

OFFICIAL PROCEEDINGS OF THE CITY COUNCIL
Rapid City, South Dakota
February 28, 2005

Pursuant to due call and notice thereof, a special meeting of the City Council of the City of Rapid City was held at the City/School Administration Center in Rapid City, South Dakota on Monday, February 28, 2005 at 5:29 P.M.

The following members were present: Mayor Jim Shaw and the following Alderpersons: Ray Hadley, Malcom Chapman, Jean French, Ron Kroeger, Tom Johnson, Karen Olson, Sam Kooiker, Bob Hurlbut and Bill Waugh. The following Alderperson arrived during the course of the meeting: Tom Murphy; and the following were absent: None.

Staff members present included City Finance Officer Jim Preston, City Attorney Jason Green, Public Works Director Dirk Jablonski Growth Management Director Marcia Elkins and Administrative Assistant Jackie Gerry.

At the request of Alderman Kooiker, Public Works Director Jablonski addressed the sewer backups along Texas and Centennial, and explained the strategy for the master plan is to bring an ad-hoc of interested citizens who believe a master plan of water and sewer is needed. He suggested a Sewer Master Plan will take several years to develop. Responding to a request from Alderman Hurlbut, Jablonski explained staff will touch on a master plan in the upcoming discussions.

The Mayor presented No. 04CA032, a request by the City of Rapid City for an Amendment to the Comprehensive Plan adopting the U.S. Highway 16 Neighborhood Area Future Land Use Plan on property located north of Cathedral Drive, south along U.S. Highway 16 approximately one mile either side of U.S. Highway 16 to south of Reptile Gardens. At the request of Mayor Shaw, Growth Management Director Elkins provided a brief overview of previous discussions. She explained this is a culmination of a multi-year effort to develop a land use plan; there were public hearings to receive input; and ultimately the Planning Commission forwarded a recommendation to the Council. She pointed out that at the last special Council meeting requests were made of City staff. She explained the Public Works Department looked at sewer and water, and utility issues and will provide an overview of those issues from Fairmont Boulevard, south. She explained that in addition, the Planning Department looked at additional changes to the land use plan – identifying Neighborhood Commercial on all land that had not previously been zoned General Commercial; and alternatively Office Commercial. She explained the Planning Department also looked at road options.

Jablonski explained the Public Works Department looked at providing water and sanitary sewer service to the Hwy 16 corridor based on what was anticipated to happen in the area. He suggested until the parameters are known, they could only provide a good guess.

Engineering Project Manager Titus presented a conceptual water and sanitary sewer system to the Hwy 16 corridor. He explained the City has not completed a comprehensive water master plan since 1985; or a wastewater collection master plan since 1979. Titus explained the water system is comprised of three levels: Palo Verde, Terrecita, and Skyline/Carriage Hills. The design criteria for the water system used 2.4 dwelling units per acre for single family residential; a 15 dwelling unit per acre for multiple family residential; and commercial. Titus reported they also reviewed the water flow types in the design. He reported looking at the water supply and

