



Planning and Zoning Commission Regular Meeting Agenda

Wednesday, August 16, 2023 at 4:00 PM

City Hall, 102 Sherman Street, Deadwood, SD 57732

1. **Call to Order**

2. **Roll Call**

3. **Approval of Minutes**

[a.](#) Approval of August 2, 2023 Minutes

4. **Sign Review Commission**

5. **Planning and Zoning Commission**

a. Public Hearing - Conditional Use Permit - Vacation Home Establishment - 36 Water Street - Deadwood Rentals, LLC (Trinity Conrad)

[b.](#) Conditional Use Permit - Vacation Home Establishment - 36 Water Street - Deadwood Rentals, LLC (Trinity Conrad)

TRACT A, AN 8' PLATTED ALLEY AND A PORTION OF LOT R-1 OF THE CITY OF DEADWOOD RAILROAD PROPERTY ALL LOCATED IN THE HILLSDALE ADDITION TO THE CITY OF DEADWOOD, IN THE NW ¼ OF SECTION 26, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA; AND, TRACT B-1, MCGOVERN HILL ADDITION OF THE CITY OF DEADWOOD, LOCATED IN THE NW1/4NW1/4 OF SECTION 26 T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Action Required:

a. Approval/Denial/Approval with Conditions by the Deadwood Planning and Zoning Commission

c. Public Hearing - Conditional Use Permit - Vacation Home Establishment - 819 Main Street - Deadwood Rentals, LLC (Trinity Conrad)

[d.](#) Conditional Use Permit - Vacation Home Establishment - 819 Main Street - Deadwood Rentals, LLC (Trinity Conrad)

LOT 12 IN BLOCK A OF SUNNYSIDE ADDITION TO THE CITY OF DEADWOOD AS SET OUT IN PLAT BOOK 3 PAGE 251, LAWRENCE COUNTY, SOUTH DAKOTA, EXCEPT THAT PART DEEDED TO THE STATE OF SOUTH DAKOTA FOR HIGHWAY PURPOSES AS SET OUT IN BOOK 372 PAGE 58 AND PAGE 168; AND, TRACT A-1 IN BLOCK A, A REPLAT OF TRACTS "A" AND "B" OF THE SUBDIVISION OF LOT 13, BLOCK A OF SUNNYSIDE ADDITION, LOCATED IN THE NW1/4NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA, ACCORDING TO PLAT FILED IN DOCUMENT NO. 2001-4003.

Action Required:

a. Approval/Denial/Approval with Conditions by the Deadwood Planning and Zoning Commission

- e. Public Hearing - Conditional Use Permit - Vacation Home Establishment - 64 Cliff Street - Owson Properties, LLC (Mike and Kat Sneesby)

- f. Conditional Use Permit - Vacation Home Establishment - 64 Cliff Street - Owson Properties, LLC (Mike and Kat Sneesby)

LOT X2 OF RIVERSIDE ADDITION CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA FORMERLY LOT X OF RIVERSIDE ADDITION LOCATED IN THE NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Action Required:

a. Approval/Denial/Approval with Conditions by the Deadwood Planning and Zoning Commission

- g. Final Plat - Adjusting Property Lines - Lot 3R-1 Revised - Kraft Living Trust and Terry and Dawn Bahr

PLAT OF LOT 3R-1 REVISED OF KATON SUBDIVISION FORMERLY LOT 3R-1 OF KATON SUBDIVISION, LOT AB1 OF PLACER 58, LOT AB1 OF PLACER CLAIM 57 AND LOT 1 OF THE SUBDIVISION OF TRACT E-1 BEING A PORTION OF PLACER M.S. 57, PLACER M.S. 58 AND HILLSIDE PLACER M.S. 749 LOCATED IN THE SE1/4 OF SECTION 27, T5N, R3E, B.H.M. CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

AND

PLAT OF LOT 1 REVISED OF THE SUBDIVISION OF TRACT E-1 FORMERLY LOT 1 OF THE SUBDIVISION OF TRACT E-1 BEING A PORTION OF HILLSIDE PLACER M.S. 749 LOCATED IN THE SE1/4 OF SECTION 27, T5N, R3E, B.H.M. CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Action Required:

a. Approval/Denial by the Deadwood Planning and Zoning Commission

- h. Discussion and recommendation to the Deadwood Board of Adjustment on request for variance for Curb, Gutters, Sidewalks, and Storm Sewer requirements - The RIDGE at Deadwood - Preacher Smith, LLC.

REMAINDER OF PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOTS 1 & 22, BLOCK 1B OF THE RIDGE DEVELOPMENT; AND BLOCK 1 AND BLOCK 1A OF THE RIDGE DEVELOPMENT, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Action Required:

a. Approval/Denial/Approval with Conditions by the Deadwood Planning and Zoning Commission

6. **Items from Citizens not on Agenda**

(Items considered but no action will be taken at this time.)

7. **Items from Staff**
8. **Adjournment**

Planning and Zoning Commission meetings are not available by Zoom unless requested.



Planning and Zoning Commission Regular Meeting Minutes

Wednesday, August 02, 2023 at 4:00 PM

City Hall, 102 Sherman Street, Deadwood, SD 57732

1. Call to Order

The meeting of the Deadwood Planning and Zoning Commission was called to order by Chairman Martinisko on Wednesday, August 2, 2023, at 4:00 p.m. in the Deadwood City Hall Meeting Room, located at 102 Sherman Street, Deadwood, SD 57732.

2. Roll Call

PRESENT

Commissioner (Chair) John Martinisko

Commissioner (Vice-Chair) Josh Keehn

Commissioner (Secretary) Dave Bruce

Commissioner Charles Eagleson

Commissioner Ken Owens

Michael Johnson, City Commissioner

STAFF PRESENT

Kevin Kuchenbecker, Planning, Zoning and Historic Preservation Officer

Quentin Riggins, City Attorney

Trent Mohr, Building Inspector

Cindy Schneringer, Zoning Coordinator

Lornie Stalder, Public Works Director

3. Approval of Minutes

- a. Approval of July 19, 2023 Minutes

It was moved by by Commissioner Keehn and seconded by Commissioner Owens to approve the July 19, 2023 minutes. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

4. Sign Review Commission

5. Planning and Zoning Commission

- a. Final Plat - Adjusting Property Lines - 30 Burnham - Kevin Schilling

PLAT OF LOT 1A, BLOCK 9 1/2 OF HIGHLAND PARK ADDITION FORMERLY LOTS A, 2, AND 3, BLOCK 9 1/2 OF HIGHLAND PARK ADDITION AND A PORTION OF TRACT 2 OF PALISADE STONE PLACER, M.S. 794, LOCATED IN THE NW1/4 OF SECTION 23, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWERNCE COUNTY, SOUTH DAKOTA

Mr. Kuchenbecker stated the applicant is here. This is adjusting the property lines for 30 Burnham. Legal description is PLAT OF LOT 1A, BLOCK 9 1/2 OF HIGHLAND PARK ADDITION FORMERLY LOTS A, 2, AND 3, BLOCK 9 1/2 OF HIGHLAND PARK

ADDITION AND A PORTION OF TRACT 2 OF PALISADE STONE PLACER, M.S. 794, LOCATED IN THE NW1/4 OF SECTION 23, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. This is clearing up a century old lot line. We have plats that go over the top of each other. Kevin is getting ready to sell his property. He has reached an agreement with his neighbor and what you have in front of you is the final plat. It is zoned R1 - Residential. Everything was on the plat. I would be happy to answer any questions you have.

It was moved by Commissioner Keehn and seconded by Commissioner Owens to approve the final plat for adjusting property lines legally described as PLAT OF LOT 1A, BLOCK 9 1/2 OF HIGHLAND PARK ADDITION FORMERLY LOTS A, 2, AND 3, BLOCK 9 1/2 OF HIGHLAND PARK ADDITION AND A PORTION OF TRACT 2 OF PALISADE STONE PLACER, M.S. 794, LOCATED IN THE NW1/4 OF SECTION 23, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

- b. Change of Zoning - Planned Unit Development - Amend The RIDGE at Deadwood PUD - Preacher Smith, LLC and TRD, LLC (Randy & Cheri Horner)

PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOT A OF GOV'T LOTS 13 AND 19 IN SECTION 11; LOT B OF GOV'T LOTS 19 IN SECTION 11 AND GOV'T LOT 12 OF SECTION 14 AND LOTS 1 AND 2 IN BLOCK 1B OF THE RIDGE DEVELOPMENT, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA.

Continued from the July 19, 2023 Planning and Zoning Commission meeting.

Mr. Kuchenbecker stated this was continued from July 19, 2023. It is for a request for change of zoning within a Planned Unit Development (PUD) legally described as PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOT A OF GOV'T LOTS 13 AND 19 IN SECTION 11; LOT B OF GOV'T LOTS 19 IN SECTION 11 AND GOV'T LOT 12 OF SECTION 14 AND LOTS 1 AND 2 IN BLOCK 1B OF THE RIDGE DEVELOPMENT, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. We have a staff report along with the applicant's submitted information and the notice of public hearing. In front of you is a change of zoning from R1 and R2 to commercial highway within the PUD. That is shown on the exhibits on the applicant's submittals. Surroundings is Lawrence County - Black Hills National Forest. Planned unit development and Tatanka are nearby and some commercial highway to the west. The applicants submitted a request for a zoning amendment to change zoning district boundaries within the PUD. The applicants request to amend a variety of zoning districts and uses. This request takes action in the form of an official change to the City of Deadwood Zoning Map. Within the PUD there are 666.20± total acres along with almost 30 acres of dedicated public right-of-way. It is a phased project within the current approved zoning districts and associated acres. I show that in the staff report on page 3. As well as what the proposed PUD would set forth. The applicant have Phase 1 as R1, R2, and Ch-commercial highway. Phase 1A as R2 and commercial highway. Phase 1B as R2 and commercial highway. Phases 2 and 3 are proposed R1. You will see the total number of lots there based on the submitted exhibit as 309 lots which is an

increase of 64 lots within the previously approved PUD. The majority of the 64 additional lots are located within Phase 2 and Phase 3. The developer and engineer of record has stated it is unknown when the construction and build-out of Phase 2 and Phase 3 will begin. The staff report goes through the standards for review. Whether the proposed amendment conflicts with any applicable portions of the amendment. I will state that in this they are increasing the commercial highway portion of it to meet the ordinances set forth that came out of our task force for Short-Term Rentals (STRs). Those would be limited to ten percent of the platted lots within the development that are provided city infrastructure. It talks about the comprehensive plan. Does it meet the elements of that? Initial plans include the incorporation of hiking and biking plan trails within the development. Recent discussions and drawings limit the trails in phases by others to act as sidewalks. The development also has not allowed for a park or common space which is a concern of staff. The comprehensive plan also states the city continue to work with the developers encouraging new housing developments to include a variety of housing types. Whether the proposed amendment is compatible with surrounding districts. Once again this is residential R1, R2 and commercial highway. They are planning to have commercial businesses, residential homes, and multi-family properties, and of course the STRs. Whether the proposed amendment will result in demands on public facilities and of course we are going through the water study. Recent discussions have taken place regarding the impacts to various departments. There is a variance that has been submitted. This item is later on the agenda for curb, gutter, and sidewalks. The commission should take no consideration in this change of zoning. It is not located in the flood plain. They are working with DOT on some additional turning lanes. The proposed amendment compatible with community character. That is stated there. Whether there have been changing conditions. As you all know, we are in a housing shortage. This proposed amendment does support the housing needs as described in the 2021 study. Finally, whether it is a conflict with public interest. We have received comments on this development over the time. Nothing on the change of zoning to date other than all the comments revolving around STRs earlier. Regarding this application, this office has not received any comments about the change of zonings. It is in front of you to consider to approve, deny, or approve with conditions. Should this be approved, legal counsel and staff put some of these considerations in front of you. Should it be approved, any action done tonight does not approve or accept the covenants. That is enforced by the homeowner's association (HOA), not the city. That the covenants do not limit the city from issuing permits for an activity that is limited by the homeowner's association. The HOA would be responsible of the enforcement of its covenants. Obviously, the covenants they would adopt cannot be less restrictive than the city ordinances. It should state in their covenants it recognizes it cannot be less restrictive than city ordinances. Does not waive any requirements under city ordinances that should they proceed with vacation home establishments it is limited to the ten percent of the lots platted and service by the city infrastructure. Those would all take conditional use permits. Finally, adoption of the change of zoning shall not have an impact on the decision of any future submitted variance requests. The applicants are here to answer any questions.

Commissioner Eagleson questioned the huge jump in commercial lots between the Existing PUD and the Proposed PUD Amendment.

Ms. Berg state it is based on the city ordinance changes through the task force to have the ability to have the option of a STR. By city ordinance, we had to rezone them to commercial highway and then it is limited on our map for which areas in the residential can be used for STR.

Commissioner Eagleson asked so the STR would be on the commercial highway?

Ms. Berg said yes, that is by city ordinance. That is the requirement that came out of that task force.

Mr. Kuchenbecker stated vacation home establishments. That is one of the sections of STRs.

Ms. Berg stated is that we had to rezone them to commercial highway even though they are going to be intended for residential use.

Commissioner Eagleson asked so they are not all commercial businesses?

Ms. Berg stated nope and that is limited. In that map, we tried to designate the residential areas that would be utilized that way that are not intended for full commercial use.

Commissioner Eagles asked how many lots along the highway would be for sure commercial and not zoned commercial because they are vacation rentals?

Mr. Kuchenbecker stated that is where we want to be careful because they are all commercial highway. If somebody comes in and asks for a gas station and it is a right to use. We would issue that permit and it would be up to the HOA to enforce or stop it. They are understanding that.

Commissioner Keehn asked does the ten percent still apply to the commercial district?

Mr. Kuchenbecker stated it is ten percent of the lots in the PUD that are developed and platted. Items 5C and D later in the agenda, you will be adopting plats. There is about thirty lots on those give or take. Those would then allow them, once they get city services and it is accepted, to have possibly up to three vacation rentals.

Commissioners Eagleson and Keehn wanted to know could all forty-nine be commercial properties.

Mr. Kuchenbecker stated only when it is done with the development and Phases 2 and 3 are platted and city services done. If we adopt this change of zoning and we approve the lots under items C and D and when they get the development completed where we accept the infrastructure, then they could apply for a CUP for a vacation rental based on the number of platted lots serviced by city services infrastructure. So, Phase 3 will not count towards their thirty until that is platted and serviced by city infrastructure. They are planning ahead to have the ability to have that many.

Ms. Berg stated we tried to designate our residential areas that could possibly be right out of the gates, so it is always known as the phases move forward.

Mr. Kuchenbecker stated it might be ten years before Phase 3 is fully developed. At that time, we will count the number of platted lots that are serviced by city infrastructure and that will be the maximum number of potential CUPs for vacation rentals.

Commissioner Keehn asked on the proposed, there is three hundred and nine total lots? Does that limit them to thirty-nine vacation rentals all said and done?

Mr. Kuchenbecker stated that is proposed as part of the preliminary plat and conceptual plan. It is three hundred and nine so it would be thirty.

Commissioner Keehn asked regardless of the forty-nine commercial lots? We've run into pretty much anything if it is commercial can be a bed and breakfast in the past. That is why I am asking.

Mr. Mohr stated that is a comment I was going to make. The reason they are rezoning these is to stay consistent with where they are allowed in existing areas in town. They must be commercial highway. That makes it consistent with where they are currently allowed in town. They would need the same zoning out there than they would need anywhere else in town.

Chairman Martinisko asked even if there are more than ten percent commercial highway lots, that doesn't matter. It would be ten percent of their allowed vacation rentals.

Mr. Kuchenbecker stated yes.

Commissioner Keehn asked did you increase the amount of lots to try and bring the prices down on the lots or just to sell more?

Mr. Horner stated we shrunk them.

Ms. Berg stated we shrunk the ones in Phase 1 just to make them more affordable trying to achieve better price points. Then also in Phase 2 and 3 just tried to give more of a possible layout and that is where that lot count came in.

Chairman Martinisko stated it would also increase the number of vacation rentals that you would ultimately be allowed.

Ms. Berg stated right but just in case that does happen. That possibility of Phase 2 and 3, we wanted to designate the STR areas so that they are not applied for in other locations.

Mr. Kuchenbecker stated that part of the reason the task force came up with the ten percent based on the number of lots and have the services let us say, for instance, ten years from now Randy and Cheri say "you know what we have sunk enough money into this, We are not going to do Phase 3" and they sell it off in five chunks. That dramatically changes from seventy-four projected lots to five. So it protects the city as well.

Chairman Eagleson asked so all the lots that are deemed commercial, even though you say some are for housing, what could be the maximum number of commercial businesses along that highway?

Ms. Berg stated the same number we had before. We had nineteen before. That is still the same for commercial use. All the rest of the commercial zoned lots are limited by covenants. You couldn't move into one of those.

Mr. Kuchenbecker stated just to clarify. If someone comes in for a pizza place and it fits the conditional use and zoned commercial highway, it is up to them to say no. Not the City.

Ms. Berg stated that is why we included the covenants so that you could see how we are going to limit those areas. Just as a reference point.

Chairman Martinisko stated being zoned commercial highway doesn't mean you are along the highway. It could be zoned internally.

Mr. Kuchenbecker stated there is some of those. One lot is by the apartments that the intent is to put storage units on. Now keep in mind that any of these commercial highways that are going to be residential, single family, would have to apply for a conditional use permit as well. They understand that.

Chairman Martinisko asked what the difference between commercial highway and commercial?

Mr. Kuchenbecker stated commercial is the core business district. You can go forty-five feet instead of thirty-five. The setbacks are zero versus setbacks in commercial highway. The city would not enforce the covenants. That is the HOA.

Commissioner Owens asked who is going to be the majority in the HOA board? The developer?

Ms. Berg stated in the beginning until there is enough to form the HOA.

Mr. Kuchenbecker stated one of the things, and we have experienced it within the city with Stage Run. They had an HOA and they disbanded it.

Chairman Martinisko stated an HOA can change the conditions with their rules and regulations.

Mr. Kuchenbecker stated that is why we should not adopt it nor have anything to do with that.

Ms. Berg stated the covenants are legally tied to each of the properties even if the HOA goes away.

