June 6, 2017

Pennington County Commissioners
Commissioner’s Office
130 Kansas City Street, Ste 100
Rapid City, SD 57701

RE: 248 Curtis Street
Rapid City, South Dakota

Dear Pennington County Commissioners,

The Building Services Division of Rapid City’s Community Planning and Development Department is responsible for looking into complaints regarding substandard housing within Rapid City that is maintained in violation of the Rapid City Municipal Code. The Division has received complaints on a vacant, dilapidated house located at 248 Curtis Street (Tax ID 20127). It has come to my attention that the County holds a tax certificate on this property. I understand that the County will take a tax deed on the property on June 20th, unless an interested party redeems the tax certificate by paying the real property taxes, City special assessments, costs, and interest owed on the property.

The Rapid City Building Official recently obtained an inspection warrant for this property. The Building Official inspected the property and found a plethora of City Ordinance violations, including, but not limited to: unsanitary conditions (IPMC 302.1), rodents (IPMC 302.5), graffiti (IPMC 302.8), exterior weather protection (IPMC 304.2), inadequate structural members (IPMC 304.4), deteriorated foundation (IPMC 304.5), deteriorated exterior envelope (IPMC 403.6), roofing admits rain (IPMC 304.7), improper gutters/downspouts (IPMC 304.7), unsafe decorative features (IPMC 304.8), deteriorated overhang/awning (IPMC 304.9), unsafe stairway (IPMC 304.10), unsafe chimney (IPMC 304.11), improper handrail/guardrail (IPMC 304.12), missing handrail/guardrail (IPMC 304.12), improper building security (IPMC 304.18), unsanitary conditions inside (IPMC 305.1), improper interior surfaces (IPMC 305.3), improper interior stair/walking surface (IPMC 305.4), improper interior handrail (IPMC 305.5), missing interior handrail (IPMC 305.5), improper interior guardrail (IPMC 305.5), missing interior guardrail (IPMC 305.5), infestation (IPMC 308), improper ventilation (IPMC 403.2), improper plumbing (IPMC 504.1), and exits blocked (IPMC 702.4). The Building Official determined that the house was so deteriorated and in such a state of disrepair that it cannot be occupied and needs to be demolished. Pictures of this property are attached to this letter.
If the County obtains ownership of this property by taking the tax deed, the County would be responsible for demolishing the house at County cost. The cost of demolishing this house is estimated around $10,000. The City is interested in relieving the County of this burden and taking ownership of this property. The City has federal funding to demolish housing and construct infrastructure for new low-income housing on properties such as this through its Community Development Block Grant Program. However, in order to use these funds, the City must own this property. The County’s transfer of this property to the City would likely result in the City demolishing the house, putting in new infrastructure, and transferring the property to an entity or developer to construct a new home or homes on the property. This would result in the assessed property value substantially increasing from its current value, which means increased revenue to the County, the City, and the other taxing districts.

The City is interested in the County transferring its ownership interest in 248 Curtis Street as soon as possible. The acceptance of the transfer of this property will be in front of the City’s Legal and Finance Committee on Wednesday, June 14th and in front of the City Council on Monday, June 19th. State law would allow the County to gratuitously transfer the property to the City pursuant to SDCL 6-5-2 and SDCL 6-5-3.

The City is requesting that you approve the following resolution:

RESOLUTION

WHEREAS, Pennington County has legally obtained a piece of property known as 248 Curtis Street and legally described as the south 78.5 feet of the west 98.5 feet of Block 31, Airport Addition, Rapid City, Pennington County, South Dakota (Tax ID 20127) by tax deed for nonpayment of property taxes and city special assessments; and

WHEREAS, the lot is located within Rapid City limits; and

WHEREAS, the Building Services Division of Rapid City’s Community Planning and Development Department has received numerous complaints about the vacant, dilapidated house located at 248 Curtis Street; and

WHEREAS, the Rapid City Building Official inspected the property and found numerous Rapid City Ordinance violations; and

WHEREAS, the Rapid City Building Official determined that the house was so deteriorated and in such a state of disrepair that it cannot be occupied and needs to be demolished; and

WHEREAS, the immediate transfer of the property by the County to the City would relieve the County of any burden to demolish the house; and
WHEREAS, the City will remove the deteriorated house that is currently causing health and safety concerns for Rapid City residents and resolve the continuing Rapid City Ordinance violations; and

WHEREAS, the City has potential access to funding to demolish the house and construct infrastructure for new low-income housing on properties such as this through its Community Development Block Grant Program; and

WHEREAS, the City will use the property for a public, charitable, or humanitarian purpose; and

WHEREAS, SDCL 6-5-2, 6-5-3 & 7-18-30 read that a county may convey and transfer any real property to another government for a public, charitable, or humanitarian purpose by resolution; and

WHEREAS, the County deems it advisable and to the best interest of the public to convey said property to the City; and

NOW, THEREFORE BE IT RESOLVED that the Pennington County Board of Commissioners declares the south 78.5 feet of the west 98.5 feet of Block 31, Airport Addition, Rapid City, Pennington County, South Dakota (Tax ID 20127) as surplus, being that it is not held for the County’s public use; and

BE IT FURTHER RESOLVED that the Pennington County Board of Commissioners conveys and transfers the property legally described as the south 78.5 feet of the west 98.5 feet of Block 31, Airport Addition, Rapid City, Pennington County, South Dakota to the City of Rapid City and that the Chair affix his signature to the Quit Claim Deed.

If you have any questions, please feel free to contact me.

Thank you for your consideration,

[Signature]
Steve Allender, Mayor
Rapid City, South Dakota