indicated the anticipated water demand for 2005 will be 5,050 gallons per minute for a peak day. The existing sources to provide water for this area are 2,800 gallons per minute. In 2006, the City anticipates having Well No. 12 online and will produce 2,000 gallons per minutes. The City has budgeted for Well No. 13, scheduled to be online in 2007 and will produce an estimated 700 gallons per minute. Titus indicated in 2025, the water supply is expected to be 10,020 gallons per minute for a peak day usage; and with Well Nos. 12 and 13 there will be a water deficit. He explained at full build-out, the peak usage is expected to be 24,000 gallons per minute and there will be a water deficit. Titus reported a deficit in water storage for the area. In 2006, the Red Rock Reservoir will provide service to Hwy 16 and will provide 3.3 million gallons, reducing that deficit. Titus indicated in 2025, 11.6 million gallons was projected as a demand for storage for a deficit of 4.5 million gallons; and for full build-out the need is anticipated at 20 million gallons for a deficit of 13.5 million gallons. Titus reported the water transmission needs of 75,000 feet of twelve inch and larger main; and 82,000-100,000 feet of main for full build-out. Titus reported the probable construction costs for full build-out of \$2,005 of approximately \$8 Million for water supply. He explained the service area is large than the Hwy 16 area. The total area that benefits from the water supply is 17,375 acres and the Hwy 16 neighborhood area is 8,450 acres; therefore it is approximately forty-four percent of the area with an estimated allocation of \$3.5 Million. Titus reported the next scheduled water storage to be built is the Broadmoor Reservoir, and the last water storage to be built is the Moon Ridge Reservoir. He reported the total estimated 2005 dollars for the storage is approximately \$20 Million or \$9 Million for the Hwy 16 corridor. Titus indicated 75,000 feet of transmission main was needed by 2025; the estimated oversize cost amounts to \$2.5 Million; and for full build-out of 82,000-100,000 feet, the estimated oversize cost amounts to \$6 Million or \$700 per acre.

Titus reported the conceptual design for the sanitary sewer collection system for the Hwy 16 corridor. The design criteria used 2.4 dwelling units per acre for single family residential; a 15 dwelling unit per acre for multiple family residential; and the flow rates generated for a daily usage and the peak flow rate. He indicated that currently the Hwy 16 sewer lift stations discharges to the Terrecita area. He explained the Terrecita sewer mains were not designed to handle the additional inflow from this lift station. He suggested the flows from the lift station could be metered to lessen the demand; or construct a gravity sewer main from Fifth Street along Catron Boulevard to Hwy 16 and eliminate the lift stations. Titus outlined the existing eight inch sewer main currently serving along Hwy 16 on the west-side and explained its capacity can handle 280 gallons of wastewater per minute, or 140 acres of residential waste, or 15 acres of commercial waste. The east-side of Hwy 16 is served by a ten inch sewer main, and if extended further south, its capacity can handle 690 gallons of wastewater per minute, or 350 acres of residential waste, or 35 acres of commercial waste. Titus suggested for a full build-out of the Hwy 16 area, the City should consider construction of trunk sewer located south of Rapid Creek to the City's wastewater treatment facility. He indicated the trunk sewer located north of Rapid Creek is nearing capacity. He suggested in a long-term, a trunk sewer be located through the Dry Creek Basin and a trunk sewer through the Folsom Basin. He explained the trunk sewer main located west of Hwy 16 to Sheridan Lake Road is nearing capacity. Titus reported the probable cost estimates for 2025 as 54,000 feet; for full build-out as 126,000 feet. He reported the probable cost for a trunk sewer at \$21 Million for full build-out. He indicated the Dry Creek Basin sewer is \$5 Million or \$1,300 per acre to provide service.

Alderman Johnson commented that while there is a cost to the City for oversizing development, as the City develops the plan, the City can determine what those costs are and assess those

back to the development as it occurs. It could become revenue neutral. When there are more customers, there is more money available in the utilities.

Alderman Hurlbut commented that all the discussion generated by the Hwy 16 land use plan indicates the need for City-wide master planning. He indicated his need for more information on providing other services in this area.

Hurlbut moved to approve Alternate One, off the City's website, which includes Neighborhood Commercial with Planned Commercial Development up and down 16. Hurlbut restated his motion: approve that the future land use map, proposed map, be amended to adopt the Alternate One Neighborhood Commercial option. For the purpose of discussion, Alderman French offered a second to the motion. Hurlbut indicated the Neighborhood Commercial allows for mixed commercial uses; everything shy of large traffic generating uses. He suggested commercial uses that fit with current uses out this corridor, but without adding to the traffic along the corridor, and without changing the aesthetics down the corridor.

Responding to Alderman Kooiker, City Attorney Green explained the motion approves the item on the agenda with Alternative One, as presented on the agenda. Therefore, if the motion is approved, that ends the discussion. If the motion were recast as a motion to amend the comprehensive plan as presented to include Alternate One, then the Council could have further discussion.