Mr. Kuchenbecker stated and one of the things, you and I have talked, is we do want to have prior to filing it asking that you have something in there that says the covenants can be more restrictive than the city but cannot be less than the city.

Commissioner Keehn asked so down the road and you have forty houses built and thirty are vacation rentals but forty are. Will it fall back on the same system you are using now to police it? Where as you will send a violation letter.

Mr. Kuchenbecker stated for vacation rentals, we would do a letter and a cease and desist unless they have the CUP. If there was forty, they could have four CUPs that are applied for and operating legally. If there is a fifth vacation rental then we would have to take action. Correct.

City Attorney Riggins stated yes. Also, if they disbanded or did not have an HOA, the covenants themselves could give any homeowners within the subdivision the right to enforce the covenants too.

It was moved by Commissioner Keehn and seconded by Commissioner Owens to approve the change of zoning to amend the Ridge PUD legally described as PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOT A OF GOV'T LOTS 13 AND 19 IN SECTION 11; LOT B OF GOV'T LOTS 19 IN SECTION 11 AND GOV'T LOT 12 OF SECTION 14 AND LOTS 1 AND 2 IN BLOCK 1B OF THE RIDGE DEVELOPMENT, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA with the following conditions that the acceptance of this Change of Zoning does not approve or accept the covenants drafted for the Homeowners Association by the developer, the covenants does not limit the City from issuing permits for an activity that is limited by the Homeowners Association and the Homeowners Association would be responsible for the enforcement of its covenants, the covenants cannot be less restrictive than Deadwood City Ordinances and shall state the covenants cannot be construed as less restrictive than City Ordinances, the acceptance of the Change of Zoning does not waive any requirements under the Deadwood City Ordinances, that vacation home establishments will be limited to 10% of the lots platted and serviced by city accepted infrastructure upon approval of each lot through the Conditional Use Permit process, and adoption of Change of Zoning shall have no impact on the decision on any future submitted variance requests. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

c. Final Plat for Creating Lots - The Ridge Development

PLAT OF LOTS 90 THRU 94 OF BLOCK 1 OF THE RIDGE DEVELOPMENT.
FORMERLY A PORTION OF BLOCK 1 OF THE RIDGE DEVELOPMENT.

AND

LOT 1 OF BLOCK 2 OF THE RIDGE DEVELOPMENT AND LOT 15 OF BLOCK 1B OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMITH TRACT.

AND

THE DEDICATED PUBLIC RIGHT-OF-WAY OF WILD CANYON DRIVE AND GOLD SPIKE DRIVE ALL LOCATED NIN GOV'T LOT 5 IN SECTION 12 AND GOV'T LOTS 10 & 12 IN SECTION 11 OF TOWNSHIP 5 NORTH, RANGE 3 EAST, BLACK HILLS MERIDIAN, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA.

Continued from the July 19, 2023 Planning and Zoning Commission meeting.

Mr. Kuchenbecker stated these are the final plat for creating lots within the Ridge Development legally described as PLAT OF LOTS 90 THRU 94 OF BLOCK 1 OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF BLOCK 1 OF THE RIDGE DEVELOPMENT. AND LOT 1 OF BLOCK 2 OF THE RIDGE DEVELOPMENT AND LOT 15 OF BLOCK 1B OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMITH TRACT. AND THE DEDICATED PUBLIC RIGHT-OF-WAY OF WILD

CANYON DRIVE AND GOLD SPIKE DRIVE ALL LOCATED NIN GOV'T LOT 5 IN SECTION 12 AND GOV'T LOTS 10 & 12 IN SECTION 11 OF TOWNSHIP 5 NORTH, RANGE 3 EAST, BLACK HILLS MERIDIAN, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. This was continued from the July 19, 2023 Planning and Zoning meeting. The staff report outlines the plats which are provided with you in your packet. This is all commercial highway. This reflects the proposed change of zoning. What it does is establish the different lots within this plat. The purpose is to create proposed property lines to establish lots for sale. The lots are proposed to be allowed for future storage facility on Lot 1 as well as vacation home establishments on Lots 15 and 90-94. So, this is a cluster at the end of the drive near the apartments. Those are through the covenants we just spoke about. Lot 1 is 3.697, Lot 15 is 0.567, Lot 90 is 0.867, Lot 91 is 0.568, Lot 92 is 0.707, Lot 93 is 0.478, and Lot 94 is 0.751. It is not in the flood zone and public facilities are being installed but are not accepted at this time. Everything else is on the plat as required. The only thing that should be noted is since these do not have city services yet, no building permits should be issued by the City until the plat thereof has been recorded at the Office of the Register of Deeds and any improvements required for services of that lot have been completed per codified Deadwood Ordinance 16.08.010. The reason being is we do not want to issue building permits and there be a delay in getting infrastructure there and put us into a bind where why did the city issue a building permit if there is no water and sewer. We did do that for the apartment complex there. We have a separate agreement that holds us harmless to that. We don't want to do that for thirty different parcels. If that makes sense? That is in our ordinance under 16.08.010 it says the city shall not issue a building permit until it is recorded with the county and there is public services there.

It was moved by Commissioner Owens and seconded by Commissioner Keehn to approve the final plat for creating lots legally described as PLAT OF LOTS 90 THRU 94 OF BLOCK 1 OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF BLOCK 1 OF THE RIDGE DEVELOPMENT. AND LOT 1 OF BLOCK 2 OF THE RIDGE DEVELOPMENT AND LOT 15 OF BLOCK 1B OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMTIH TRACT. AND THE DEDICATED PUBLIC RIGHT-OFWAY OF WILD CANYON DRIVE AND GOLD SPIKE DRIVE ALL LOCATED NIN GOV'T LOT 5 IN SECTION 12 AND GOV'T LOTS 10 & 12 IN SECTION 11 OF TOWNSHIP 5 NORTH, RANGE 3 EAST, BLACK HILLS MERIDIAN, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA with the following condition that no building permits shall be issued by the city until the plat thereof has been recorded in the office of the Register of Deeds of Lawrence County and any improvements required for the service of that lot have been completed per Deadwood Codified Ordinance 16.08.010. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

- d. Final Plat of Townhome Lots - The RIDGE at Deadwood - Randy & Cheri Horner
 PLAT OF UTILITY LOT 1 AND LOTS 3-14 OF BLOCK 1B OF THE RIDGE
 DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMITH TRACT LOCATED IN
 GOV'T LOTS 10 AND 12 OF SECTION 11, T.5N., R.3E., B.H.M., CITY OF
 DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Mr. Kuchenbecker stated this is the final plat of townhome lots legally described as PLAT OF UTILITY LOT 1 AND LOTS 3-14 OF BLOCK 1B OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMITH TRACT LOCATED IN GOV'T LOTS 10 AND 12 OF SECTION 11, T.5N., R.3E., B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. You do have your staff report here. Currently part of the PUD. If the change of zoning is passed by the City Commission, it would be commercial highway. Again, this is surrounded by the apartment complex and vacant land as part of the PUD. This establishes property lines for commercial highway to be allowed as townhomes and/or vacation home establishments. The developer understands conditional use permit is required for the operation of the townhomes as vacation home establishments. Again, the same condition that no building permits shall be issued until filed and the infrastructure is there.

It was moved by Commissioner Bruce and seconded by Commissioner Keehn to approve creating property lines for transfer of property legally described as PLAT OF UTILITY LOT 1 AND LOTS 3-14 OF BLOCK 1B OF THE RIDGE DEVELOPMENT. FORMERLY A PORTION OF PREACHER SMITH TRACT LOCATED IN GOV'T LOTS 10 AND 12 OF SECTION 11, T.5N., R.3E., B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA with the following conditions that no building permits shall be issued by the city until the plat thereof has been recorded in the office of the Register of Deeds of Lawrence County and any improvements required for the service of that lot have been completed per Deadwood Codified Ordinance 16.08.010. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

- e. Discussion and recommendation to the Deadwood Board of Adjustment on request for variance for Curb, Gutters, Sidewalks, and Storm Sewer requirements - The RIDGE at Deadwood - Preacher Smith, LLC.

REMAINDER OF PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOTS 1 & 22, BLOCK 1B OF THE RIDGE DEVELOPMENT; AND BLOCK 1 AND BLOCK 1A OF THE RIDGE DEVELOPMENT, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

Continued from the July 19, 2023 Planning and Zoning Commission meeting.

Mr. Kuchenbecker stated this is a discussion and recommendation to the Board of Adjustments on a request for variance of curb, gutters, sidewalks, and storm sewers at the Ridge Development. This was continued from the last Planning and Zoning meeting on July 19, 2023. It cannot be continued again. City departments, Commissioner of Public Works, and Commissioner Johnson have met with the engineer and developer, and various city staff on some of the concerns we have

regarding this variance. We have a scheduled meeting tomorrow at 1:00 p.m. and the following week as well. We are hoping the applicant can address some of these concerns regarding safety and other challenges the City has with this variance. In doing so, we have kind of come to an agreement where since we have advertised for a public hearing on August 7th for the City Commission it would still be held but continued until the next City Commission meeting and that is when any votes or action taken on the requested variance. To make that happen it would be a "no recommendation" by this body to the City Commission which will allow us to have the public hearing on Monday and then they would refer it back to us for the next meeting on August 16th. It is a little confusing be we are trying to work together on coming up with the City articulating its concerns and the applicant addressing them.

It was moved by Commissioner Keehn and seconded by Commissioner Bruce due to ongoing meetings with the developer, and the recommendation from legal counsel there is no recommendation to the City Commission by the Planning and Zoning Commission. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

6. Items from Citizens not on Agenda

(Items considered but no action will be taken at this time.)

7. Items from Staff

Mr. Kuchenbecker stated we have been working with the Ridge on a variety of things. Our plate is full. We are also working with Stage Run on their Phase 3. I apologize to the City Commission as we have a seven-page agenda for the Monday of the rally. There are twenty-three items between Historic Preservation and Planning and Zoning. I think once we get through these change of zonings and the variances, it will help us a little bit with time management. All though I am expecting a lot of plats forthcoming. I know we already have two conditional use permits for the next meeting. I can't thank the staff enough for all their work. I do also want to publicly thank the fire department. We had a fire at 299 Williams, a historic resource. Trent and I went through it today and it is a miracle it was saved. Not as much damage as I anticipated. That is because of the brave men and women that fought the fire. I smell like a house fire, but it could have been a lot worse. The farmer's market has been going on across the street as well.

8. Adjournment

It was moved by Commissioner Owens and seconded by Commissioner Keehn to adjourn the Planning and Zoning Commission meeting. Voting Yea: Martinisko, Keehn, Bruce, Eagleson, Owens

There being no further business, the Planning and Zoning Commission adjourned at 4:38 p.m.

ATTEST:

Chairman, Planning & Zoning Commission

Cindy Schneringer, Planning & Zoning Office/Recording Secretary

Secretary, Planning & Zoning Commission

OFFICE OF
PLANNING, ZONING AND
HISTORIC
PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084



Kevin Kuchenbecker
Planning, Zoning and
Historic Preservation Officer
Telephone (605) 578-2082
kevin@cityofdeadwood.com

**PLANNING AND ZONING MEETING
BOARD OF ADJUSTMENT
STAFF REPORT
August 7, 2023**

APPLICANT: Deadwood Rentals, LLC (Trinity Conrad)

PURPOSE: Application for CUP – Vacation Home Establishment

GENERAL LOCATION: 36 Water Street

LEGAL DESCRIPTION: TRACT A, AN 8' PLATTED ALLEY AND A PORTION OF LOT R-1 OF THE CITY OF DEADWOOD RAILROAD PROPERTY ALL LOCATED IN THE HILLSDALE ADDITION TO THE CITY OF DEADWOOD, IN THE NW ¼ OF SECTION 26, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA; AND, TRACT B-1, MCGOVERN HILL ADDITION OF THE CITY OF DEADWOOD, LOCATED IN THE NW1/4NW1/4 OF SECTION 26 T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

FILE STATUS: All legal obligations have been completed.

ZONE: C1 Commercial District

STAFF FINDINGS:

Surrounding Zoning:

North: R1 - Residential

South: PU – Public Use

East: C1- Commercial

West: C1 - Commercial

Surrounding Land Uses:

Residential Housing

Parking Lot

Business

Vacant Land

The vacant land to the west is owned by ZCN, LLC with a conservation easement with the Deadwood Historic Preservation Commission.

SUMMARY OF REQUEST

The applicant has submitted a request for a Conditional Use Permit to operate a Vacation Home Establishment located at 36 Water Street. The subject property is surrounded by residential homes, business, and public parking. The applicant intends to rent the house for their operation of a vacation home establishment.

FACTUAL INFORMATION

1. The property is currently zoned C1 – Commercial being changed from R1-Residential zoning by Ordinance 1267 on December 27, 2017.
2. The main structure was built in 1902 and is a contributing resource in the Deadwood National Historic Landmark District.
3. The subject property has access from Water Street with off street parking in front of a 1930s log slab garage and bridge over Whitewood Creek.
4. A portion of the property is located within the Regulatory Floodway and the balance of the property within the 100- and 500-year flood zones.
5. Adequate public facilities are available to serve the property.
6. The area is characterized by a mixture of single-family dwellings and commercial businesses.

STAFF DISCUSSION

The applicants have submitted a request for a Conditional Use Permit for Vacation Home Establishment. City regulations permit Vacation Home Establishments in C1- Commercial District with an approved Conditional Use Permit. The subject property is currently being used as a vacation rental. The home has an outside yard area that can be used by guests. According to the application, there is garage parking for guests to use as well as a city parking lot nearby to use if necessary.

The Deadwood Zoning Code 17.08 and South Dakota Codified Law defines a Vacation Home Establishment as the following:

“Vacation home establishment” means:

Any home, cabin, or similar building that is rented, leased, or furnished in its entirety to the public on a daily or weekly basis for more than 14 days in a calendar year and is not occupied by an owner or manager during the time of rental as defined and permitted by the State of South Dakota and this Title. This term does not include a bed and breakfast establishment as defined in this Title.

COMPLIANCE:

1. The Zoning Office provided notice identifying the applicant, describing the project and its location, and giving the scheduled date of the public hearing in accordance with Section 10.10.B.
2. A sign was posted on the property for which the requests were filed.
3. Notice of the time and place was published in the designated newspaper of the City of Deadwood.

GENERAL USE STANDARDS FOR CONDITIONAL USE PERMITS:

In reviewing any application under the authority of this chapter and as a further guide to its decision upon the facts of the case, the Commission(s) shall consider, among other things, the following facts:

- A. The proposed use shall be in harmony with the general purposes, goals, objectives, and standards to the City Policy Plan, the ordinance, the district in which it is located, or any other plan, program, map, or ordinance adopted, or under consideration pursuant to official notice by the City of Deadwood.

The City Comprehensive Plan encourages a variety of uses and a mixture of housing types. Preserve the existing stock of historic structures by working with the individuals and guiding the uses is an acceptable means. Traffic and parking should not significantly affect the neighborhood if the applicant abides by the parking requirements associated with a Vacation Home Establishment. This area has a mixture of single family and commercial properties.

- B. Whether or not a community need exists for the proposed use at the proposed location in light of existing and proposed uses of a similar nature in the area and of the need to provide or maintain a proper mix of uses both within the city and also within the immediate area of the proposed use: (a) the proposed use in the proposed location shall not result in either a detrimental over concentration of a particular use from previously permitted uses within the city or within the immediate area of the proposed use.

The subject area is zoned C1 – Commercial District and is intended to provide locations coinciding with the downtown core commercial zone where certain uses and gaming are permitted. Through a recent task force set up by the City Commission, the subject of Short-Term Rentals was addressed, and it was determined Vacation Home Establishments may be allowed through a conditional use process reviewed on an annual basis if the property have special uniqueness and does not have a local impact based on the public need.

- C. The proposed use at this location shall not result in a substantial or undue adverse effect on adjacent property, the character of the neighborhood, traffic conditions, parking, public improvement, public sites, or rights-of-way.

If the applicant only uses off street parking and prevents any public nuisance issues that are often associated with Short-Term Rentals, the proposed use should not result in a substantial or undue adverse effect on adjacent property, or the character of the neighborhood and the use would not alter the character of the neighborhood. There will be no change in the size of the dwelling. To support a denial of a conditional use permit on the grounds that it will cause increased traffic problems, there must be a high degree of probability that the increase would pose a substantial threat to the health and safety of the community.

- D. Whether or not the proposed use increases the proliferation of non-conforming uses as well as previously approved Conditional Use Permits which are still in use, when influenced by matters pertaining to the public health, safety, and general welfare, either as they now exist or as they may in the future be developed as a result of the implementation of provisions and policies of the Policy Plan, this ordinance, or any other plan, program, map or ordinance adopted, or under consideration pursuant to official notice, by the city or other governmental agency having jurisdiction to guide growth and development.

For any conditional use, lot and performance standards shall be the same as similar type uses located in specific districts. The character and use of buildings and structures adjoining or near the property mentioned in the application shall be considered in their entirety.

The proposed use should not increase the proliferation of non-conforming uses. The subject residence is in an area that does not have additional short-term rentals in the immediate area. The appearance of the structure will not change; therefore, the character and use of the buildings and structures adjoining the subject property will not be adversely affected. Staff has been working with the South Dakota Department of Health with regards to historic structures and ensuring the use is not detrimental to the historic resource. This involves the alteration of windows which can have an adverse effect to the character of the building.

- E. Whether or not the proposed use in the proposed area will be adequately served by and will not impose an undue burden on any of the improvements, facilities, utilities, and services specified in this section.

The proposed use will not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation, or other services. Existing services are available onsite. All utilities will be commercial rates.

