1. DEPARTMENT OVERVIEW AND GOALS

This report offers a summary of the activities and achievements of the Department of Community Development, formerly known as the Department of Community Planning and Development Services. New Department Director Ken R. Young began in September, and has since pursued a course to implement some new programs and projects, while emphasizing the strengths of the existing departmental functions and employees.

The Department is comprised of 30 full-time employees in five divisions, including Building Services, Current Planning, Long Range Planning, CDBG Program, and Code Enforcement.

Several records were set this year, including the total valuation of building permits and the processing of development applications. All indications show that the new year will continue to provide healthy and substantial community growth in several areas.

In addition to the various goals and programs identified by each division for the coming year, the Department as a whole looks to accomplishing the following:

1. Improve public communications and information accessibility.
2. Work closely with economic development.
3. Focus on downtown growth and redevelopment.
4. Foster opportunities to increase affordable housing.
5. Continue an emphasis on great customer service.

Director Ken Young looks forward positively into the new year 2018, and encourages anyone interested in the growth and improvement of Rapid City to contact him at (605) 394-4120 or at ken.young@rcgov.org.
2. BUILDING SERVICES DIVISION

Brad Solon, Building Official

The big news from Building Services for 2017 is that, for the second consecutive year, total building permits issued had a combined total valuation in excess of $300 million. A total of 3,936 building permits were issued with a valuation of $302,570,950. In 2016, 3,242 permits were issued with a valuation of $320,054,359. This follows five consecutive years in which the City’s permit valuation exceeded $200 million (2011-2015). Previously, only the 2007 mark of $212 million in total valuation surpassed the $200 million mark. Record monthly total valuations were achieved as follows:

- August $54.8 million (highest on record)
- December $41.35 million (highest on record)
- January $35.4 million (second highest)
- July $29.8 million (second highest)

Top Ten Permits Issued in 2017

1. Rapid City Regional Hospital, Phase 2 Expansion, $38 million
2. Rapid City Regional Hospital for its Advanced Orthopedic and Sports Institute facility, 1635 Caregiver Circle, $34.9 million
3. Presbyterian Retirement Village for a new Westhills Village facility, 133 Texas Street $14,511,493
4. GCC Dakotah Inc. for a kiln upgrade, 501 N. Saint Onge Street, $9,899,324
5. Pennington County for its new County Health Building, $9,135,000
6. Icon Holdings LLC/Simet for Icon Senior Living Apartments, 1770 Tablerock Road, $7,213,700
7. Black Hills Federal Credit Union, interior finish, 2700 N. Plaza Drive, $6,146,147
8. Rural America Initiatives, new facility, 2112 S. Valley Drive, $6,108,911
9. Pennington County, Highway Depot Shop and Office Building, 3601 Cambell Street, $5,458,107
10. Wellspring, Inc. for its Wellfully facility, 22 Waterloo Street, $4,142,100
Accomplishments and Goals
In 2017, the new revised National Electrical Code was adopted. Staying ahead of the increased demand for permits (especially in single family residential) has been a challenge.

In 2018, plans are underway to:
1. Adopt the new 2018 building codes
2. Hire a new building inspector (to replace retiring Mike Pulkrabek)
3. Update the permit tracking system.

3. CURRENT PLANNING DIVISION
Vicki Fisher, Manager

2017 has been a record setting year for Community Development resulting in more development applications than the City has received in one year since 2010. The development applications include creating residential, commercial and industrial expansions throughout our community. Totals include:

- 143 plat applications
- 252 new residential lots
- 24 new commercial and/or industrial lots

Large Subdivisions Approved
1. PLM Subdivision-A, a 33 lot residential development located northeast of Stumer Road and Enchanted Pines Road;
2. Johnson Ranch Subdivision-A, a 28 lot residential development located southeast of E. St. Patrick Street and S. Valley Drive;
3. Orchard Meadows-A, a 5 lot commercial development located south of S.D. Highway 44 and east of Elk Vale Road;
4. Prairie Meadows Subdivision-A, a 30 lot residential development located north of Country Road and west of W. Nike Road;
5. Highpointe Ranch Subdivision-A, a 40 lot residential development located north of Sheridan Lake Road and Dunsmore Road

New and Revitalized Commercial Developments
1. Rice Honda, a 58,800 square foot building for vehicle sales, south of Mall Drive.
2. A new mixed commercial development in the existing Landstrom’s jewelry manufacturing facility north of Main Street, consisting of retail, services, offices, restaurants, and a microbrewery.