Alderman Hurlbut clarified the intent of his motion to amend the proposed plan to include the Neighborhood Commercial designation, but not to foreclose further debate on other items.

At this time, Alderman Murphy entered the meeting.

At 6:54 P.M. the Chair recessed the meeting. At 7:09 P.M. the meeting reconvened with all members present.

Growth Management Community Service Coordinator Horton outlined the boundaries of the U.S. Highway 16 Neighborhood Area Future Land Use Plan. Horton explained that Neighborhood Commercial uses include those shopping facilities geared to meet the needs of a local resident rather than the community as a whole. Office Commercial includes commercial offices, such as doctors' offices, lawyers, real estate firms, and banking institutions; but no retail trade. Horton also identified the road connections to Hwy 16. She indicated that under Alternate One, the road connection around Moon Meadows and Sammis Trail was disconnected. Alternate Two identifies a bridge over Hwy 16 without connections to Hwy 16. Alternate Three indicates that Sammis Trail routes to the north to a Section Line Highway that connects to Hwy 16. Alternate Four indicates Sammis Trail routes to the north to a Section Line Highway and Moon Meadows routes to the north and connects to Hwy 16 at the same location as the Section Line Highway. Alternative Five is a loop road. Alternative Six aligns Moon Meadows to Sammis Trail through Forest Service property.

Responding to a question from Alderman Kroeger, Horton explained that based on the average valuation per acre for commercial structures within Rapid City, the build-out for Hwy 16 neighborhood area is estimated at \$254,530,845, based on the average commercial uses in Rapid City. For residential, the average valuation in Rapid City in dwelling units that have been

identified is estimated at \$93,312,719 for a total of \$374,843,565. Horton pointed out these are 2004 valuations.

Alderman Johnson suggested there was not enough office commercial to fulfill the neighborhood needs; and there would be no developer or business person who would consider investing the money to capture the immediate neighborhood's business. Alderman Hurlbut suggested the Neighborhood Commercial fits with the existing uses in the Hwy 16 corridor; and that the City can consider a different zoning based on a proposal from a developer, if the City deems the proposal appropriate for the area. He indicated the City needed to be concern about the traffic along the corridor.

Alderman Johnson moved to open the public hearing for one hour with thirty minutes each for support of the future land use plan; and for those against the future land use plan. Second by Waugh. City Attorney Green advised it was not necessary to have a motion to open the public hearing. The Council has already had the required public hearing. He suggested a substitute motion to take public input. With the consent of the Council, the motion was withdrawn.

Substitute motion was made by Johnson, second by Waugh to take public input for one hour, with thirty minutes for support of the future land use plan, and thirty minutes for those against the future land use plan. Upon a vote on the substitute motion, motion carried.

Jason Tinant, 1910 West Flormann addressed the Council about his concerns relating to smart development versus rapid development; drainage issues; water quality issues that affect wildlife; and flood conveyance structures; and quality of life issues. He pointed out the City has an intact ecosystem and habitat links. He suggested the City's deer problem can be attributed to habitat links being destroyed.

Jo Detwieler, 3802 Cusport Court suggested the City is on the threshold of over-developing and urged the Council to guard against over-developing.

Jim Galvin, 3500 Lions Paw Court indicated there are pluses to a WalMart, such as construction wages, retail jobs, increase in the real estate tax, more sales tax, an increase in permit fees, and an increase in charitable contributions. He outlined the disadvantages of a WalMart, such as age discrimination, and abuse of the child labor law. He reported it had been rumored that WalMart would build at 5th/Catron Blvd. He pointed out the federal government's intent to cut funding.

Julia Montgomery, 24180 Pine Grove Road addressed the Council asking them to take more time in adopting this plan; reminded the Council of the drought; and offered no support for the WalMart proposed for this area.

Jodi Sugrue, 205 Duggan offered no support for the WalMart proposed for this area. She suggested the area remain as it is, rather than develop the area.