CONDITIONS GOVERNING APPLICATIONS AND PROVISIONS:

- A. Following the issuance of a conditional use permit pursuant to the provisions of this ordinance, such permit may be amended, varied, or altered only pursuant to the standards and procedures established by this section for its original approval.
- B. The Board of Adjustments can revoke conditional use permits, once granted, for cause after a hearing is held before them. Complaints seeking the revocation of such permit shall be filed with the Zoning Administrator and may be initiated by the Planning and Zoning Commission OR any three (3) residents within three hundred (300) feet of the property lines of which the application has been filed. All such revocation hearings shall be conducted in the same manner as for the Conditional Use Permit application hearings.
- C. The Planning and Zoning Commission shall have the authority to review Conditional Use Permits at any time and/or on an annual basis and place additional stipulations to mitigate a problem.
- D. If the use permitted under the terms of a Conditional Use Permit has not been started within six (6) months of the date of issuance thereof, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.
- E. If the use permitted under the terms of a Conditional Use Permit ceases, for whatever reason, for a period of twelve (12) months, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.

Staff recommendations for Conditions be considered if approved:

1. The Conditional Use Permit runs with the applicant and not the land; therefore, should the property be sold, the Conditional Use Permit is null and void.
2. Proof of a state sales tax number shall be provided to the Planning and Zoning Office for their files.
3. Proof that the Building Inspector has inspected the building and it meets all the building codes.
4. City water and sewer rates to be changed from residential to commercial rates.
5. Proper paperwork is filed with the City of Deadwood Finance Office for Business Improvement District (BID) taxes.
6. Proof of City of Deadwood Business License.
7. Obtain lodging license after inspection from the South Dakota Department of Health without changing the historic character of the resource through window replacement.
8. All parking shall be off street.

ACTION REQUIRED FOR CONDITIONAL USE PERMIT:

1. Approve / Deny / or Approve with Conditions by the Planning and Zoning Commission.
2. Approve / Deny / or Approve with Conditions by the Board of Adjustment.

Return Completed Form To:
Planning and Zoning
108 Sherman Street
Deadwood, SD 57732



Questions Contact
Kevin Kuchenbecker
(605) 578-2082 or
kevin@cityofdeadwood.com

Section 5 Item b.

Application No. _____

APPLICATION FOR CONDITIONAL USE PERMIT

Application Fee: \$200.00

Applicants: Please read thoroughly prior to completing this form. Only complete applications will be considered for review.

Name of Proposed Development: Creekside Rental Property

Street Location of Property: 36 Water Street, Deadwood SD 57732

Legal Description of Property: 30525-00100-110-00

Hillsdale Addition Tract A Plot 1994 04785

Zoning Classification of Property: Commercial

Name of Property Owner: Deadwood Rentals LLC Telephone: (605) 920-9266

Address: 300 McGovern Hill Deadwood SD 57732
Street City State Zip

Name of Applicant: Trinity Conrad Telephone: (605) 920-9266

Address: 300 McGovern Hill Rd Deadwood SD 57732
Street City State Zip

1. The following documents shall be submitted:

- An improvement survey, including all easements,
- Development plan, including site plan with location of buildings, usable open space, off-street parking, loading areas, refuse area, ingress/egress, screening, proposed or existing signage, existing streets, and
- A written statement addressing the criteria for approval.

Uses of Building or Land: Vacation Rental

Signature of Applicant: [Signature] Date: 5-19-23

Signature of Property Owner: [Signature] Date: 5-19-23

Fee: \$ 200.00 Paid On 7/18/23 Receipt Number 00187020

Legal Notice Published

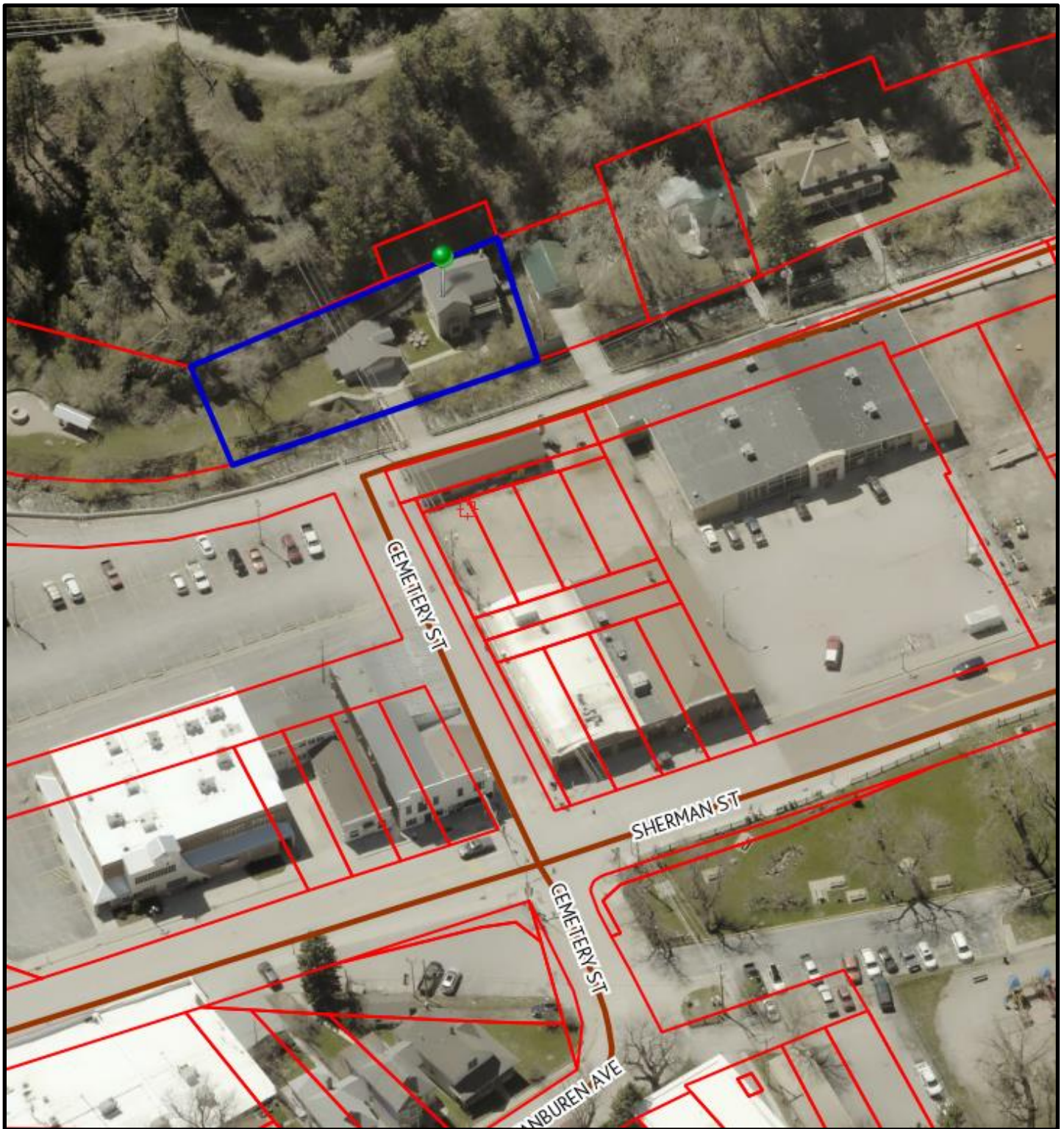
Date: _____

Hearing Date: _____

PLANNING AND ZONING ADMINISTRATOR:			
Approved/P&Z Administrator:	Yes	No	Signature: _____ Date: _____
PLANNING AND ZONING COMMISSION:			
Approved/P&Z Commission:	Yes	No	Date: _____
DEADWOOD BOARD OF ADJUSTMENT:			
Approved/City Commission:	Yes	No	Date: _____

Reason for Denial (if necessary): _____

- A. 36 Water Street, vacation rental property
- B. Garage has parking for guests to use. The home has an outside yard area that can be used by guests. City parking lot is nearby to be used if necessary.
- C. Vacation rental that has ample parking available to guests to use (garage)



**REQUEST FOR CONDITIONAL USE PERMIT
TRINITY CONRAD
36 WATER STREET**



**NOTICE OF PUBLIC HEARING
BEFORE THE DEADWOOD PLANNING & ZONING COMMISSION**

City of Deadwood
Planning and Zoning Commission
Deadwood, South Dakota 57732

NOTICE IS HEREBY GIVEN, that the following person(s) has applied to the City of Deadwood Planning and Zoning Office for a Conditional Use Permit for the operations for a single unit Vacation Home Establishment as allowed under Section 17.40.030 Conditional Uses.

APPLICANTS: Trinity Conrad

LEGAL DESCRIPTION: TRACT A, AN 8' PLATTED ALLEY AND A PORTION OF LOT R-1 OF THE CITY OF DEADWOOD RAILROAD PROPERTY ALL LOCATED IN THE HILLSDALE ADDITION TO THE CITY OF DEADWOOD, IN THE NW ¼ OF SECTION 26, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA; AND, TRACT B-1, MCGOVERN HILL ADDITION OF THE CITY OF DEADWOOD, LOCATED IN THE NW1/4NW1/4 OF SECTION 26 T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

ADDRESS: 36 Water Street

ZONE: C1 Commercial District

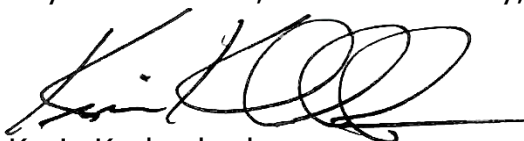
NOTICE IS FURTHER GIVEN that said application will be heard by the Planning and Zoning Commission within and for the City of Deadwood, State of South Dakota, at a regular meeting to be held Wednesday, August 16, 2023 in the Commission Room at 102 Sherman Street, Deadwood, South Dakota, will at 4:00 p.m. or soon thereafter as the matter at which time and place any such person interested may appear and show cause if there be any, why such special exception should not be granted.

NOTICE IS FURTHER GIVEN, that the proposed request for a Vacation Home Establishment is on file and available for public examination at the Deadwood Zoning Office located at 108 Sherman Street, Deadwood, South Dakota.

ANY interested person or his/her agent is invited to submit oral or written comments or suggestions regarding the request to the Commissions or their agent prior to or at the public hearing.

Dated this 27th of July 2023

City of Deadwood, Lawrence County, South Dakota



Kevin Kuchenbecker
Planning, Zoning and Historic Preservation Officer

PUBLISH: Black Hills Pioneer: August _____, 2023

Published once at the total approximate cost of \$ _____

OFFICE OF
PLANNING, ZONING AND
HISTORIC
PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084



Kevin Kuchenbecker
Planning, Zoning and
Historic Preservation Officer
Telephone (605) 578-2082
kevin@cityofdeadwood.com

**PLANNING AND ZONING MEETING
BOARD OF ADJUSTMENT
STAFF REPORT
August 7, 2023**

APPLICANT: Owson Properties, LLC (Mike and Kat Sneesby)

PURPOSE: Application for CUP – Vacation Home Establishment

GENERAL LOCATION: 64 Cliff Street

LEGAL DESCRIPTION: LOT X2 OF RIVERSIDE ADDITION CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA FORMERLY LOT X OF RIVERSIDE ADDITION LOCATED IN THE NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

FILE STATUS: All legal obligations have been completed.

ZONE: CH - Commercial Highway District

STAFF FINDINGS:

Surrounding Zoning:

North: CH – Commercial Highway
South: CH – Commercial Highway
East: R2 – Multi-Family Residential
West: CH – Commercial Highway

Surrounding Land Uses:

Businesses
Residential Housing
Vacant Land
Trailer Court

SUMMARY OF REQUEST

The applicants have submitted a request for a Conditional Use Permit to operate a Vacation Home Establishment located at 64 Cliff Street. It is a single family home with two (2) bedrooms and one (1) bathroom. The property has 2-3 off-street parking spots including space for trailer parking. The subject property is surrounded by residential homes, businesses, and vacant land.

FACTUAL INFORMATION

1. The property is zoned CH – Commercial Highway under Ordinance No. 831 originally adopted in August 1992.
2. The structure was built circa 1920 and is a non-contributing resource outside the Deadwood National Historic Landmark District.
3. The subject property has access from Cliff Street with off street parking for 2 to 3 vehicles including space for trailer parking.
4. The property is located within a flood zone.
5. Adequate public facilities are available to serve the property.
6. The area is characterized by a mixture of single-family dwellings and businesses.

STAFF DISCUSSION

The applicants have submitted a request for a Conditional Use Permit for Vacation Home Establishment and City regulations permit Vacation Home Establishments in C1- Commercial District with an approved Conditional Use Permit. The subject property is a single-family home with two bedrooms and one bath with two to three parking spots for off-street parking including enough space for trailer parking.

The Deadwood Zoning Code 17.08 and South Dakota Codified Law defines a Vacation Home Establishment as the following:

“Vacation home establishment” means:

Any home, cabin, or similar building that is rented, leased, or furnished in its entirety to the public on a daily or weekly basis for more than 14 days in a calendar year and is not occupied by an owner or manager during the time of rental as defined and permitted by the State of South Dakota and this Title. This term does not include a bed and breakfast establishment as defined in this Title.

COMPLIANCE:

1. The Zoning Office provided notice identifying the applicant, describing the project and its location, and giving the scheduled date of the public hearing in accordance with Section 10.10.B.
2. A sign was posted on the property for which the requests were filed.

3. Notice of the time and place was published in the designated newspaper of the City of Deadwood.

GENERAL USE STANDARDS FOR CONDITIONAL USE PERMITS:

In reviewing any application under the authority of this chapter and as a further guide to its decision upon the facts of the case, the Commission(s) shall consider, among other things, the following facts:

- A. The proposed use shall be in harmony with the general purposes, goals, objectives, and standards to the City Policy Plan, the ordinance, the district in which it is located, or any other plan, program, map, or ordinance adopted, or under consideration pursuant to official notice by the City of Deadwood.

The City Comprehensive Plan encourages a variety of uses and a mixture of housing types. Traffic and parking should not significantly affect the neighborhood if the applicant abides by the parking requirements associated with short-term rentals. This area has a mixture of single family and businesses.

- B. Whether or not a community need exists for the proposed use at the proposed location in light of existing and proposed uses of a similar nature in the area and of the need to provide or maintain a proper mix of uses both within the city and also within the immediate area of the proposed use: (a) the proposed use in the proposed location shall not result in either a detrimental over concentration of a particular use from previously permitted uses within the city or within the immediate area of the proposed use.

The subject area is zoned CH – Commercial Highway and is intended to provide locations for commercial uses, which require access to roads and highways, and substantial amounts of parking. Through a recent task force set up by the City Commission, the subject of Short-Term Rentals was addressed, and it was determined Vacation Home Establishments may be allowed through a conditional use process reviewed on an annual basis if the property have special uniqueness and does not have a local impact based on the public need.

- C. The proposed use at this location shall not result in a substantial or undue adverse effect on adjacent property, the character of the neighborhood, traffic conditions, parking, public improvement, public sites, or rights-of-way.

If the applicant only uses off street parking and prevents any public nuisance issues that are often associated with Short-Term Rentals, the proposed use If the applicant only uses off street parking and prevents any public nuisance issues that are often associated with Short-Term Rentals, the proposed use should not result in a substantial or undue adverse effect on adjacent property, or the character of the neighborhood and the use would not alter the character of the neighborhood. There will be no change in the size of the dwelling. To support a denial of a conditional use permit on the grounds that it will cause

increased traffic problems, there must be a high degree of probability that the increase would pose a substantial threat to the health and safety of the community.

- D. Whether or not the proposed use increases the proliferation of non-conforming uses as well as previously approved Conditional Use Permits which are still in use, when influenced by matters pertaining to the public health, safety, and general welfare, either as they now exist or as they may in the future be developed as a result of the implementation of provisions and policies of the Policy Plan, this ordinance, or any other plan, program, map or ordinance adopted, or under consideration pursuant to official notice, by the city or other governmental agency having jurisdiction to guide growth and development.

For any conditional use, lot and performance standards shall be the same as similar type uses located in specific districts. The character and use of buildings and structures adjoining or near the property mentioned in the application shall be considered in their entirety.

The proposed use would not increase the proliferation of non-conforming uses. The subject residence is in an area that does not have additional short-term rentals in the immediate area. The appearance of the structure will not change; therefore, the character and use of the buildings and structures adjoining the subject property will not be adversely affected.

- E. Whether or not the proposed use in the proposed area will be adequately served by and will not impose an undue burden on any of the improvements, facilities, utilities, and services specified in this section.

The proposed use will not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation, or other services. Existing services are available onsite. All utilities will be commercial rates.

CONDITIONS GOVERNING APPLICATIONS AND PROVISIONS:

- A. Following the issuance of a conditional use permit pursuant to the provisions of this ordinance, such permit may be amended, varied, or altered only pursuant to the standards and procedures established by this section for its original approval.
- B. The Board of Adjustments can revoke conditional use permits, once granted, for cause after a hearing is held before them. Complaints seeking the revocation of such permit shall be filed with the Zoning Administrator and may be initiated by the Planning and Zoning Commission OR any three (3) residents within three hundred (300) feet of the property lines of which the application has been filed. All such revocation hearings shall be conducted in the same manner as for the Conditional Use Permit application hearings.

- C. The Planning and Zoning Commission shall have the authority to review Conditional Use Permits at any time and/or on an annual basis and place additional stipulations to mitigate a problem.
- D. If the use permitted under the terms of a Conditional Use Permit has not been started within six (6) months of the date of issuance thereof, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.
- E. If the use permitted under the terms of a Conditional Use Permit ceases, for whatever reason, for a period of twelve (12) months, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.

If approved, staff recommendations for stipulation(s):

- 1. The Conditional Use Permit runs with the applicant and not the land; therefore, should the property be sold, the Conditional Use Permit is null and void.
- 2. Proof of a state sales tax number shall be provided to the Planning and Zoning Office for their files.
- 3. Proof that the Building Inspector has inspected the building and it meets all the building codes.
- 4. City water and sewer rates to be changed from residential to commercial rates.
- 5. Proper paperwork is filed with the City of Deadwood Finance Office for Business Improvement District (BID) taxes.
- 6. Proof of City of Deadwood Business License.
- 7. Obtain lodging license after inspection from the South Dakota Department of Health.
- 8. All parking shall be off street.

ACTION REQUIRED FOR CONDITIONAL USE PERMIT:

- 1. Approve / Deny / or Approve with Conditions by the Planning and Zoning Commission.
- 2. Approve / Deny / or Approve with Conditions by the Board of Adjustment.