3. Expanded hospital services and parking at Rapid City Regional Hospital, including a five-story, 80-foot high addition located on the south side of the existing hospital. To include:
   a. New main lobby
   b. New emergency department
   c. 61,104 square foot medical office building
   d. 64 new beds
   e. 481 space parking garage and 95 new surface parking spaces

4. Several new hotel developments that will result in 399 additional rooms.

**Zoning Ordinance Amendments**

1. Clarified process for City-sponsored rezoning applications.
2. Artisan distillers added as a Conditional Use in the General Commercial District and the Central Business District.
3. Creation of the new Urban Commercial District for the downtown area east of 5th Street (to be presented for approval soon).

**New Current Planner**
The Current Planning Division has recently hired Javin Weaver to fill the vacant Current Planner I position, starting January 15, 2018. Filling this position has been needed for some time with the increased workload in the division.

**Goals for 2018**

1. A primary goal is to amend the City Code to further reduce the number of applications that require a public hearing, including the following proposals to:
   a. Amend the definition of a “principal use” to allow more than one apartment building on a lot as a permitted use in lieu of a planned development.
   b. Allow an administrative review of a minor plat for projects that have secured exceptions waiving subdivision improvements.
   c. Creating an ordinance regulating the rentals of air bed and breakfast (bnb) and vacation homes.
2. Other proposed code amendments include:
a. Reduce the amount of conditional uses
b. Reduce the applicability of planned developments
c. Update setback requirements for townhomes
d. Provide for the permitting of residential accessory dwelling units

3. Hold discussions with the community, Planning Commission and City Council to determine what potential City Code changes are needed to preserve the vision and goals of the City’s Comprehensive Plan.

4. **LONG RANGE PLANNING DIVISION**
   Patsy Horton, Manager

   **Application Reviews**
   1. Historic Preservation
      – 15 commercial applications and 8 residential applications
   2. Historic Sign Review
      – 17 applications
   3. Tax Increment Financing Committee – 4 applications (see detail below)

   **Annexations**
   Seven de/annexation petitions were processed through the Planning Commission and City Council. Two applicants requested de-annexation and five applicants requested annexation, resulting in a 33.852-acre net increase in the Rapid City municipal boundary. Other annexation efforts included:
   1. Big Sky Subdivision - Completed the Big Sky Subdivision Annexation Study, the associated Resolution of Intent to Annex and the Resolution of Annexation. The efforts failed when securing the required voter signatures.
   2. Country Village – Assisted a property owner requested involuntary annexation, including the preparation of an annexation study for Country Village; this annexation will move forward in early 2018.

   **Robbinsdale Park Master Plan**
   Staff facilitated the adoption of the Robbinsdale Park Master Plan as an amendment to the City’s Comprehensive Plan. This Master Plan will guide development of the park for the next 15 to 25 years. The Plan identifies three park “types” – the Neighborhood Park, the Sports Park and the Nature Park to further the needs of the surrounding residents as well as the community as a whole.
Downtown Master Plan Implementation Efforts
Following the approval of the Downtown Master Plan in 2016, several efforts were pursued throughout the year to implement the Plan, including:
1. The Urban Commercial Zoning District was created for the downtown area east of 5th Street to encourage infill development and allow for a more urban development style that supports the creation of employment, housing opportunities and improved connection between downtown and South Dakota Mines. Ordinance to be presented to Council for adoption in early 2018.
3. Development Site at 6th and Saint Joseph Street planning efforts. This city-owned lot has been the topic of a several mixed-use redevelopment proposals that have included a hotel, additional public parking stalls, residential units and retail and office facilities.
4. Promenade Corridor Improvements master plan, extending between the Performing Arts Center and the Rushmore Plaza Civic Center. More public outreach opportunities are planned for 2018.
5. Downtown Design Standards and Guidelines will be prepared to give guidance for new developments as well as preserve the integrity of the historic structures and ambiance of Rapid City’s downtown. This will include working with the Historic Sign Board, establishing criteria for signage that will allow property owners to utilize technology within an historic design framework.