Julie Mueller addressed the Council expressing concern about the traffic and offering no support for the proposed WalMart in this area. She suggested local businesses will suffer if another WalMart is allowed in Rapid City. She suggested this area not develop in order to preserve the wildlife habitat.

Bill Newhouse addressed the Council suggested allowing retail businesses along the Hwy 16 corridor was not appropriate and asked the Council to act wisely.

Attorney Scott Sumner representing Highland Park addressed the Council about the residential zoning densities. He indicated his concern was about the adoption of the future land use plan and a reasonable development density for that land that is suited to the land itself. He suggested that during the platting process or planned development review process there would be opportunity for more public input for Council consideration on how water and sewer will be handled by the development. He asked for a reasonable decision about zoning densities. He pointed out the Highland Park area is less than two percent of the land mass being discussed. He offered support of the Planning Commission recommendation and indicated this development should have a reasonable way to access Hwy 16.

Attorney Brian Hagg representing Commerford Ranch explaining that his clients have owned and operated the ranch over one hundred years. He did not advocate a particular enterprise, but suggested there was some confusion about Neighborhood Commercial and Office Commercial. He respectfully suggested the Council follow the recommendations of its experts, the Future Plan Task Force, the Planning and Zoning Committee, staff and engineers. He indicated the owners of the Commerford Ranch should be treated in a reasonable and nonarbitrary fashion. He pointed out the Council will have an opportunity, when it comes to the actual approval, to get into the details of a development.

Attorney Merl Miller representing WalMart addressed the Council asking them to separate what is WalMart and what it the future land use plan. He pointed out that WalMart are the neighbors; they are the employees serving the community. With the use of the Rapid City Area 2000 Comprehensive Land Use Map, he explained that are the direction of the leadership of the community the Hwy 16 corridor was to be designated as general commercial. He explained that developers have relied upon the fact that as the community developed to the south this area would have to be served by a retail core. He asked for the opportunity to be able to place retail and general commercial and general retail within the corridor. He indicated they would have to prove and establish; if WalMart was to go into designate location and if Council passed the recommendation of the Planning Commission; under the Plan that they deserve to be in the proposed location.

Kay Commerford addressed the Council suggesting that those who feel strongly about the development along Hwy 16 should buy the land.

Mayor Shaw recognized Alderman Johnson who suggested further discussion was needed on the number of acres proposed for Office Commercial; and suggested the proposal was not realistic. He indicated too much commercial development in the Sammis Trail area was creating a dangerous situation for traffic. He pointed out the Neighborhood and Office Commercial designation in the Neck York Road vicinity is not designed to attract the tourist. He suggested the corridor should protect as much of the beauty of the area.

Growth Management Director Elkins clarified the proposal of Alternate One, which is go to Neighborhood Commercial on all the areas where there is not currently zoned General Commercial. She pointed out that Neighborhood Commercial does not allow residential uses. The Office Commercial would allow residential uses.

Alderman Hurlbut explained the ordinance provides for various uses from food markets to drug stores, bakery, bank, barber and gift shops, service stations, professional and business offices. He also explained that the ordinance allows for conditional uses for other uses that meet the intent of the district determined by the Planning Commission. He believed the Neighborhood Commercial zoning was not limited. He indicated one of his concerns was about the costs verses revenue analysis over a seventy-five year build-out. Providing services beyond development, the City would experience costs that are much greater. He pointed out the City recently increased rates for water and sewer, and the sales tax to fund growth. He suggested the City's bonding capacity will not address every sewer and water need. He indicated there is a need for a retail center to the south, but believed other locations more appropriate for retail businesses.

Alderman French suggested designating a portion of Hwy 16 as a Scenic Byway and work within the parameters set by the State. She explained that in order for the Scenic Byway to be granted to Rapid City, the City must look at the scenic value of Hwy 16, cultural value, geologic value, the wildlife and habitat value and the aesthetics. She suggested the City needed to exercise caution about new billboards and keep urban congestion rare. She pointed out the City could not keep urban congestion rare, if the area is designated general commercial. To designate a Scenic Byway, means the City must bury power cables, and set a height limitation on buildings, establish a greenway, and the scenery and buildings must be continuous with one another.