Return Completed Form To:
Planning and Zoning
108 Sherman Street
Deadwood, SD 57732



Questions Contact
Kevin Kuchenbecker
(605) 578-2082 or
kevin@cityofdeadwood.com

Section 5 Item d.

Application No. _____

APPLICATION FOR CONDITIONAL USE PERMIT

Application Fee: \$200.00

Applicants: Please read thoroughly prior to completing this form. Only complete applications will be considered for review.

Name of Proposed Development: Penny Motel Branch house / Hideaway Inn

Street Location of Property: 819 Main street, Deadwood SD 57732

Legal Description of Property: 30800-00100-130-10 B1K A Plat 2001-04003 BK2 PG 2

Sunmyside Addition Pt of Lot 12: Tract A-1 OF T13

Zoning Classification of Property: Commercial

Name of Property Owner: Deadwood Rentals LLC Telephone: (605) 920-9266

Address: P.O. Box 665 Deadwood SD 57732
Street City State Zip

Name of Applicant: Trinity Conrad Telephone: (605) 920-9266

Address: 300 McGovern Hill Rd Deadwood SD 57732
Street City State Zip

1. The following documents shall be submitted:

- An improvement survey, including all easements,
- Development plan, including site plan with location of buildings, usable open space, off-street parking, loading areas, refuse area, ingress/egress, screening, proposed or existing signage, existing streets, and
- A written statement addressing the criteria for approval.

Uses of Building or Land: Vacation Rental

Signature of Applicant: [Signature] Date: 5-19-23

Signature of Property Owner: [Signature] Date: 5-19-23

Fee: \$ 200.00 Paid On 7/18/23 Receipt Number 00186996

Legal Notice Published

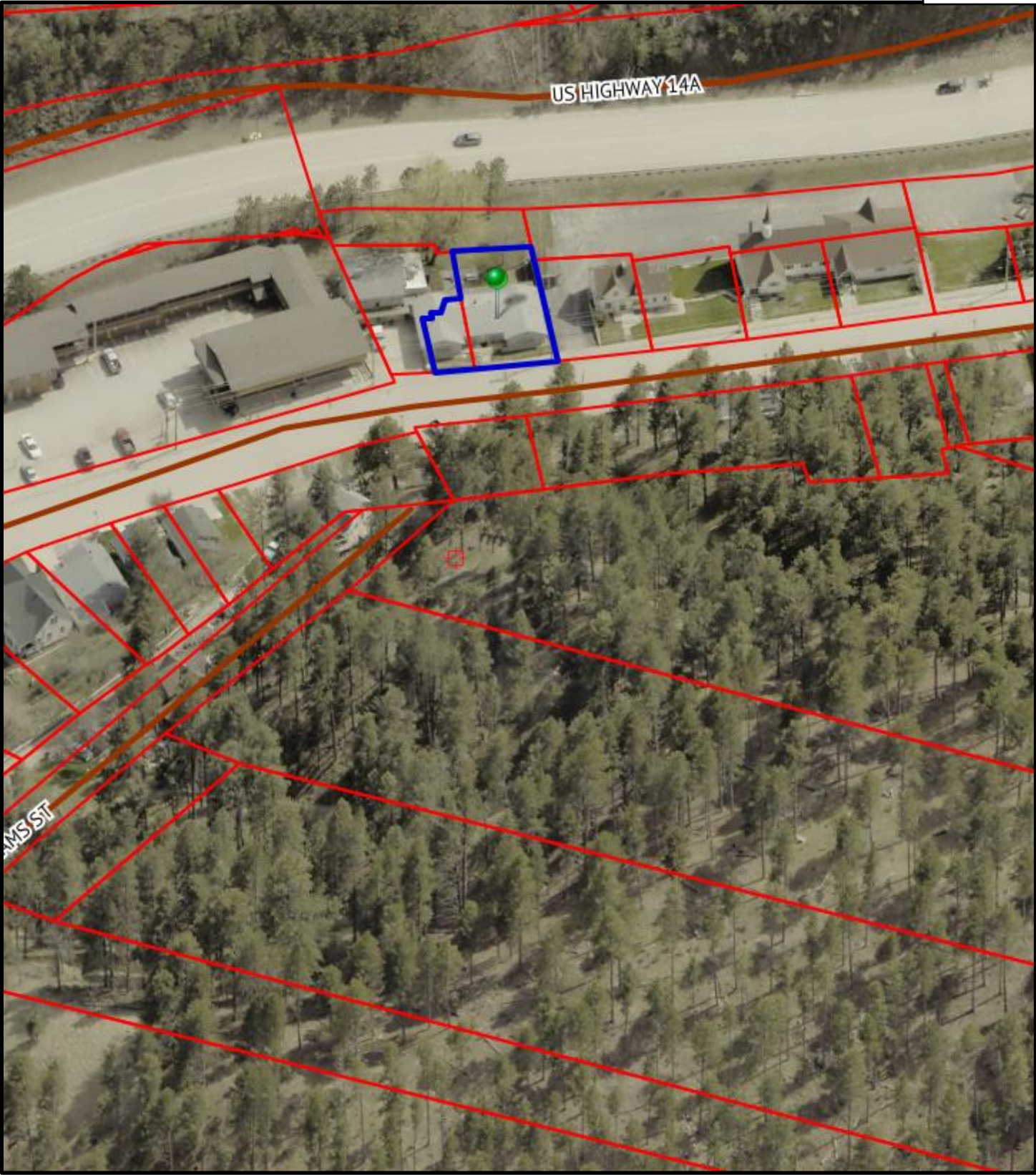
Date: _____

Hearing Date: _____

PLANNING AND ZONING ADMINISTRATOR:			
Approved/P&Z Administrator:	Yes	No	Signature: _____ Date: _____
PLANNING AND ZONING COMMISSION:			
Approved/P&Z Commission:	Yes	No	Date: _____
DEADWOOD BOARD OF ADJUSTMENT:			
Approved/City Commission:	Yes	No	Date: _____

Reason for Denial (if necessary): _____

- A. 819 Main Street has 6 parking spots designated for guests to use, across the street along with street parking in the front of the property. 2 parking spots per apartment.
- B. Consists of 3 units in the main building plus a back yard area for guests to utilize.
- C. Property is used as a vacation rental that provides parking for the guests to use.



REQUEST FOR CONDITIONAL USE PERMIT
TRINITY CONRAD
819 MAIN STREET



**NOTICE OF PUBLIC HEARING
BEFORE THE PLANNING AND ZONING COMMISSION**

City of Deadwood
Planning and Zoning Commission
Deadwood, South Dakota 57732

NOTICE IS HEREBY GIVEN, that the following person(s) has applied to the City of Deadwood Planning and Zoning Office for a Conditional Use Permit for the operations for a single unit Vacation Home Establishment as allowed under Section 17.40.030 Conditional Uses.

APPLICANTS: Trinity Conrad

LEGAL DESCRIPTION: LOT 12 IN BLOCK A OF SUNNYSIDE ADDITION TO THE CITY OF DEADWOOD AS SET OUT IN PLAT BOOK 3 PAGE 251, LAWRENCE COUNTY, SOUTH DAKOTA, EXCEPT THAT PART DEEDED TO THE STATE OF SOUTH DAKOTA FOR HIGHWAY PURPOSES AS SET OUT IN BOOK 372 PAGE 58 AND PAGE 168; AND, TRACT A-1 IN BLOCK A, A REPLAT OF TRACTS "A" AND "B" OF THE SUBDIVISION OF LOT 13, BLOCK A OF SUNNYSIDE ADDITION, LOCATED IN THE NW1/4NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA, ACCORDING TO PLAT FILED IN DOCUMENT NO. 2001-4003.

ADDRESS: 819 Main Street

ZONE: C1 Commercial District

NOTICE IS FURTHER GIVEN that said application will be heard by the Planning and Zoning Commission within and for the City of Deadwood, State of South Dakota, at a regular meeting to be held Wednesday, August 16, 2023 in the Commission Room at 102 Sherman Street, Deadwood, South Dakota, will at 4:00 p.m. or soon thereafter as the matter at which time and place any such person interested may appear and show cause if there be any, why such special exception should not be granted.

NOTICE IS FURTHER GIVEN, that the proposed request for a Vacation Home Establishment is on file and available for public examination at the Deadwood Zoning Office located at 108 Sherman Street, Deadwood, South Dakota.

ANY interested person or his/her agent is invited to submit oral or written comments or suggestions regarding the request to the Commissions or their agent prior to or at the public hearing.

Dated this 27th of July 2023

City of Deadwood, Lawrence County, South Dakota



Kevin Kuchenbecker
Planning, Zoning and Historic Preservation Officer

PUBLISH: Black Hills Pioneer: August _____, 2023

Published once at the total approximate cost of \$ _____

OFFICE OF
PLANNING, ZONING AND
HISTORIC
PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084



Kevin Kuchenbecker
Planning, Zoning and
Historic Preservation Officer
Telephone (605) 578-2082
kevin@cityofdeadwood.com

**PLANNING AND ZONING MEETING
BOARD OF ADJUSTMENT
STAFF REPORT
August 7, 2023**

APPLICANT: Owson Properties, LLC (Mike and Kat Sneesby)

PURPOSE: Application for CUP – Vacation Home Establishment

GENERAL LOCATION: 64 Cliff Street

LEGAL DESCRIPTION: LOT X2 OF RIVERSIDE ADDITION CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA FORMERLY LOT X OF RIVERSIDE ADDITION LOCATED IN THE NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

FILE STATUS: All legal obligations have been completed.

ZONE: CH - Commercial Highway District

STAFF FINDINGS:

Surrounding Zoning:

North: CH – Commercial Highway
South: CH – Commercial Highway
East: R2 – Multi-Family Residential
West: CH – Commercial Highway

Surrounding Land Uses:

Businesses
Residential Housing
Vacant Land
Trailer Court

SUMMARY OF REQUEST

The applicants have submitted a request for a Conditional Use Permit to operate a Vacation Home Establishment located at 64 Cliff Street. It is a single family home with two (2) bedrooms and one (1) bathroom. The property has 2-3 off-street parking spots including space for trailer parking. The subject property is surrounded by residential homes, businesses, and vacant land.

FACTUAL INFORMATION

1. The property is zoned CH – Commercial Highway under Ordinance No. 831 originally adopted in August 1992.
2. The structure was built circa 1920 and is a non-contributing resource outside the Deadwood National Historic Landmark District.
3. The subject property has access from Cliff Street with off street parking for 2 to 3 vehicles including space for trailer parking.
4. The property is located within a flood zone.
5. Adequate public facilities are available to serve the property.
6. The area is characterized by a mixture of single-family dwellings and businesses.

STAFF DISCUSSION

The applicants have submitted a request for a Conditional Use Permit for Vacation Home Establishment and City regulations permit Vacation Home Establishments in C1- Commercial District with an approved Conditional Use Permit. The subject property is a single-family home with two bedrooms and one bath with two to three parking spots for off-street parking including enough space for trailer parking.

The Deadwood Zoning Code 17.08 and South Dakota Codified Law defines a Vacation Home Establishment as the following:

“Vacation home establishment” means:

Any home, cabin, or similar building that is rented, leased, or furnished in its entirety to the public on a daily or weekly basis for more than 14 days in a calendar year and is not occupied by an owner or manager during the time of rental as defined and permitted by the State of South Dakota and this Title. This term does not include a bed and breakfast establishment as defined in this Title.

COMPLIANCE:

1. The Zoning Office provided notice identifying the applicant, describing the project and its location, and giving the scheduled date of the public hearing in accordance with Section 10.10.B.
2. A sign was posted on the property for which the requests were filed.

3. Notice of the time and place was published in the designated newspaper of the City of Deadwood.

GENERAL USE STANDARDS FOR CONDITIONAL USE PERMITS:

In reviewing any application under the authority of this chapter and as a further guide to its decision upon the facts of the case, the Commission(s) shall consider, among other things, the following facts:

- A. The proposed use shall be in harmony with the general purposes, goals, objectives, and standards to the City Policy Plan, the ordinance, the district in which it is located, or any other plan, program, map, or ordinance adopted, or under consideration pursuant to official notice by the City of Deadwood.

The City Comprehensive Plan encourages a variety of uses and a mixture of housing types. Traffic and parking should not significantly affect the neighborhood if the applicant abides by the parking requirements associated with short-term rentals. This area has a mixture of single family and businesses.

- B. Whether or not a community need exists for the proposed use at the proposed location in light of existing and proposed uses of a similar nature in the area and of the need to provide or maintain a proper mix of uses both within the city and also within the immediate area of the proposed use: (a) the proposed use in the proposed location shall not result in either a detrimental over concentration of a particular use from previously permitted uses within the city or within the immediate area of the proposed use.

The subject area is zoned CH – Commercial Highway and is intended to provide locations for commercial uses, which require access to roads and highways, and substantial amounts of parking. Through a recent task force set up by the City Commission, the subject of Short-Term Rentals was addressed, and it was determined Vacation Home Establishments may be allowed through a conditional use process reviewed on an annual basis if the property have special uniqueness and does not have a local impact based on the public need.

- C. The proposed use at this location shall not result in a substantial or undue adverse effect on adjacent property, the character of the neighborhood, traffic conditions, parking, public improvement, public sites, or rights-of-way.

If the applicant only uses off street parking and prevents any public nuisance issues that are often associated with Short-Term Rentals, the proposed use If the applicant only uses off street parking and prevents any public nuisance issues that are often associated with Short-Term Rentals, the proposed use should not result in a substantial or undue adverse effect on adjacent property, or the character of the neighborhood and the use would not alter the character of the neighborhood. There will be no change in the size of the dwelling. To support a denial of a conditional use permit on the grounds that it will cause

increased traffic problems, there must be a high degree of probability that the increase would pose a substantial threat to the health and safety of the community.

- D. Whether or not the proposed use increases the proliferation of non-conforming uses as well as previously approved Conditional Use Permits which are still in use, when influenced by matters pertaining to the public health, safety, and general welfare, either as they now exist or as they may in the future be developed as a result of the implementation of provisions and policies of the Policy Plan, this ordinance, or any other plan, program, map or ordinance adopted, or under consideration pursuant to official notice, by the city or other governmental agency having jurisdiction to guide growth and development.

For any conditional use, lot and performance standards shall be the same as similar type uses located in specific districts. The character and use of buildings and structures adjoining or near the property mentioned in the application shall be considered in their entirety.

The proposed use would not increase the proliferation of non-conforming uses. The subject residence is in an area that does not have additional short-term rentals in the immediate area. The appearance of the structure will not change; therefore, the character and use of the buildings and structures adjoining the subject property will not be adversely affected.

- E. Whether or not the proposed use in the proposed area will be adequately served by and will not impose an undue burden on any of the improvements, facilities, utilities, and services specified in this section.

The proposed use will not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation, or other services. Existing services are available onsite. All utilities will be commercial rates.

CONDITIONS GOVERNING APPLICATIONS AND PROVISIONS:

- A. Following the issuance of a conditional use permit pursuant to the provisions of this ordinance, such permit may be amended, varied, or altered only pursuant to the standards and procedures established by this section for its original approval.
- B. The Board of Adjustments can revoke conditional use permits, once granted, for cause after a hearing is held before them. Complaints seeking the revocation of such permit shall be filled with the Zoning Administrator and may be initiated by the Planning and Zoning Commission OR any three (3) residents within three hundred (300) feet of the property lines of which the application has been filed. All such revocation hearings shall be conducted in the same manner as for the Conditional Use Permit application hearings.

- C. The Planning and Zoning Commission shall have the authority to review Conditional Use Permits at any time and/or on an annual basis and place additional stipulations to mitigate a problem.
- D. If the use permitted under the terms of a Conditional Use Permit has not been started within six (6) months of the date of issuance thereof, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.
- E. If the use permitted under the terms of a Conditional Use Permit ceases, for whatever reason, for a period of twelve (12) months, said permit shall expire and be canceled by the City Planning Department. Written notice thereof, shall be given to the person(s) affected, together with notice that further use or work as described in the canceled permit shall not proceed, unless and until a new conditional use permit has been obtained.

If approved, staff recommendations for stipulation(s):

- 1. The Conditional Use Permit runs with the applicant and not the land; therefore, should the property be sold, the Conditional Use Permit is null and void.
- 2. Proof of a state sales tax number shall be provided to the Planning and Zoning Office for their files.
- 3. Proof that the Building Inspector has inspected the building and it meets all the building codes.
- 4. City water and sewer rates to be changed from residential to commercial rates.
- 5. Proper paperwork is filed with the City of Deadwood Finance Office for Business Improvement District (BID) taxes.
- 6. Proof of City of Deadwood Business License.
- 7. Obtain lodging license after inspection from the South Dakota Department of Health.
- 8. All parking shall be off street.

ACTION REQUIRED FOR CONDITIONAL USE PERMIT:

- 1. Approve / Deny / or Approve with Conditions by the Planning and Zoning Commission.
- 2. Approve / Deny / or Approve with Conditions by the Board of Adjustment.

Return Completed Form To:
Planning and Zoning
 108 Sherman Street
 Deadwood, SD 57732



Questions Contact:
Kevin Kuchenbecker
 (605) 578-2082 or
 kevin@cityofdeadwood.com

Application No. _____

APPLICATION FOR CONDITIONAL USE PERMIT

Application Fee: \$200.00

Applicants: Please read thoroughly prior to completing this form. Only complete applications will be considered for review.

Name of Proposed Development: _____

Street Location of Property: 64 CLIFF ST DEADWOOD SD 57732

Legal Description of Property: LOT X2 OF RIVERSIDE ADDITION

Zoning Classification of Property: COMMERCIAL HIGHWAY

Name of Property Owner: ROBERTSON PROP. LLC Telephone: (605) 645-1664

Address: 6 SAMPSON ST DEADWOOD SD 57732
Street City State Zip

Name of Applicant: MIKE SNEESBY Telephone: (605) 645-1664

Address: 6 SAMPSON ST DEADWOOD SD 57732
Street City State Zip

1. The following documents shall be submitted:

- An improvement survey, including all easements,
- Development plan, including site plan with location of buildings, usable open space, off-street parking, loading areas, refuse area, ingress/egress, screening, proposed or existing signage, existing streets, and
- A written statement addressing the criteria for approval.