Tax Increment Financing
1. Applications - Four applications were processed for the Tax Increment Financing Review Committee. One application included a request to reallocate estimated infrastructure costs to align with actual expenditures. The other three new districts include new economic development opportunities as well five affordable housing units.
2. An effort was begun to update the existing Tax Increment Financing Policy, to align with the recommendations identified in the Comprehensive Plan. As part of the new policy to be introduced for public input and Council adoption in 2018, staff began testing and implementing a new internal certification review process for existing tax increment districts.
Transportation Planning

1. Unified Planning Work Program – The Rapid City Metropolitan Planning Organization (MPO) work program is developed annually, describing the composition of the MPO and the upcoming activities, planning studies and products, as well as the financial commitment from each member agency. The 2018 Work Program budget of $771,232 is made of 81.95% from federal funding, and 18.05% local match funds. In 2017, Meade County allocated matching funds for an east-west corridor study; a February 2018 amendment will carry forward those matching funds, updating the budget.

2. Transportation Improvement Program (TIP). The four-year TIP is generated yearly to coordinate the regionally significant transportation infrastructure improvements as well as those projects using federal funds for improvements. Of significance in the 2018-2021 TIP is the estimated 36.8 million dollar reconstruction of the Exit 59 interchange (LaCrosse Street) in Rapid City, scheduled for 2018.

3. Land Use Database Maintenance. The tracking of residential and non-residential building permit information within the MPO area is used as input for the travel forecasting transportation model, annual socio-economic reports, population projections, land use analysis and growth trends.

4. Railroad Safety/Quiet Zone Study. A consultant was selected to provide recommendations in the Railroad Safety/Quiet Zone Study, meeting objectives of the Downtown Master Plan to provide options for a safe, quiet zone through the middle of town, while maintaining the community’s valued freight transportation services. It is expected to be completed in 2018.

5. Traffic Volume Count Report. Traffic volume studies count the number and movement of vehicles within or through the MPO area. There were four street segments in 2017 with volumes of more than 30,000 vehicles per day and 20 street segments with more than 20,000 vehicles per day.

Other Transportation Planning Activities

1. Began incorporating the Fixing America’s Surface Transportation Act (FAST Act) provisions for Safety Performance Measures and Transit Asset Management into the MPO operational documents, including the Operations Plan, TIP and UPWP.

2. RapidTRIP 2040, the Long Range Transportation Plan, was amended to adopt the Safety Performance Measures and Transit Asset Management Goals established by SDDOT.

3. Preparation of a study addressing the I-90 interstate corridor between Exit 61 to 67, with a Draft Report identifying recommendations to address the obsolete design of Exit 63. The MPO will review the Final Report in February 2018.

4. Preparation of a study addressing the capacity constraints within the Sheridan Lake Road corridor between Corral Drive and west of Dunsmore Road. The expected study completion is late 2018.
5. Preparation of a study to address capacity constraints and future road network connection locations within East Rapid City. The expected study completion is late 2018.

6. Assisting the process of the 2020 Census Local Update of Census Addresses, to create accurate location input data for Rapid City and MPO area as part of the 2020 Census count.

7. Begin the update process for the Long Range Transportation Plan, including an update to the existing Travel Demand Forecast Model.


9. The MPO website went live to help keep the public and member agencies informed of Transportation Planning projects and activities.

10. Grant management/project coordination for the Historic Preservation Commission.


12. Hosted the first annual Life is A Cycle event in May with Parks and Recreation to introduce members of the general public to bicycle commuting and the use of on-street bicycle facilities in Rapid City.

**Transit Planning**

1. **Coordinated Public Transit-Human Services Transportation Plan Yearly Update.** This plan identifies the gaps and needs in transportation related to persons with disabilities, seniors and individuals with low incomes, as well as strategies and priorities to fill the needs. Steps have been initiated to begin a full update of this Plan.

2. **Section 5310 Grant Program.** The MPO is tasked with soliciting competitive applications from transit service providers that specialize in services to meet the needs of seniors and individuals with disabilities, when public transportation is insufficient, inappropriate or unavailable. In 2017, the MPO recommended funding ADA improvements at nearly 75 existing RapidRide bus stops and one ADA minivan for Black Hills Works. The 2018 competitive application process begins in January 2018.