Alderman Hadley commented that staff and the Planning Commission are not the policy makers and are only recommending bodies. He explained Council responsibility is to consider all the recommendations and the public comments before making a sound decision.

Alderman Kroeger commented that if Hwy 16 were an arterial, Neighborhood and Office Commercial may be an appropriate designation. He suggested it was important to realize that a Planned Commercial Development would require additional public hearings before the Planning Commission and appeals heard before the Council.

Alderman Chapman expressed his appreciation to staff on their efforts to present the facts as requested by the Council. He suggested the designation of Office Commercial was too great, and pointed out the Council's role as policy makers is to help approve some general footprint of the area. He expressed concern about Sammis Trail and the traffic that could be generated in this area.

Alderman Kooiker expressed concern about the infrastructure of this area. He suggested he could support commercial development along Hwy 16, if he could be assured that extension of the trunk lines would not force existing sewer and water construction needs of other areas to be postponed. He suggested the City not aspire to the designation of a Scenic Byway because the City does not own the property, is not forest property, and is not government property or public property. This is privately owned property that will be developed.

Alderman Johnson again pointed out the big areas designated for Neighborhood Commercial and recommended designating the area in such a way that could be used by the community. He indicated he would like to set a designation, and a fairly aggressive designation, and not a State designation, that addresses height requirements, additional landscaping, additional setbacks, no

overhead power lines, signage restrictions, billboard restrictions, and other things that would keep the area beautiful.

Alderman Hurlbut suggested a possible compromise as it relates to Neighborhood Commercial. He suggested the area south of the Black Hills Orthopedic Clinic and down the hill, be designated Neighborhood Commercial. The area north of the clinic would remain General Commercial and could be served by the Catron Boulevard/Hwy 16 intersection, which is more suitable to the traffic generated by General Commercial. He also suggested carving out a little of the proposed Neighborhood Commercial across from the Forest Service property and carve out a little more of a residential buffer or landscape buffer to reduce the Neighborhood Commercial. Responding to a question from Alderman Olson, staff explained there is a five hundred foot landscape buffer on each side of Hwy 16.

Substitute motion was made by French to use Alternate One, Neighborhood Commercial, except the area down by Reptile Gardens as General Commercial. The Chair ruled the substitute motion failed for lack of a second.

Alderman Hurlbut moved to amend his motion to continue and allow staff to bring forward the suggested proposal as outlined, being options for the Reptile Gardens parcel be General or Neighborhood Commercial; the eastern flank of the parcel just outlined being something other than Neighborhood Commercial; and everything to the north of that parcel being General Commercial. City Attorney Green advised the motion maker that he could not amend his motion.

Substitute motion was made by Olson to continue No. 04CA032, a request by the City of Rapid City for an Amendment to the Comprehensive Plan adopting the U.S. Highway 16 Neighborhood Area Future Land Use Plan on property located north of Cathedral Drive, south along U.S. Highway 16 approximately one mile either side of U.S. Highway 16 to south of Reptile Gardens to Monday, March 28, 2005 at 5:15 P.M. Second by Johnson. Alderman Johnson recommended this meeting be a work session and no public comment be accepted. Alderman Kooiker asked for the information in a timely manner; and asked Council leadership to meet with staff to discuss the proposals. Upon a roll call vote on the substitute motion to continue, the motion carried with the following voting AYE: Hadley, Chapman, Johnson, Olson, Kooiker, Hurlbut, and Waugh; NO: Murphy, French and Kroeger.

As there was no further business to come before the Council at this time, the meeting adjourned at 9:46 P. M.

CITY OF RAPID CITY

ATTEST:

Mayor

Finance Officer

(SEAL)