Uses of Building or Land: STR

Signature of Applicant: _____ Date: 7-27-23

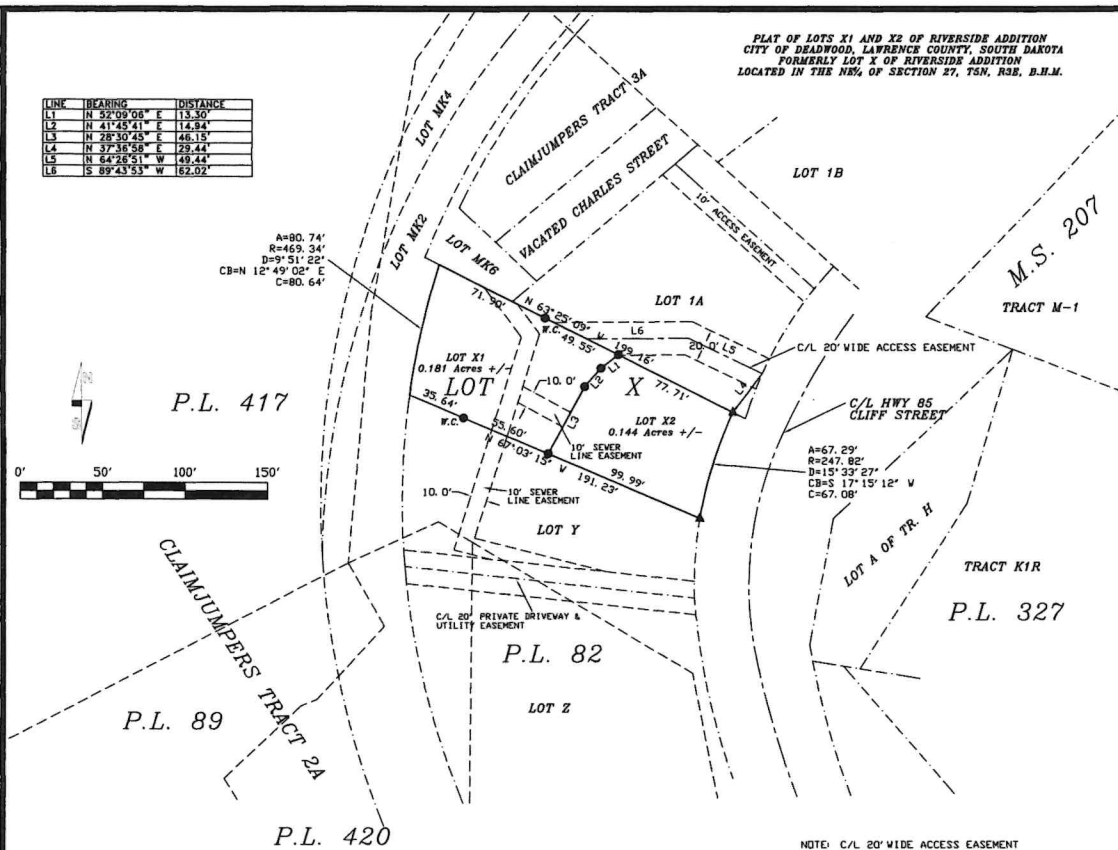
Signature of Property Owner: _____ Date: 7-27-23

Fee: \$ _____ Paid On _____ Receipt Number _____

Legal Notice Published _____ Date: _____ Hearing Date: _____

PLANNING AND ZONING ADMINISTRATOR:			
Approved/P&Z Administrator:	Yes	No	Signature: _____ Date: _____
PLANNING AND ZONING COMMISSION:			
Approved/P&Z Commission:	Yes	No	Date: _____
DEADWOOD BOARD OF ADJUSTMENT:			
Approved/City Commission:	Yes	No	Date: _____

Reason for Denial (if necessary): _____



- REBAR & CAP (VREM LS6577)
- ▲ SD DEPT OF TRANSPORTATION REBAR & CAP

SURVEYOR'S CERTIFICATE

I, LOREN D. VREM, 332A WEST MAIN STREET, LEAD, SOUTH DAKOTA, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF SOUTH DAKOTA. THAT AT THE REQUEST OF THE OWNER AND UNDER MY SUPERVISION, I HAVE CAUSED TO BE SURVEYED AND PLATTED THE PROPERTY SHOWN AND DESCRIBED HEREON. TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE PROPERTY HAS SURVEYED IN GENERAL CONFORMANCE WITH THE LAWS OF THE STATE OF SOUTH DAKOTA AND ACCEPTED METHODS AND PROCEDURES OF SURVEYING. DATED THIS _____ DAY OF _____, 20____.

LOREN D. VREM, R. L. S. 6577

OWNER'S CERTIFICATE

OWNER'S CERTIFICATE
STATE OF ARIZONA COUNTY OF MARICOPA

DO HEREBY CERTIFY THAT I/WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON, THAT WE DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF THIS PROPERTY SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING, SUBDIVISION, EROSION AND SEDIMENT CONTROL REGULATIONS.

OWNER: _____ ADDRESS: _____

OWNER: _____ ADDRESS: _____

ACKNOWLEDGMENT OF OWNER
STATE OF ARIZONA COUNTY OF MARICOPA

ON THIS ____ DAY OF _____, 20__, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY

APPEARED _____
KNOWN TO ME TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING CERTIFICATE.

MY COMMISSION EXPIRES: _____ NOTARY PUBLIC: _____

CERTIFICATE OF COUNTY TREASURER
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, _____, LAWRENCE COUNTY TREASURER, DO HEREBY CERTIFY THAT _____ TAXES WHICH ARE LIENS UPON THE HEREIN PLATTED PROPERTY HAVE BEEN PAID. DATED THIS _____ DAY OF _____, 20_____.

LAWRENCE COUNTY TREASURER: _____

APPROVAL OF HIGHWAY AUTHORITY
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THE LOCATION OF THE PROPOSED ACCESS ROADS ABUTTING THE COUNTY OR STATE HIGHWAY AS SHOWN HEREON, IS HEREBY APPROVED. ANY CHANGE IN THE PROPOSED ACCESS SHALL REQUIRE ADDITIONAL APPROVAL.

HIGHWAY AUTHORITY: _____

APPROVAL OF THE CITY OF DEADWOOD PLANNING COMMISSION
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THIS PLAT APPROVED BY THE CITY OF DEADWOOD PLANNING COMMISSION THIS _____ DAY OF _____, 20_____

ATTEST:
CITY PLANNER

APPROVAL OF THE CITY OF DEADWOOD BOARD OF COMMISSIONERS
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

BE IT RESOLVED THAT THE CITY OF DEADWOOD BOARD OF COMMISSIONERS HAVING VIEWED THE WITHIN PLAT, DO HEREBY APPROVE THE SAME FOR RECORDING IN THE OFFICE OF THE REGISTER OF DEEDS, LAWRENCE COUNTY, SOUTH DAKOTA, DATED THIS _____ DAY OF _____, 20_____.

ATTEST: _____
FINANCE OFFICER

MAYOR

OFFICE OF THE COUNTY DIRECTOR OF EQUALIZATION
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE
I, LAWRENCE COUNTY DIRECTOR OF EQUALIZATION, DO HEREBY CERTIFY THAT I HAVE
RECEIVED A COPY OF THIS PLAT. DATED THIS _____ DAY OF _____, 20____.
LAWRENCE COUNTY DIRECTOR OF EQUALIZATION: _____

OFFICE OF THE REGISTER OF DEEDS
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

FILED FOR RECORD THIS ____ DAY OF _____, 20____, AT ____ O' CLOCK, ____ M., AND RECORDED IN DOC. _____

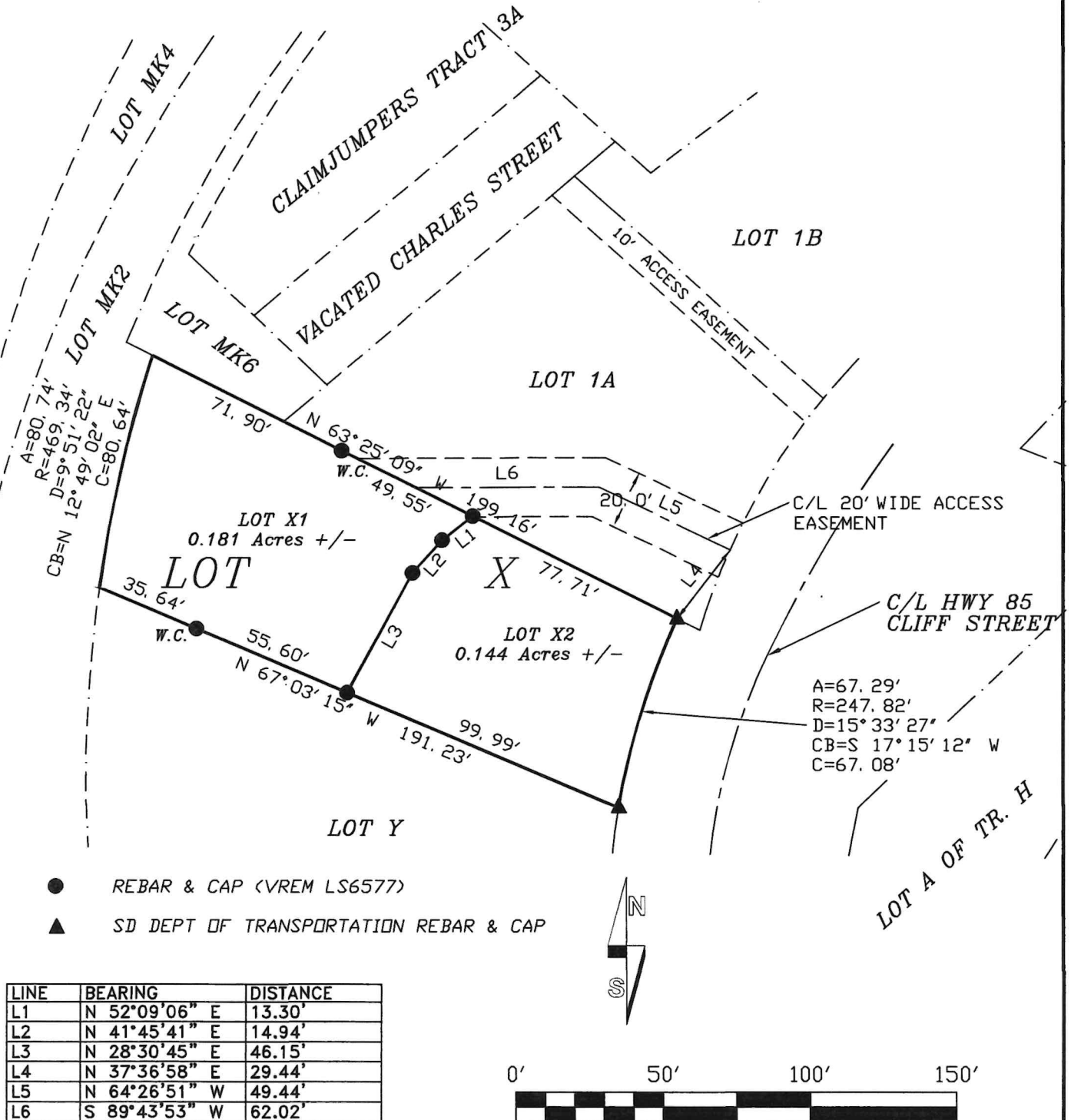
LAWRENCE COUNTY REGISTER OF DEEDS: _____ FEE: \$ _____



Prepared By:
PONDEROSA LAND SURVEYS, L.L.C.
332A WEST MAIN STREET
LEAD, SD 57754
(605) 722-3840

Date:	5/3/2023
Drawn By:	L. D. Vrem
Project No.:	23-123
Dwg. No.:	23-123.dwg

EXHIBIT A
 SHOWING A 20' ACCESS EASEMENT ACROSS TRACT 1A OF THE REPLAT OF TRACT A,
 A VACATED PORTION OF BLOCK 78 AND PART OF TRACT B OF M. S. 207
 CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA



Prepared By:
PONDEROSA LAND SURVEYS, L.L.C.
 332A WEST MAIN ST.
 LEAD, SD 57754
 (605) 722-3840

Date:	5/3/2023
Drawn By:	L. D. Vrem
Project No.:	23-123
Dwg. No.:	23-123.dwg

Dear City Of Deadwood,

Owson Properties LLC. Owned by Mike and Kat Sneesby of Deadwood are applying for a CUP to run a Short Term Rental at 64 Cliff St. in Deadwood. The Legal description is Lot X2 of Riverside Addition. It is a single family home with 2 bedrooms and 1 bathroom, the outside has 2-3 spots for off street parking, including enough space for trailer parking. Thank you for your consideration.

Sincerely,

Mike and Kat Sneesby



REQUEST FOR CONDITIONAL USE PERMIT
MIKE SNEESBY
64 CLIFF STREET



**NOTICE OF PUBLIC HEARING
BEFORE THE DEADWOOD PLANNING AND ZONING COMMISSION**

City of Deadwood
Planning and Zoning Commission
Deadwood, South Dakota 57732

NOTICE IS HEREBY GIVEN, that the following person(s) has applied to the City of Deadwood Planning and Zoning Office for a Conditional Use Permit for the operations for a single unit Vacation Home Establishment as allowed under Section 17.40.030 Conditional Uses.

APPLICANTS: Michael Sneesby

LEGAL DESCRIPTION: LOT X2 OF RIVERSIDE ADDITION CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA FORMERLY LOT X OF RIVERSIDE ADDITION LOCATED IN THE NE1/4 OF SECTION 27, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

ADDRESS: 64 Cliff Street

ZONE: CH – Commercial Highway

NOTICE IS FURTHER GIVEN that said application will be heard by the Planning and Zoning Commission within and for the City of Deadwood, State of South Dakota, at a regular meeting to be held Wednesday, August 16, 2023 in the Commission Room at 102 Sherman Street, Deadwood, South Dakota, will at 4:00 p.m. or soon thereafter as the matter at which time and place any such person interested may appear and show cause if there be any, why such special exception should not be granted.

NOTICE IS FURTHER GIVEN, that the proposed request for a Vacation Home Establishment is on file and available for public examination at the Deadwood Zoning Office located at 108 Sherman Street, Deadwood, South Dakota.

ANY interested person or his/her agent is invited to submit oral or written comments or suggestions regarding the request to the Commissions or their agent prior to or at the public hearing.

Dated this 28th of July 2023

City of Deadwood, Lawrence County, South Dakota



Kevin Kuchenbecker
Planning, Zoning and Historic Preservation Officer

PUBLISH: Black Hills Pioneer: August _____, 2023

Published once at the total approximate cost of \$ _____

OFFICE OF
PLANNING, ZONING AND
HISTORIC
PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084



Kevin Kuchenbecker
Planning, Zoning and
Historic Preservation Officer
Telephone (605) 578-2082
kevin@cityofdeadwood.com

PLANNING AND ZONING MEETING
BOARD OF ADJUSTMENT
STAFF REPORT
August 11, 2023

APPLICANT: Kraft Living Trust and Terry and Dawn Bahr

PURPOSE: Adjusting Property Lines

GENERAL LOCATION: 1 Katon Drive

LEGAL DESCRIPTION: PLAT OF LOT 3R-1 REVISED OF KATON SUBDIVISION FORMERLY LOT 3R-1 OF KATON SUBDIVISION, LOT AB1 OF PLACER 58, LOT AB1 OF PLACER CLAIM 57 AND LOT 1 OF THE SUBDIVISION OF TRACT E-1 BEING A PORTION OF PLACER M.S. 57, PLACER M.S. 58 AND HILLSIDE PLACER M.S. 749 LOCATED IN THE SE1/4 OF SECTION 27, T5N, R3E, B.H.M. CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

AND

PLAT OF LOT 1 REVISED OF THE SUBDIVISION OF TRACT E-1 FORMERLY LOT 1 OF THE SUBDIVISION OF TRACT E-1 BEING A PORTION OF HILLSIDE PLACER M.S. 749 LOCATED IN THE SE1/4 OF SECTION 27, T5N, R3E, B.H.M. CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

FILE STATUS: All legal obligations have been completed.

ZONE: CH – Commercial Highway

STAFF FINDINGS:

Surrounding Zoning:

North: CH – Commercial Highway
South: PF – Park Forest
East: CH – Commercial Highway
West: CH – Commercial Highway

Surrounding Land Uses:

Hotel and Businesses
Vacant Dwellings
Residential Dwellings
Apartments

SUMMARY OF REQUEST

The purpose of this plat is to facilitate adjusting the lot lines for Lot 3R-1 and Lot 1 Revised for the for the owner of Lot 3R-1 to access to their driveway.

FACTUAL INFORMATION

1. The property is currently zoned CH – Commercial Highway.
2. Lot 3R-1 Revised is comprised of 8.790 Acres \pm and Lot 1 Revised is comprised of 0.932 Acres \pm .
3. The subject property is located within a R1- Residential Zoning designation.
4. The property is not located within a flood zone or flood hazard zone.
5. Public facilities are available to serve the property.
6. The area is currently characterized by residential homes.