3. **Transit Feasibility Study.** Addressing transit-related regional commuter issues, the MPO initiated a study to examine the feasibility of providing regional transit service
throughout the Metropolitan Planning Area. Following a period public comments, in 2018, the MPO will act on the final report.

**Demographic Products**
1. **Population estimates.** Every year the Long Range Planning Division estimates the year-end Rapid City population using a methodology that would support a challenge to the United States Census Bureau decennial census and yearly estimates if anomalies exist in that official count. 
   
   The 2017 year-end Rapid City population estimate is 73,777, up 1.25\% from the 2016 population estimate of 72,861.

2. **Socio-economic Report.** Tracking regional land use growth patterns, providing valuable data for all sectors of the community, by identifying the location and magnitude of existing growth patterns, enabling businesses to better position themselves to meet the needs of the current and future populations, as well as for local government to prioritize infrastructure dollars where needed. The Report identifies residential and non-residential growth from 2014 through 2016 using building permit data from Rapid City, Box Elder, Pennington County, and Meade County.

**Significant projects for 2018**
1. Promenade Corridor Master Plan (6th Street between the Performing Arts Center and the Rushmore Plaza Civic Center)
2. On-line improvements to Plan Rapid City, the City’s Comprehensive Plan, to create a more user-friendly, interactive resource
3. Update the 1998 Annexation Policy
4. Revise the City’s tax increment financing policy

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5. **CDBG PROGRAM DIVISION**
   Barb Garcia, Manager

**Accomplishments**
1. Prevented loss to Rapid City of the $105,144 Shelter Plus Care Grant that provides housing assistance to chronic homeless persons with a disability, that can include mental illness and addictions, our highest priority group to address. Applied to assume the grant when the grantee decided not to continue administration of it.
2. Reallocated unused previous years funds and new program income in the amount of $653,234 to thirteen (13) new projects addressing high priority needs.
3. Met and exceeded spend down ratio on January 31, 2018, in spite of not receiving our 2017 HUD contract and funding until November 2017 due to delayed release of the Congressional budget, and receipt of an additional $54,519 in unexpected program income. Our 2017 program year started April 1, 2017, but no funding received until November 2017.
4. Two households became homeowners of new homes that received infrastructure assistance for water and sewer lines.
5. Two homeowners received rehab assistance loans to improve their homes.
6. $182,833 was spent on public facility improvements that also included improving handicap accessibility.
7. 2,795 homeless persons benefitted from public facility improvements to the Cornerstone Rescue Mission.
8. 578 people have benefitted from Public Services provided by CDBG funded projects.
9. 4,278 people, YTD, have benefitted from CDBG funded activities.
   a) 53% benefitting were White
   b) 41.4% benefitting were Native American/Native Hawaiian/Pacific Islander
   c) 3.0% benefitting were Black
10. Income Levels of persons receiving assistance
   a) 76% receiving assistance were Extremely Low Income (<30% AMI)
   b) 17% receiving assistance were Low Income (>30% <=50% AMI)
   c) 6% receiving assistance were Moderate Income (>50% <=80%)
   d) 1 person had income > 80% AMI

**2018 Goals**
1. Administer grant funds allocated to City and sub-grantees to ensure timely expenditure of funds and completion of eligible activities that benefit low-to-moderate income residents of Rapid City.
2. Meet Timeliness Ratio for expenditures as required by HUD (<1.5% of total grant allocation(s) and program income dollars remaining on January 31)
3. Complete and submit new FY 2018-2022 Consolidated Plan to HUD by required date (determined by Congressional release of 2018 Budget and HUD notification dates).
4. Complete and submit a Plan to FHEO identifying impediments to Fair Housing and actions to be taken to address them.
5. Submit Council approved Annual Action Plan by HUD deadline (February 15 or amended date as issued by HUD).
6. Submit Consolidated Annual Performance Evaluation Report by HUD deadline (June 15 or amended date as issued by HUD).
7. Provide guidance and technical assistance to agencies, non-profit organizations, and community groups to identify gaps in services and develop programs and funding sources to address high priority needs of the community.
8. Provide home rehabilitation assistance with grants, no interest and 3% interest loans to low-to-moderate income home owners.
9. Create and implement a new affordable, small rental housing program (Simplified Living Program) to increase available units for persons making 50-75% of the Area Median Income.
10. Assume, implement and administer the Shelter Plus Care Grant that will provide rent assistance vouchers for 12 Chronic Homeless persons with disabilities in partnership with Behavior Management Systems.

