Any change of use or expansion of use to Phases 3 or 4 that is permitted in the Medium Density Residential District and in compliance with the Parking Regulations shall require the review and approval of a Building Permit. Any change of use or expansion of use to Phases 3 or 4 that is a Conditional Use in the Medium Density Residential District shall require the review and approval of a Major Amendment to this Planned Development Overlay. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Gollither, Heikes, Quasney, Stuck and Vidal 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 Development by close of business on the seventh full calendar day following action by the Planning Commission.*

7. No. 24TI005 - Section 3,T1N, R8E  
A request by Indigo Design, LLC for Homestead Street, LLC to consider an application for a **Resolution for Amendment #1 to Project Plan for TID No. 83 Project Plan for the Homestead Street Extension** for Lots 2 thru 13 and Drainage Lot A of Block 9, Lots 2 thru 14 of Block 10, all of Avenue A Subdivision; Lots 1, 2, 3A, 3B, 3C, and 4 thru 6 of Block 1, Lots 1 thru 3 of Block 2, Lots 1 and 2R of Block 3, Lots 1B, 2 and 3 of Block 4, Lots 1 thru 4 of Block 5, all of Big Sky Business Park; Tract A less Tract BR of Neff Subdivision #4, less Avenue A Subdivision and less right-of-way, of F and N Subdivision; W1/2SW1/4NW1/4 less Big Sky Business Park, less Lot H2 and less right-of-way; S1/2 GL 3 less Big Sky Subdivision, less Big Sky Business Park and less right-of-way, S1/2 GL4 less Big Sky Business Park, less Lot H1, H2, and right-of-way; SE1/4NW1/4 less Big Sky Subdivision and less right-of-way; and dedicated right-of-way adjacent to said lots, all located in Section 3, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being located Homestead Street east of Elk Vale Road between Timmons Boulevard and Missoula Street.

Dugan presented the application reviewing the history of the Homestead Street Extension TID, the Tax Increment Financing process and the proposed Amendment

stating it is a 35 percent increase to project costs, which calculates to approximately \$951,000. Dugan stated that the TID was certified in January of 2023 and is in repayment status now. Dugan noted that there were unused funds in the original TID and those funds will be reallocate with \$1,180,000 being used to purchase 3 lots in the development along Neel Street for use of a future fire station, police substation and a city park. Dugan reviewed associated costs and fees and noted that all funds must be used by October of 2025 to be within the 5 year period. Dugan discussed the appraisal of property that was completed April of 2024 and recent sales in area. Dugan reviewed development that has occurred in the TID area and proposed future development that can still be done. Dugan stated that the City will be co-applicant with the current developer with the City paying off the existing TID loan, combining with the proposed increase for a total of \$2.4 million and financing it at a 7% fixed interest. Dugan stated that this TID has over performed and has an anticipated early payoff of 2029 and spoke to the funds that will come back to the city as financier. Dugan reviewed TIF policy and project costs noting that these fall within the criteria.

Reallocation of funds, if management costs of park is budgeted, the City's involvement in the TID and how funding is structured, City funds being used as loan for an investment and the use of available funds for City improvements while earning interest, timing of Amendment actions and deadline for use of funds, and how the loan action will be addressed by City Council were discussed.

**Bulman moved, Vidal seconded and the Planning Commission unanimously recommended approval of the Resolution for Amendment #1 to Project Plan for TID No. 83 Project Plan for the Homestead Street Extension. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Golliher, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**

8. Staff and Planning Commission Discussion Items

None

**There being no further business, Vidal moved, Golliher seconded and unanimously carried to adjourn the meeting at 8:44 a.m. (9 to 0 with Arguello, Braun, Bulman, Ginsberg, Golliher, Heikes, Quasney, Stuck and Vidal voting yes and none voting no)**