STAFF DISCUSSION

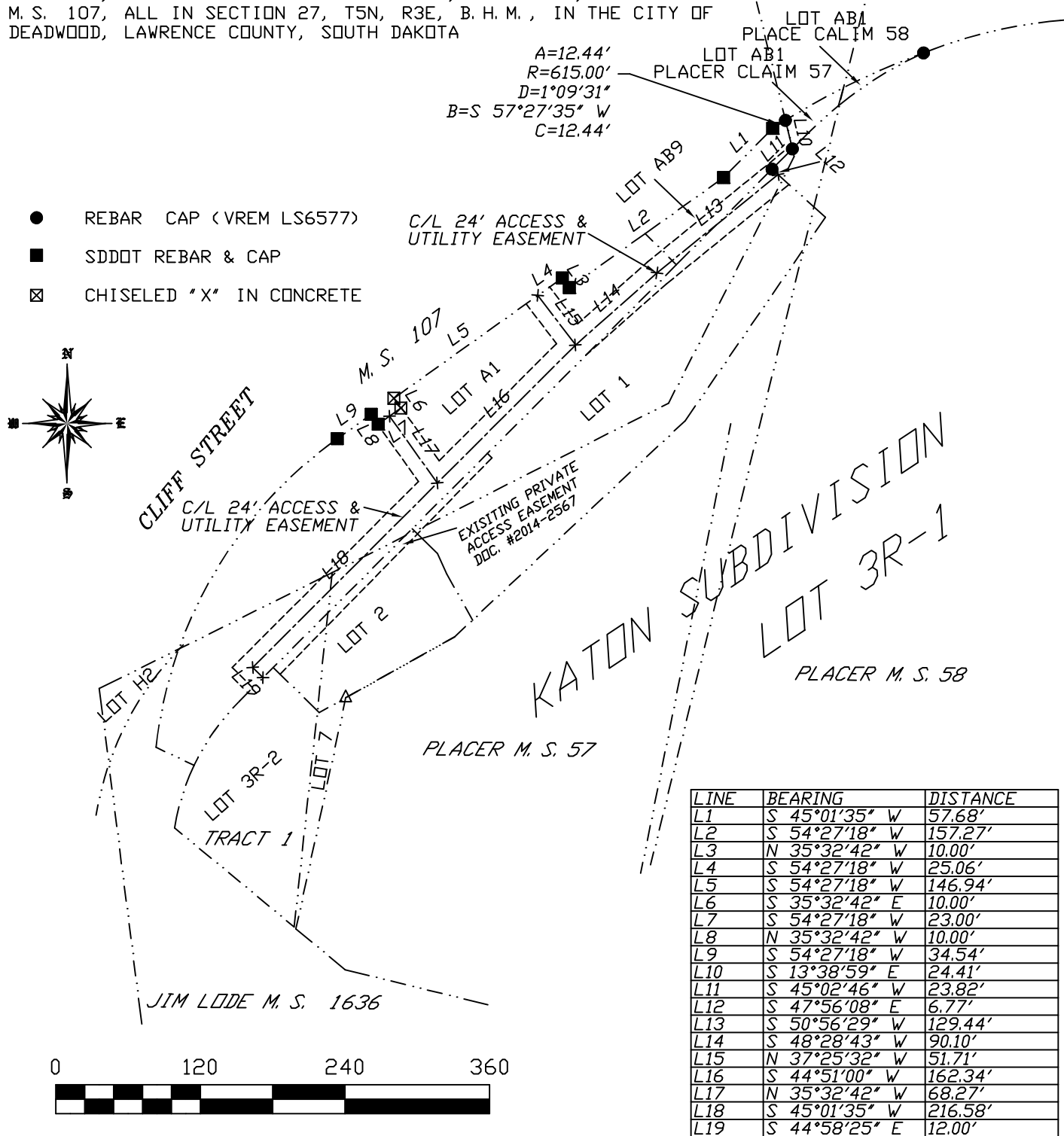
There was a boundary conflict between the Kraft's and the owner of Lot 1 Revised – Terry and Dawn Bahr. The Kraft's driveway encroaches onto Lot 1 Revised property. This plat will adjust the property lines to allow the Kraft's to have full accessibility to their driveway.

1. The North Arrow is shown on the plat with a direct reference to the coordinate mapping system.
2. Land is identified with a new legal description for the transfer of the land.
3. Surveyor's Certificate is shown with the name of the surveyor and his registered land surveyor number.
4. A date is shown on the plat and serves to "fix in time" the data represented on the plat.
5. The street bounding the lot is shown and named.
6. All certifications are indicated and correct on the plat.
7. Dimensions, angles and bearings are shown along the lot lines.
8. Scale of the plat is shown and accompanied with a bar scale.
9. Area's taken out of the mineral survey and remaining acreage is indicated on the plat.

ACTION REQUIRED:

1. Approval/Denial by Deadwood Planning and Zoning Commission
2. Approval/Denial by Deadwood Board of Adjustment

EXHIBIT A
SHOWING THE LOCATION OF A 24' WIDE ACCESS AND UTILITY EASEMENT
ACROSS LOT A1 IN A PORTION OF LOT H2 AND THE 66' R.O.W. OF US
HIGHWAY 85 IN TRACT 1 OF THE JIM LODGE M.S. 1636; THE 66' R.O.W. OF
US HIGHWAY 85 IN LOT 7 AND PLACER 57 AND A PORTION OF LOT H2 AND
THE 66' R.O.W. OF US HIGHWAY 85 IN M.S. 107; LOT AB9 IN A PORTION OF
THW 66' R.O.W. OF US HIGHWAY 85 IN M.S. 107 AND IN A PORTION OF
LOT 1 OF KATON SUBDIVISION, FORMERLY TRACT 1 OF A PORTION OF THE
JIM LODGE, M.S. 1636 AND PARTS OF LOT 7, PLACER 57, PLACER 58 AND
M.S. 107, ALL IN SECTION 27, T5N, R3E, B.H.M., IN THE CITY OF
DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA



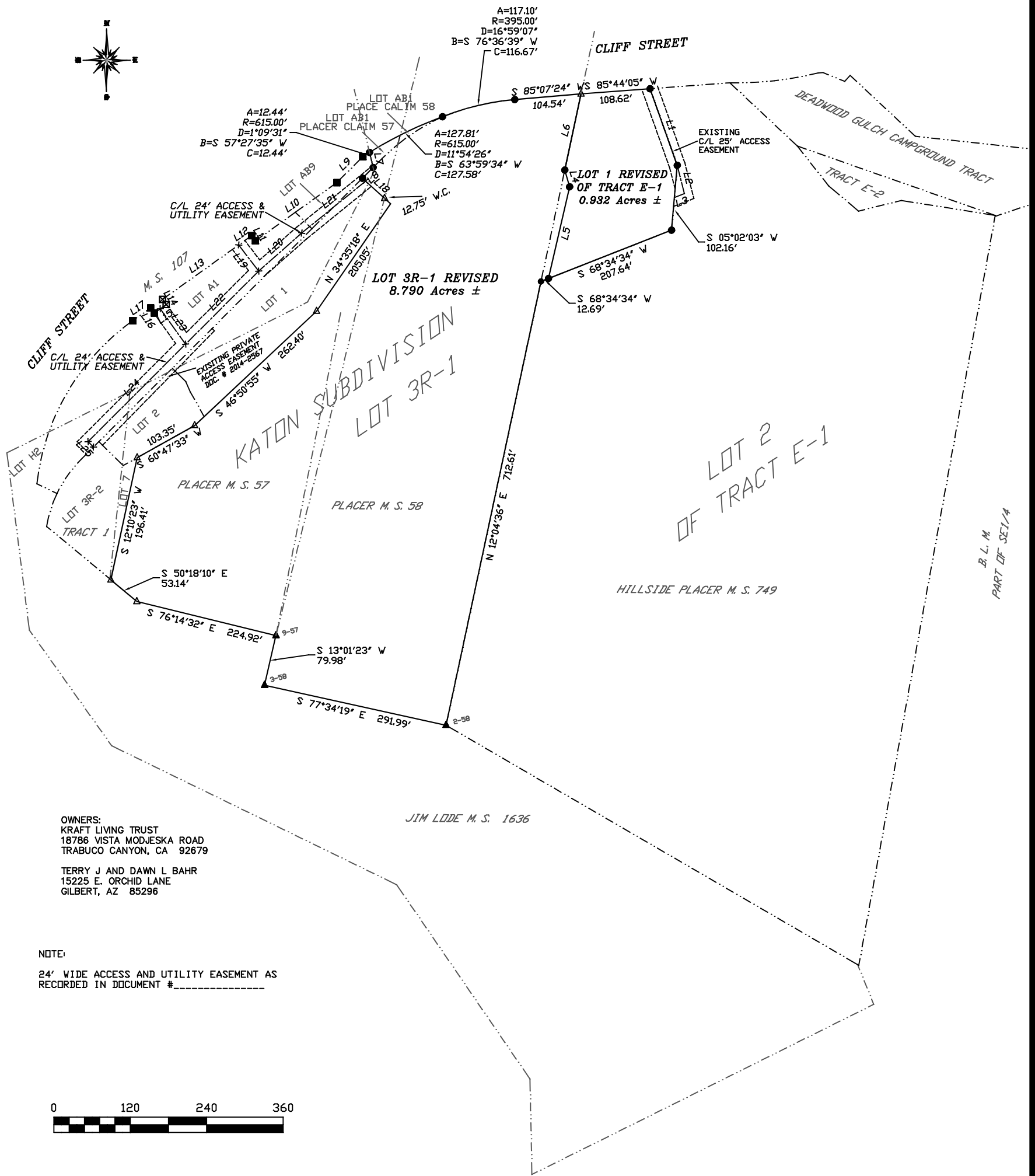
Prepared By:
PONDEROSA LAND SURVEYS, L.L.C.
332A WEST MAIN ST.
LEAD, SD 57754
(605) 722-3840

Date:	6/20/2018
Drawn By:	L. D. Vrem
Project No.:	23-273
Dwg. No.:	23-273.dwg

PLAT OF LOT 3R-1 REVISED OF KATON SUBDIVISION
FORMERLY LOT 3R-1 OF KATON SUBDIVISION, LOT AB1 OF PLACER 58, LOT AB1 OF PLACER CLAIM 57
AND LOT 1 OF THE SUBDIVISION OF TRACT E-1
BEING A PORTION OF PLACER M.S. 57, PLACER M.S. 58 AND HILLSIDE PLACER M.S. 749
LOCATED IN THE SE¼ OF SECTION 27, T5N, R3E, B.H.M.
CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

AND

PLAT OF LOT 1 REVISED OF THE SUBDIVISION OF TRACT E-1
FORMERLY LOT 1 OF THE SUBDIVISION OF TRACT E-1
BEING A PORTION OF HILLSIDE PLACER M.S. 749
LOCATED IN THE SE¼ OF SECTION 27, T5N, R3E, B.H.M.
CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA



OWNERS:
KRAFT LIVING TRUST
18786 VISTA MODJESKA ROAD
TRABUCO CANYON, CA 92679

TERRY J AND DAWN L BAHR
15225 E. ORCHID LANE
GILBERT, AZ 85296

NOTE:
24' WIDE ACCESS AND UTILITY EASEMENT AS
RECORDED IN DOCUMENT #-----



- REBAR CAP (VREM LS6577)
- REBAR & CAP (BANNER)
- REBAR & CAP
- ▲ ORIGINAL STONE
- △ REBAR & CAP (ARLETH LS3977)
- B. L. M. MONUMENT
- SDDOT REBAR & CAP
- ☒ CHISELED 'X' IN CONCRETE

LINE	BEARING	DISTANCE
L1	N 19°33'58" W	127.65'
L2	S 14°14'44" E	45.79'
L3	N 68°57'57" E	16.83'
L4	S 15°57'32" E	27.44'
L5	S 12°58'30" W	147.67'
L6	N 12°04'36" E	122.24'
L7	S 13°38'59" E	24.41'
L8	S 45°02'46" W	23.82'
L9	S 45°01'35" W	57.68'
L10	S 54°27'18" W	1157.27'
L11	N 35°32'42" W	10.00'
L12	S 54°27'18" W	25.06'
L13	S 54°27'18" E	146.94'
L14	S 35°32'42" E	10.00'
L15	S 54°27'18" W	23.00'
L16	N 35°32'42" W	10.00'
L17	S 54°27'18" W	34.54'
L18	S 47°56'08" E	59.69'
L19	S 37°22'07" E	51.71'
L20	N 48°28'43" E	90.10'
L21	N 50°56'29" E	129.44'
L22	S 45°01'35" W	162.27'
L23	N 35°32'42" W	69.27'
L24	S 45°01'35" W	216.58'
L25	S 44°58'25" E	12.00'



Prepared By:
PONDEROSA LAND SURVEYS, L.L.C.
332A WEST MAIN STREET
LEAD, SD 57754
(605) 722-3840

Date: 8/9/2023
Drawn By: L. D. Vrem
Project No.: 23-273
Dwg. No.: 23-273.dwg

PLAT OF LOT 3R-1 REVISED OF KATON SUBDIVISION
FORMERLY LOT 3R-1 OF KATON SUBDIVISION, LOT AB1 OF PLACER 58, LOT AB1 OF PLACER CLAIM 57
AND LOT 1 OF THE SUBDIVISION OF TRACT E-1
BEING A PORTION OF PLACER M.S. 57, PLACER M.S. 58 AND HILLSIDE PLACER M.S. 749
LOCATED IN THE SE¼ OF SECTION 27, T5N, R3E, B.H.M.
CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

AND

PLAT OF LOT 1 REVISED OF THE SUBDIVISION OF TRACT E-1
FORMERLY LOT 1 OF THE SUBDIVISION OF TRACT E-1
BEING A PORTION OF HILLSIDE PLACER M.S. 749
LOCATED IN THE SE¼ OF SECTION 27, T5N, R3E, B.H.M.
CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

SURVEYOR'S CERTIFICATE

I, LOREN D. VREM, 332A WEST MAIN STREET, LEAD, SOUTH DAKOTA, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF SOUTH DAKOTA. THAT AT THE REQUEST OF THE OWNER AND UNDER MY SUPERVISION, I HAVE CAUSED TO BE SURVEYED AND PLATTED THE PROPERTY SHOWN AND DESCRIBED HEREON. TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE PROPERTY WAS SURVEYED IN GENERAL CONFORMANCE WITH THE LAWS OF THE STATE OF SOUTH DAKOTA AND ACCEPTED METHODS AND PROCEDURES OF SURVEYING. DATED THIS____DAY OF_____, 20____.

LOREN D. VREM, R.L.S. 6577----

SURVEYOR'S CERTIFICATE

I, LOREN D. VREM, 332A WEST MAIN STREET, LEAD, SOUTH DAKOTA, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF SOUTH DAKOTA. THAT AT THE REQUEST OF THE OWNER AND UNDER MY SUPERVISION, I HAVE CAUSED TO BE SURVEYED AND PLATTED THE PROPERTY SHOWN AND DESCRIBED HEREON. TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE PROPERTY WAS SURVEYED IN GENERAL CONFORMANCE WITH THE LAWS OF THE STATE OF SOUTH DAKOTA AND ACCEPTED METHODS AND PROCEDURES OF SURVEYING. DATED THIS____DAY OF_____, 20____.

LOREN D. VREM, R.L.S. 6577----

OWNER'S CERTIFICATE
STATE OF ARIZONA COUNTY OF MARICOPA

TERRY AND DAWN BAHR

_____, DO HEREBY CERTIFY THAT I/WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON, THAT WE DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF THIS PROPERTY SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING, SUBDIVISION, EROSION AND SEDIMENT CONTROL REGULATIONS.

OWNER: _____

OWNER: _____

ACKNOWLEDGMENT OF OWNER
STATE OF ARIZONA COUNTY OF MARICOPA

ON THIS ____DAY OF_____, 20____, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY

APPEARED _____
KNOWN TO ME TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING CERTIFICATE.
MY COMMISSION EXPIRES: _____NOTARY PUBLIC: _____

OWNER'S CERTIFICATE
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

KRAFT LIVING TRUST

_____, DO HEREBY CERTIFY THAT I/WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON, THAT WE DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF THIS PROPERTY SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING, SUBDIVISION, EROSION AND SEDIMENT CONTROL REGULATIONS.

OWNER: _____

OWNER: _____

ACKNOWLEDGMENT OF OWNER
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

ON THIS ____DAY OF_____, 20____, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY

APPEARED _____
KNOWN TO ME TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING CERTIFICATE.
MY COMMISSION EXPIRES: _____NOTARY PUBLIC: _____

CERTIFICATE OF COUNTY TREASURER
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, _____, LAWRENCE COUNTY TREASURER, DO HEREBY CERTIFY THAT _____TAXES WHICH ARE LIENS UPON THE HEREIN PLATTED PROPERTY HAVE BEEN PAID. DATED THIS____DAY OF_____, 20____.

LAWRENCE COUNTY TREASURER: _____

APPROVAL OF HIGHWAY AUTHORITY
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THE LOCATION OF THE PROPOSED ACCESS ROADS ABUTTING THE COUNTY OR STATE HIGHWAY AS SHOWN HEREON, IS HEREBY APPROVED. ANY CHANGE IN THE PROPOSED ACCESS SHALL REQUIRE ADDITIONAL APPROVAL.

HIGHWAY AUTHORITY: _____

APPROVAL OF THE CITY OF DEADWOOD PLANNING COMMISSION
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THIS PLAT APPROVED BY THE CITY OF DEADWOOD PLANNING COMMISSION THIS____DAY OF_____, 20____.

CHAIRMAN _____ ATTEST: _____
CITY PLANNER

APPROVAL OF THE CITY OF DEADWOOD BOARD OF COMMISSIONERS
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

BE IT RESOLVED THAT THE CITY OF DEADWOOD BOARD OF COMMISSIONERS HAVING VIEWED THE WITHIN PLAT, DO HEREBY APPROVE THE SAME FOR RECORDING IN THE OFFICE OF THE REGISTER OF DEEDS, LAWRENCE COUNTY, SOUTH DAKOTA, DATED THIS____DAY OF_____, 20____.

ATTEST: _____
FINANCE OFFICER MAYOR

OFFICE OF THE COUNTY DIRECTOR OF EQUALIZATION
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, LAWRENCE COUNTY DIRECTOR OF EQUALIZATION, DO HEREBY CERTIFY THAT I HAVE RECEIVED A COPY OF THIS PLAT. DATED THIS____DAY OF_____, 20____.

LAWRENCE COUNTY DIRECTOR OF EQUALIZATION: _____

OFFICE OF THE REGISTER OF DEEDS
STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

FILED FOR RECORD THIS____DAY OF_____, 20____, AT____O' CLOCK, ____ M. , AND RECORDED IN DOC. _____.

LAWRENCE COUNTY REGISTER OF DEEDS: _____ FEE: \$_____



Prepared By:
PONDEROSA LAND SURVEYS, L.L.C.
332A WEST MAIN STREET
LEAD, SD 57754
(605) 722-3840

Date:	8/9/2023
Drawn By:	L. D. Vrem
Project No.:	23-273
Dwg. No.:	23-273.dwg

OFFICE OF
PLANNING, ZONING AND
HISTORIC PRESERVATION
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 722-0786



Kevin Kuchenbecker
Planning, Zoning and
Historic Preservation Officer
Telephone (605) 578-2082
kevin@cityofdeadwood.com

PLANNING AND ZONING COMMISSION REQUEST FOR A VARIANCE

Staff Report

Date: August 11, 2023
From: Kevin Kuchenbecker
Planning, Zoning & Historic Preservation Officer
RE: Request for a Variance – 16.04.020 Improvements.