6. CODE ENFORCEMENT DIVISION
Matt Owczarek, Manager

In 2017, the division administered a total of 1,588 code enforcement cases. Of those 1,588 cases, 1,317 came into compliance and did not need to be abated. The 271 abatement cases included:
  - 1 board up
  - 3 demolitions
  - 7 dead tree removals
  - 260 code violations included snow removal, debris removal, mowing and trimming, etc.

Accomplishments
1. An amendment to Chapter 8.28 (Grass, Weeds and Noxious Matter) of the Rapid City Municipal Code was prepared and approved, which provided better definitions to grass and weeds, and included a list of exemption situations for this chapter.
2. Assisted in completing four demolitions of substandard derelict houses and structures.
3. Removal of a piece of heavy machinery that had been abandoned for no less than ten years.
4. Completed the goal of having two focus neighborhoods.
5. Convinced the Rapid City Journal to discontinue the delivery of the “Compass” ad paper. The delivery of this ad was a major complaint generator in several
neighborhoods throughout the city.
6. Worked with homeowners throughout North Rapid City in removing 99 dead or diseased trees. This program was started by Parks and Recreation and taken over by this division.

Goals for 2018
1. Continue to work with the City Attorney’s Office and Building Services to demolish substandard and derelict structures.
2. Increase our focus neighborhoods to three, with one being the east of 5th St. project.
3. Continue to lower our complaint intake by more proactive patrols and public service announcements.
4. Amend the Fee Resolution to allow increased fees to property owners that have become repeat offenders, holding them accountable for their property.

7. COMMUNITY OUTREACH
In addition to the regular opportunities within the processes of the Department to reach out, inform and involve the community in department programs and objectives, the following new additional efforts and events have been or will soon be instituted:
1. Coffee with Planners – An informal gathering of those in the community interested in learning more of the City’s current and long range plans. The first successful quarterly event was held in last November, with the next planned for Wednesday, February 7, 2018.
2. Builders Roundtable – An annual event inviting builders and contractors to meet in an informal gathering to learn and discuss issues related to Building codes and requirements. The first of these events is scheduled for Wednesday, January 17, 2018.
4. RAP Sheet, or report on active projects, is a weekly listing of development projects throughout the community that have been approved, permitted and/ or underway
with construction.  

5. **Community Development Facebook** page highlighting plans, goals, issues and events related to planning and building.  
(https://www.facebook.com/RapidCityCommunityDevelopment/)

6. **I Love My City Program** – A series of events that will promote citizen participation in City Planning, providing opportunities to develop and express community pride. Activities may include a photo contest, essay contest, pop-up street kiosks, clean-up projects, etc.

7. **Visioning Workshops** – The Department will host occasional public visioning workshops in relation to zoning, land uses, long-range plans, and the City’s Comprehensive Master Plan, *Plan Rapid*.

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8. **DEPARTMENT EMPLOYEES**

**Recognitions**  
The Department of Community Development has recently given recognition awards to some department employees. All of our employees are doing a great job. While having no director leading them for nearly a year and a half, the Community Development employees did an admirable job continuing to provide excellent service. They all deserve to be recognized.

Those recently recognized with a *Great Job Award* include:

- **Serenna Zeisler**, Administrative Secretary
- **Rebel VanLoh**, Administrative Secretary
- **Chuck Janson**, Code Consultant
- **Brad Solon**, Building Official
- **Lucy LaDeaux**, Administrative Secretary
- **Vicki Fisher**, Current Planning Manager

Additionally, recognition was given to the Department’s **Employee of the Year Sarah Hanzel**

Sarah, a Long Range Planner II, has proved herself very adept at long-range planning and community outreach, having been key to the creation of the Downtown Master Plan and its implementing zoning ordinance.