APPLICANT(S): TRD, LLC (Randy & Cheri Horner)

PURPOSE: Variance – 16.05.020 Improvements –
Obligations of Developer

ADDRESS: The RIDGE at Deadwood development
Deadwood, Lawrence County, South Dakota

LEGAL DESCRIPTION: Remainder of Preacher Smith Tract (Less Lot A of the
Ridge Development); Lots 1 & 22, Block 1B of the
Ridge Development; and Block 1 and Block 1A of the
Ridge Development, City of Deadwood, Lawrence
County, South Dakota

ZONE: PUD – Planned Unit Development with the following
Zones:
R1 – Residential District
R2 – Multi-Family
CH – Commercial Highway

STAFF FINDINGS:

<p>Surrounding Zoning:</p> <p>North: Lawrence County</p> <p>South: PUD – Planned Unit Development</p> <p>East: Lawrence County</p> <p>West: CH – Commercial Highway</p>	<p>Surrounding Land Uses:</p> <p>Black Hills National Forest</p> <p>Tatanka – Justice Center</p> <p>Residential Housing</p> <p>Light – Medium Business</p>
---	--

Request for a Variance – Street Grades
The RIDGE at Deadwood
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FACTUAL INFORMATION

1. The property is currently zoned PUD – Planned Unit Development through the adoption of Ordinance No. 1363 on January 26, 2023 and amended through Ordinance No. 1385 which had its first reading on August 7, 2023.
2. The Planned Unit Development will have R1-Residential zones, R2 – Multi-Family Residential zones and CH- Commercial Highway zoning all amended through Ordinance No. 1385.
3. The development will have three accesses from US Highway 85 via Gold Spike Drive, Preacher Smith Drive and Ridge Drive.
4. The property is located outside of Flood Zone AE – Areas of 100-year flood and Flood Zone X – Areas of 500-year flood.
5. Public facilities are being constructed and installed to serve the property.

SUMMARY OF REQUEST

The applicant has submitted a request for a variance to the design standards for public improvements and infrastructure required by Deadwood City Ordinance 16.05.020 Improvements.

During recent reviews, discussions, and site visits by staff and City Commissioners, it has been discovered, the plans for this development by the developer and engineer are not in compliance with City of Deadwood Ordinances and no formal action has been taken to exempt or grant a variance to the ordinances regards to this project.

After several attempts by staff to garner a set of plans, a letter was sent by City legal counsel to the developer, stating the processes required by the City of Deadwood to request consideration of variances to the Ordinances.

This portion of the ordinance for the variance request is as follows:

16.05.020 Improvements

The following improvements shall be constructed as provided for this section. Design of improvements shall be approved by a registered engineer retained by the developer.

1. *Obligation of developer:*
 1. *Necessary site grading shall be performed by the developer.*
 2. *Street grading consisting of actual street width and drainage (as shown on submitted road profiles) shall be performed by the developer.*
 3. a) *Street improvements, including, but not necessarily limited to, curb and gutter, four (4) foot wide sidewalks, boulevard sodding, inlets and leads, and paving, shall be constructed in accordance with the city*

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of Deadwood's construction standards shall be constructed.

- b) Installation of underground work utilities may be required. All required underground work shall have preceded any permanent street improvements. Any improvements on a city street shall be approved by the public works director as to the design and construction. Temporary construction maybe required, for just cause, on any street, streets, or portion thereof. Reconstruction or alteration in any way of existing streets affected by the plat or improvements thereupon, shall be subject to the approval of the city commission. All costs therein incurred, for either temporary access or reconstruction shall be borne by the developer.*
- 4. All sewer systems, other than the Lead-Deadwood Sanitary District No. 1, shall be designed by a registered professional engineer. Plans and specifications shall be submitted to and approved by the Lead-Deadwood Sanitation District, the South Dakota department of water and natural resources and all other appropriate agencies.*
 - 5. All potable water supply systems shall be designed by a registered professional engineer. Plans and specifications shall be submitted to and approved by the South Dakota department of water and natural resources, city of Deadwood water department, city of Deadwood fire chief and all other appropriate agencies.*
 - 6. Boulevard trees, if required, shall be installed by the owner or developer in accordance with city parks department standards.*
 - 7. The developer shall submit for planning and zoning commission approval a fire prevention plan that will reduce forest fire hazards within a subdivision of three (3) or more parcels. Such plan (i.e. tree thinning, water storage, etc.) shall be submitted with the preliminary plat and shall have been reviewed by and received recommendation from the South Dakota division of forestry and the city of Deadwood fire chief.*
 - 8. And, upon completion of the project the developer shall submit to the city planning office, certification from the developer's engineer that the streets were constructed in accordance with the submitted road profiles, or if construction has deviated from submitted profiles and cross-sections, a complete set of road profiles showing grade lines and cross-sections as constructed.*

BACKGROUND INFORMATION

The following is an outline of major actions taken with regard to approvals and correspondence with engineer of record and/or developer for The RIDGE at Deadwood.

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January / February 2021

Discussions begin regarding The RIDGE at Deadwood development with City staff and Commissioners. The proposed conceptual and master plans were shared with City staff and Commissions. (Copy included as part of this packet for reference)

June 2021

A memorandum of agreement was executed between the City of Deadwood and the developer which outlines the preliminary development costs that relate to the project included in the concept plan and states the developer will continue to work with City staff concerning the project and site plans. [No additional plans were submitted for formal approval] (Copy included as part of this packet for reference)

October 2021

The Planning and Zoning Commission held a public hearing for creating TIF# 14 on Wednesday, October 6, 2021. The Planning and Zoning Commission recommended approval to the Board of Adjustment/City Commission.

On October 18, 2021, the City Commissioners questioned the amounts within the project plan presented by Tobin Morris, Senior VP Dougherty & Company during the City Commission meeting. Discussion was held concerning costs, itemizations, and cost of turning lane. The City Commission unanimously continued Project Plan for TIF # 14.

In the same meeting the City Commission unanimously continued Resolution 2021-23 to create TIF # 14 for The RIDGE at Deadwood.

November 2021

On November 1, 2021, the City Commission unanimously approved continuing the Project Plan and Resolution 2021-23 due to no updates from the developer and/or consultants.

On November 15, 2021, the City Commission continued discussion concerning the project plan and associated resolution. Commissioner Martinisko reminded developers the TIF is an annual appropriation and not guaranteed. The City Commission approved (vote 4 to 1) the project plan included in their packet for Tax Increment Finance District # 14. The City Commission also unanimously approved Resolution 2021-23 to Create Tax Increment Finance District # 14. (copy included as part of this packet for reference)

January 2022

On January 18, 2022, the City Commission unanimously approved allowing Mayor to sign Development Agreement as provided in the packet for The Ridge (TRD LLC) for Tax Increment District # 14. (Copy included as part of this packet for reference)

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The Developers Agreement has language which states the following:

- DEVELOPER shall prepare or cause to be prepared plans and specifications for the Public Infrastructure Improvements in each Phase prior to starting any construction in said Phase. DEVELOPER shall not commence any construction on the Project until the plans and specifications for each Phase have been approved in writing by the appropriate department of CITY and State of South Dakota when applicable
- DEVELOPER will comply with all City of Deadwood Ordinances.

Late-summer /early fall 2022

Staff requests meetings to be held regarding infrastructure relating to pump stations. Meetings occur late fall-early winter regarding Dakota Pump and grinding pumps. Requests made to set progress schedule meetings.

January 2023

Developer and engineer participates in Short-Term Task Force Meetings.

January 27, 2023, Engineer emails to inquire about setback variances and short-term rental variance regarding City Ordinances.

February 2023

On February 6, 2023, the City Commission unanimously approved allowing the mayor to sign Planned Unit Development Certification for The Ridge development as required under DCO Chapter 17.72.090. (Copy included as part of this packet for reference)

February 22, 2023, after consultation with legal counsel to ensure necessary process and steps are followed, staff responds to steps necessary regarding the Planned Unit Development specifically regarding short-term rentals. Staff indicates an amendment to the PUD which is a change of zoning would be necessary.

March 2023

On March 10, 2023, staff emailed the engineer stating the following:

“We are going through the Developer’s agreement and have a few questions and clarifications.

Under section 3.03 it states ... The Developer shall submit all contracts, which is to include quantities and unit pricing, to the City to ensure that all infrastructure meets CITY’s specification and for our record keeping.

To our knowledge, we have not seen any of the contracts, please submit all contracts executed to date to the City Finance office by 5:00 p.m. on Friday, March 24, 2023.

Also, in Section 3.05, all plans and specifications must be submitted and approved by the City in writing. To my knowledge, there has been no final

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submittals, nor any approvals issued in writing. Furthermore, City has not received periodic reports of construction and expenditures. Please submit current status of construction and all expenditures to date. Please also submit an updated Construction Schedule and an annual report for 2022 on the project for review.

We furthermore need an updated insurance policy stating the City of Deadwood as an additional insured.”

On March 19, 2023, the city was provided shop drawings of underground water main pipe and fittings, gravity sewer main, manholes, and sanitary sewer force main along with the lift stations. In addition, the engineer provided a Drop Box link to construction contracts, pays applications, and insurance certificates. A complete set of plans were not included.

April 2023

On April 20, 2023, staff emailed the engineer of record regarding concerns with the asphalt roadway and open ditch drainage. The email outlined the obligations of the developer under Chapter 16.05.020 as well as the discussion of a variance would need to be obtained to vary from the ordinance.

May 2023

A sinkhole within the new asphalt roadway to be known as Gold Spike Lane was identified and reported to the engineer. Staff request weekly or bi-weekly construction progress meetings. Engineer questions city roadway load restrictions. Staff states the City has no load restrictions within Deadwood.

On May 18, 2023, staff emails engineer requesting plans and specifications and these need to be approved in writing. To date no final submittals, nor approvals have been executed. Staff states concerns on roads, sidewalks, and utilities being installed without submitted plans and approvals. Again, request for weekly progress meetings given to engineer.

June 2023

On June 5, 2023, members of the City Commission and staff tour the site with project engineer and developer to garner better understanding of the development. Staff and Commissioners voice concerns on lack of communication, plans and submittals for this project.

On June 27, 2023, due to lack of response from the engineer regarding plans and specifications, Deadwood City Attorney writes developer to reinforce the procedures necessary for approvals and/or variances.

July 2023

On July 5, 2023, the City received an email to access DropBox for Contracts, Geotechnical Reports and Testing, Insurance Certificates, Pay Apps, Permits,

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Shop Drawings, 2021 Master Plan, and Plans; however, administrative rights were not granted to staff.

On July 6, 2023, staff is emailed the first of what would be three versions of the requested variance for improvements.

On July 31, 2023, staff finally garners administrative access to Dropbox for the engineer. It contains limited plans for the development including one page for road sections dated May 22, 2023. This is the first detailed cross-section provided to the city regarding the proposed streets outside the “master plan” which were conceptual in nature.

VARIANCE REQUEST

Version three of formal variance request is provided in the packet as a downloadable pdf.

CITY REVIEW AND COMMENT:

The recently submitted application (shown in italics) states the following:

This request is in response to the City request for a formality that was not completed at project commencement and will serve as the official approval for the previously staff approved items.

It is the engineer responsibility to take into account all applicable state and municipal laws, ordinances and regulations and may not knowingly execute a project in violation of them.

Under City adopted standards it is understood and agreed upon that the written terms and provisions shall supersede all verbal statements of representatives of the City, and such statements shall not be effective or be construed as entering into, or forming a part of, or altering in any way whatsoever the written documents for the project.

As well as the previously presented and accepted Project Plan from February 2021. This project plan document is attached for reference. This project plan shows the Developers plan for the development including the road section planned for the RIDGE Development. This section includes a rural section road, open ditches for drainage, asphalt surfacing on the road surface and aggregate pedestrian trail on one side of the roadways, along the property line in most areas. Please see the typical residential section detailed graphically in the attached Project Plan and on the current recreational trails’ layout sheet.

It is the City’s understanding the document labeled as “The RIDGE: A Master Planned Community” as data required under Chapter 16.03.010 for a concept plan. It is a statement or document as to the design intent and purpose to be served by the development and does not preclude following city requirements and standards for construction and development

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The “Project Plan” was referenced in and tied to many City voted on and approved documents such as: the MOU (Memorandum of Understanding) approved June 2021, TIF #14 approved November 2021, and Development Agreement approved January 2022.

The “Project Plan” referenced by the applicant is labeled as a “The RIDGE: A Master Planned Community” and is recognized as a concept plan in the Memorandum of Understanding adopted in June of 2021. Some of the agreements are shown below with underlining to emphasis the facts.

Item 2. TIF Eligibility. Economic development within a city is an authorized use of tax increment districts under SDCL Chapter 11-9. None of the Property is currently developed. Developing the Property into a mixed-use development with multi-family, residential, office and retail space, is expected to promote economic development within the City. It will also conform to the standards of the comprehensive plan of the City in order to provide for the orderly development of residential and commercial property for the City.

Item 4. Property and TIF Development Process. The Developer has submitted a concept plan that will be reviewed by the City Staff and Planning Commission. City and Developer will work jointly on the preparation of a TIF proposal for presentation to the City Planning Commission. During this period, Developer will also continue to work with the City Planning Director, and Public Works Director concerning the project and site plans. The City and Developer will work jointly on the drafting of the TIF project plan and an associated development agreement outlining the duties, rights and responsibilities of Developer in connection with the development of the Property. The City will also cooperate with Developer in securing necessary permits.

Exhibit A was submitted as part of the MOU which only provided one page from the “concept plan” showing the property located in the TIF boundary and master plan overview plat (dated February 2021).

Exhibit B was submitted which shows an opinion of probable costs-budget for TIF justification.

In the TIF #14 document referenced above, it provides the following definition:

"Infrastructure Improvements" means a street, road, sidewalk, parking facility, pedestrian mall, alley, bridge, sewer, sewage treatment plant, property designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, drainage system, waterway, waterline, water storage facility, rail line, utility line or pipeline, or other similar or related structure or improvement, together with necessary

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easements for the structure or improvement, for the benefit of or for the protection of the health, welfare, or safety of the public generally.

The TIF #14 document also states:

It must be noted that the TIF WILL NOT directly benefit the homes or businesses that will be established in the Project area. Rather, it will be the increment from these properties that will be used to make the needed infrastructure improvements to develop the area.

In several other sections of the document it further states:

The intention of this TIF Project is to provide the necessary infrastructure related to the construction of a residential development and a commercial retail area.

“Project Costs” means any expenditure or monetary obligations by City of Deadwood, whether made, estimated to be made, incurred or estimated to be incurred, which are listed as Project Costs herein will include any costs incidental thereto but diminished by any income, special assessments, or other revenues, other than tax increments, received, or reasonably expected to be received, by City of Deadwood in connection with the implementation of this Plan.

“Project Plan” means a properly approved Plan for the development or redevelopment of a tax incremental district including all properly approved amendments thereto as recommended pursuant to SDCL § 11-9-13.

The TID will consist of creating a new development and all necessary infrastructure needed in an undeveloped area that is currently on the northern side of the City of Deadwood. Once developed, the area will be the site of a residential and multi-family housing area and a retail/commercial development. A healthy mix of housing options ensures opportunities for all individuals to improve their economic situation and contribute to their communities. Visitors to a city create a direct economic value within multiple sectors of the economy by staying at hotels, eating at restaurants, and shopping, boosting local economic vitality.

Investing in the community and its infrastructure will make the City desirable to live in which is a key component to the city’s long-term success and viability.

Upon completion of the construction of the infrastructure improvements, the Developer shall certify to the City’s Finance Officer the costs of construction, including capital costs, Professional Fees, and contingency costs. The Developer shall provide contractor/supplier invoices or other supporting documentation upon request of the Finance Officer. Upon

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certification and verification of costs, the City shall pay all available tax increment fund revenues not to exceed \$12,500,000, which shall include the total amount paid to the City and Developer.

For purposes of this Project Plan, the Developer is projecting that the infrastructure and site improvements will be fully developed by calendar year 2023.

The Project area lies north of Deadwood along Highway 85. It is to be used for providing infrastructure for a housing development with a commercial component. The investment in the Project area will stimulate and develop the general economic welfare and prosperity of the State through the increase of housing, promotion of employment, and advancement of commerce.

All drawings and graphics are labeled as preliminary and/or concept information by the engineer for the purpose of the TIF document.

Finally the Development Agreement approved by the City in January 2022 outlines several key elements that address following City Ordinances. Several of these items have been noted previously in this staff report including need City approval on construction plans and specifications.

The development agreement also states in the project schedule that Final Design and planning for infrastructure improvements would be completed in the Winter of 2021-2022.

The City has yet to receive submitted specifications for the infrastructure improvements and has only recently received plans dated May 22, 2023.

To date, the only permit submitted by the developer and issued by the City of Deadwood for this development project (outside of the apartment building) has been for a grading permit in the amount of \$100.00 for the following:

Rough mass grading work for future new roads and limited development area(s).

Final plans, dated May 22, 2023, for the public road work infrastructure were finally submitted to the City after requests were made by staff and legal counsel.

COMPLIANCE

1. A sign was posted on the property for which the request was filed as required by Section 17.80.010.B.
2. Notice of the time and place for the public hearing was published ten (10) days in advance of the hearing in the designated newspaper of the City of Deadwood as required by section 17.80.010.B. [Exhibit A]

VARIANCE

The purpose of a variance is to modify the strict application of the specific requirements of this Ordinance in the case of exceptionally irregular, narrow, shallow or steep lots, or other exceptional (Amended 99-952) conditions, whereby, such strict application would result in practical difficulty or unnecessary hardship which would deprive an owner of the reasonable use of his or her land. The variance shall be used only where necessary to overcome some obstacle which is preventing an owner from using his or her lot as the Zoning Ordinance intended.

The Board shall consider and decide all applications for variances within 30 days of such public hearing and in accordance with the standards provided below.

STANDARDS FOR VARIANCES:

In granting a variance, the Board shall ascertain that the following criteria are met and presented at the public hearing or otherwise included in the record.

1. A variance may be appropriate where, by reason of exceptional narrowness, shallowness, or shape or by reason of other exceptional topographic conditions or other extraordinary conditions on a piece of property, the strict application of any regulation enacted under this Ordinance would result in peculiar, exceptional, and undue hardship on the owner of the property. The previously mentioned circumstances or conditions shall be set forth in the Findings of the Board.

The applicant states “Based on prior approval of the Project Plan, rural section with asphalt roads, open ditches, and a pedestrian trail is planned, please see attached.

Again, based on the actions taken by the developer and the City Commission, staff and legal counsel have confirmed no formal review nor final plans have been approved by the City of Deadwood through the appropriate processes to date. The concept plan was approved but required additional plans be submitted which shall follow City Ordinances and Standards for City departments and Commissions to review and approve.

2. Variances shall not be granted to allow a use otherwise excluded from the particular district in which requested.

The subject use is part of an overall planned unit development and the PUD is not infringed by the issuance of this variance; however, granting said variance is adverse to several departments within the City which could have severe impacts

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to the City budget and cause economic and staffing hardships for the future operations of the City of Deadwood. It also has potential to impact life and safety of the PUD's residents and City staff providing necessary services to this development.

3. Any variance granted under the provisions of this section shall be the minimum adjustment necessary for the reasonable use of the land.

The developer has stated that they have reduced as much as possible while still allowing for buildable lots; however, the costs associated with the required standards is not economically feasible.

4. The granting of any variance is in harmony with the general purposes and intent of this Ordinance and will not be injurious to the neighborhood, and/or detrimental to the public welfare, or in conflict with the established policies of the City of Deadwood.

This area is currently occupied by vacant land with work commencing in the summer of 2021 with the issuance of a grading permit from the City of Deadwood for rough mass grading work for future new roads and limited development area(s).

Approval of this variance would allow the new street and public improvements to be exempt from City ordinances which outline the required standards. City departments have reviewed the request and believe the granting of the proposed variance will be detrimental to fire safety and public welfare of residents and City employees and is conflict with the established policies of the City of Deadwood.

The following items were discussed amongst the departments and shared with the engineer of record and developer at meetings on August 3, 2023 and August 8, 2023.

This section of the staff report outlines the major concerns raised in the review of the plans dated May 22, 2023 along with the requested variance before us.

- The Water Department has concerns regarding the locations of the curb stops. Typically curb stops are next to the roadway within the adjacent sidewalk. Sidewalks are maintained by the property owner; therefore, easily located without searching under snow. When in sidewalks the curb stops are protected from freeze thaw movement and have less likelihood of breaking or developing leaks.*
- With 309 proposed lots and ditches with culverts to access said lots, it will create a large amount of maintenance issues as well as safety issues for the snow removal efforts. Since the culverts are in the 66' of right-of-way, it is assumed the City will be ultimately responsible to clean them out. With*

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traditional storm drains, the run-off is less likely to need as much maintenance.

- The presented cross-section of the roadway as presented in the variance does not meet City standards and would require a variance as well. It does not have the required 2' shoulders on each side of the roadway for this type of construction and the ditches do not meet the requirements for slope and possible coverage over the minimum size requirements of the culvert. Concern has been voiced by staff that the proposed culverts with the existing ditch design may cause the culverts to possibly flatten the culvert because not enough coverage. Hard surface driveways will be a minimum standard of 50' into the property for longer driveways.
- Construction workers are currently using wooden planks to get to the construction site at the apartment due to the condition of the ditches.
- The Streets Department is concerned with shoulder damage without curb and gutter in addition to on-going erosion of the shoulders. This creates an additional maintenance item to the overall roadway by having to blade the shoulders or bring additional material to build the shoulders back up.
- The Streets Department is further concerned with snow removal and the safety issues without curb and gutter. The crews may not know where they are in relation to the road and may drop off the ledge of the pavement or shoulder. Continuous equipment near the edge of the pavement will cause asphalt to roll, crack and spall creating an on-going maintenance issue to the 20 year design of the pavement.
- There are additional concerns with grass or turf being peeled by blade and catching or hitting culvert with the grader or loaders.
- The ditch is within the 66' right-of-way and becomes the responsibility of the local government. The ownership of the ditch and culvert would be the City's responsibility. A question which is unclear is does this responsibility also include mowing above and beyond the maintenance of ensuring the open ditch drainage is kept free and clear of obstacles.
- The Police Department voiced concern about vehicle safety with the open ditch drainage system and is concerned that some vehicles may slide into the ditch causing personal and property damage.
- The city staff and all departments are also very concerned with pedestrian safety within the development. Without traditional sidewalks and the proposed trails only on one side of a portion of the roads, pedestrian-vehicular conflicts will exist. Resident safety is a top concern of staff.
- The Fire Department expressed concerns with locating and accessing the fire hydrants with the open ditch system. By not being adjacent to the roadway in or adjacent to the sidewalks creates additional lead time in an

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emergency. Firefighters would have to cross said ditch system which could be difficult in large snow events and the ditches may fill with snow from the street cleaning activities. Street and Parks Department crews would have to hand dig out the hydrants where with a typical curb, gutter and sidewalk system the property owner is responsible for clearing the sidewalk. This effort will take additional staff or staff time with an already lean city departments.

- Discussions were held with where the proposed snow dumps may be located due to narrow streets on steeper grades. This is a serious safety concern of staff especially the departments engaged in snow removal.*
- Concerns were raised on the lack of guardrails in certain steep areas due to the proposed variance for the required curb and gutter. The locations will need to be presented and reviewed if this variance is accepted.*
- The engineer of record and the developer propose many of the solutions lie with the establishment of a Homeowner's Association (HOA). City staff and legal counsel have witnessed several communities and developments where the HOA has disbanded and have little to no funds along with difficulty collecting dues.*
- The proposed variance states the HOA and development will be governed by the covenants. Should the HOA be dissolved and the City does not recognize the covenants, all costs to enforce them will be borne by the residents of the development and/or the taxpayers of the City of Deadwood.*
- When the project is complete, the City will accept the public infrastructure within the right-of-way and be responsible for long-term maintenance and this cost will need to be absorbed by the taxpayers until the TIF district is paid in full which is currently anticipated to be 20 years.*

5. There must be proof of practical difficulty, which may be based upon sufficiently documented economic factors, but such proof shall not be based solely upon or limited to such economic factors. Furthermore, the hardship complained of cannot be self-created; nor can it be established on this basis by one who purchases with or without the knowledge of the restrictions; it must result from the application of this Ordinance; it must be suffered directly by the property in question; and evidence of variance granted under similar circumstances shall not be considered.

According to the application, extreme topography and bedrock conditions are present on existing development site which limits meeting the standards for public improvements and infrastructure. Is this hardship self-created or requested after the fact without knowledge of the ordinances and standards adopted by the City of Deadwood. It is the responsibility of the developer and engineer of record to

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know the requirements set forth by the City of Deadwood. No additional financial information to project costs have been submitted except through the pay applications to date and the preliminary estimated project costs associated with the TIF District #14.

6. That the proposed variance will not impair an adequate supply of light and air to adjacent properties, substantially increase the congestion in the public streets, increase the danger of fire, endanger the public safety, or substantially diminish or impair property values within the adjacent neighborhood.

At this time, we are still determining the impact on our water supply as well as the impacts on the schools, or other services. This task is not necessary for determining for this variance; however, a variance cannot be granted if it would pose any threat to the public health or safety. Based on review of all City departments, our finding includes concerns such as fire safety, pedestrian safety, and impact to City budget and staffing.

7. The fee, as adopted by resolution, was paid to the Zoning Administrator as agent for the Board to cover the costs of notices and other expenses incidental to the hearing.

The applicant has paid the \$200.00 fee to process the variance.

8. The applicant has proven that he or she is the owner of the property or is his or her officially designated agent and has presented proof thereof.

The applicant has proven to the City of Deadwood Planning and Zoning office that they are the current owner of the subject property.

Requirements for the Granting of a Variance

Before the Board shall have the authority to grant a variance, the person claiming the variances has the burden of showing:

1. That the granting of the permit will not be contrary to the public interest;
2. That the literal enforcement of the Ordinance will result in unnecessary hardship; and,
3. That by granting the permit, substantial justice will be done.

A variance shall be null and void two (2) years from the date it is granted unless completion or substantial construction has taken place. The Board of Adjustment may extend the variance for an additional period not to exceed one (1) year upon the receipt of a written request from the applicant demonstrating good cause for the delay.

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If upon review by the Zoning Administrator, a violation of any condition, imposed in approval of a variance is found, the Administrator shall inform the applicant by registered mail of the violation and shall require compliance within sixty (60) days, or the Administrator will take action to revoke the permit. The Administrator's letter, constituting Notice of Intent to Revoke Variance may be appealed to the Board of Adjustment within thirty (30) days of its mailing. The Board of Adjustment shall consider the appeal and may affirm, reverse, or modify the Administrator's Notice of Intent to Revoke. The applicant must comply with the Board of Adjustment's Order on Appeal of Notice of Intent to Revoke Variance within thirty (30) days of the Board's decision.

POSSIBLE CONDITIONS IF APPROVED

The City staff and the legal counsel believe there is sufficient and justifiable evidence to deny the variance request as submitted due to the reasons outlined in this staff report.

Several of the applicant's responses to city concerns lay the burden of responsibility on the HOA. City staff and legal counsel question the ability, longevity, capability, and sustainability of the HOA to follow through with construction funding and maintenance of proposed responsibilities outlined in the variance request.

Engineer appears to pick and choose portions of the project to utilize the standards. The plans dated at the end of May 2023 and submitted in July include design standards from the 2022 Rapid City standards yet stated the plan was developed prior to the City's adoption of said standards.

However, should the commission approve this request for variance, we ask consideration of the following conditions be a part of the approval request.

1. Prior to acceptance of public infrastructure culverts and crossings shall be installed to all fire hydrant by the developers and not the responsibility of the HOA. Fire hydrants and water valves shall not be located behind the proposed guard rail.
2. Prior to acceptance all water shut off valves must be installed with concrete casings by the developers. A review of the locations should happen to ensure access is available for maintenance by city staff. There is no guarantee the driveways will be in line with water shut off valves and may be several years before all lots are sold and built out with hard surface driveways.
3. The proposed roadway as designed doesn't meet current or prior standards and would need a variance which would be probably be challenging as well for acceptance. The City of Deadwood used the Rapid City 2007 construction standards prior to the recent adoption of

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the 2022 standards. All streets, ditches and shoulders shall meet the standards utilized by the City including Gold Spike Lane which shoulders do not meet the 24-inch minimum standards. Engineer shall modify current plans to meet or exceed the standards for rural roadways. Additional geotechnical investigation and testing shall also be conducted regarding the already installed and failing roadway surface.

4. Ditches, drainage system and sanitary system should be approved by the Department of Agriculture and Natural Resources as may be required.
5. The City will not require or enforce load limits on roadways. Roadways should be designed and built to withstand heavy trucks and equipment necessary for the maintenance and snow removal activities of the City of Deadwood in addition to typical construction of residential and commercial properties.
6. The City shall not accept the responsibilities of operations and maintenance of roadways and infrastructure until completed for all improvements within phase 1, 1A and 1B to include future portions of these phases identified in the recent submittals.
7. The developer and engineer of record shall conduct weekly, or at least bi-weekly progress meetings with design team, engineer, contractor, and city staff.
8. The engineer of record shall provide timely submittals, plans, specifications, shop drawings, and related required documentation to be inclusive of all aspects of the project dealing with public infrastructure.
9. The city commission authorize staff to engage the services of a third-party professional engineering company to review all current and future plans regarding this development to ensure a quality project, standards and ordinances are followed, and to protect the City obligations using a portion of the administrative revenues from TIF#14.
10. The trail surface must be approved and available for use by the general public. Installation shall be completed as part of the overall acceptance of the public infrastructure system. Maintenance shall remain with the HOA/developer and the city will enforced compliance as if it is a public sidewalk.
11. Additional trail system shall be installed and lit along ALL roadways within the development to ensure pedestrian and recreational safety.
12. Addendums to the Memorandum of Agreement, TIF #14 documents, project plan shall be executed and shall be binding to any and all heirs,

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successors, and assigns outlining the conditions set forth in this variance approval. Failure to execute such documentation shall jeopardize future TIF allocations.

13. Upon formation of the HOA, a binding agreement of the responsibilities under this variance request shall be executed with a perpetual clause and inability to dissolve said HOA. This shall be completed by the developer immediately acting as the declarant for the HOA and filed with the secretary of state and Lawrence County.
14. Failure to follow conditions set forth in this variance approval shall negate future TIF allocations.
15. Action shall be taken by the City against the HOA/declarant for failure to implement, maintain and follow through on all responsibilities for the HOA/ declarant outlined in this variance request submitted by the applicant.
16. The engineer, developer and realtors shall be responsible for disclosures related to the conditions set forth in this variance request for any property transactions within the development.
17. No additional building permits shall be issued until acceptance of the public infrastructure by the City. City reserves the right to accept partial public improvements such as water and sanitary sewer without acceptance of roadways until phases 1, 1A and 1B are fully completed including the future roadways. Separate agreements may allow building permits to be issued prior to the roadway acceptance.
18. Roadway maintenance and responsibility shall remain with the developer and/or HOA/declarant until such time as the project is complete and the City has accepted said roadways.
19. Street and trail lighting plan shall be designed and engineered by a qualified electrical engineer to meet adopted standards and submitted to the city for approval prior to installation as part of the condition of this variance request.
20. Dedicated Park property sufficient for the development and acceptable by the City shall be set aside and donated to the city for future park space.
21. Dedicated snow dumps sufficient for the safe operation within development and acceptable by the City shall be set aside and donated to the city for snow removal efficiency in each area of the ridge.

Request for a Variance – Street Grades
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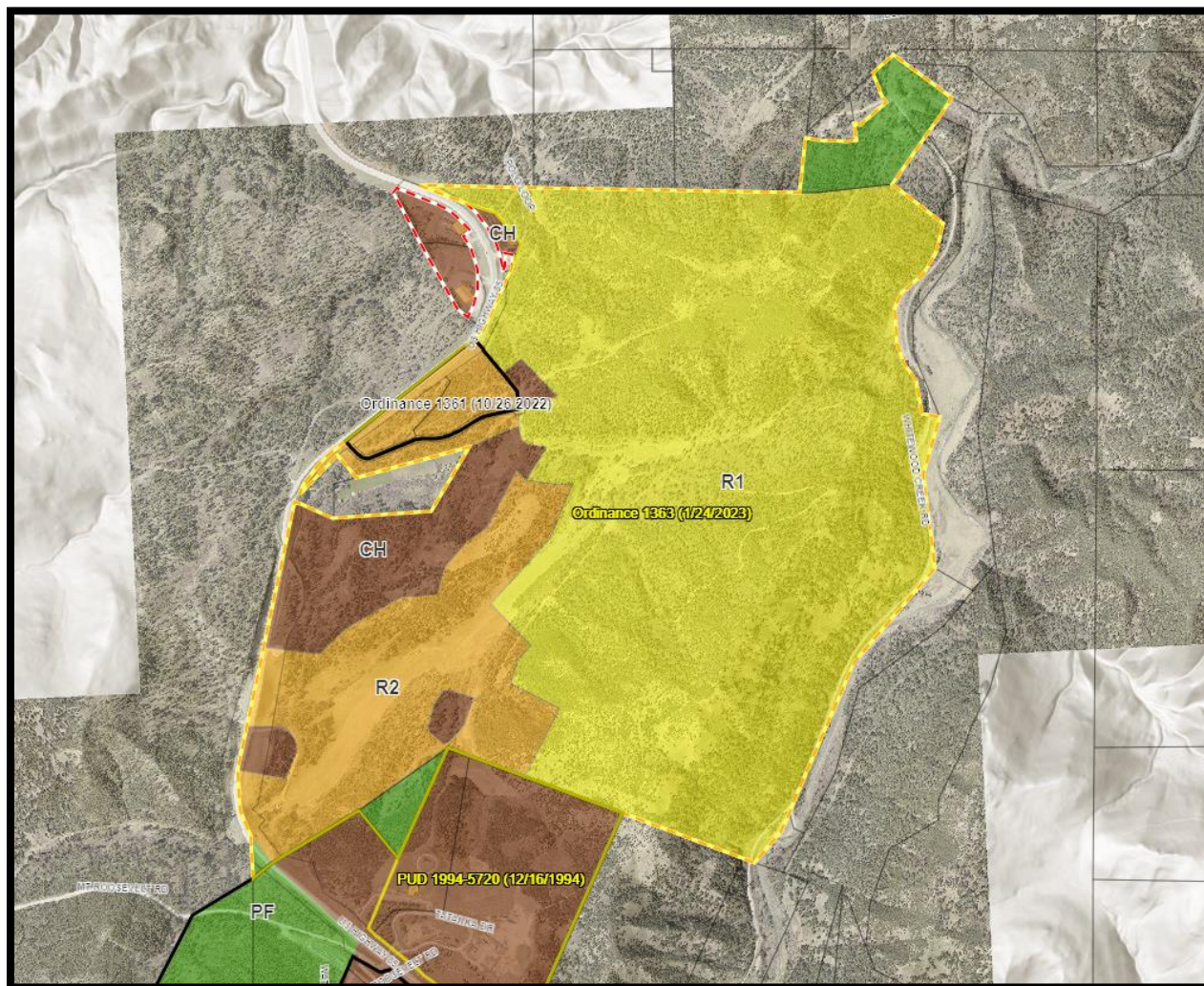
ACTION REQUIRED

1. Recommendation to the City Commission based on the information provided by the applicant and city staff. The options available to the Planning and Zoning Commission are to “Approve”, “Deny”, “Approve with Conditions” or to provide “No Recommendation” for Request for Variance as presented.

Conditions may be chosen from the staff recommendations listed above in part or in its entirety or based on additional conditions developed by the Planning and Zoning Commission.

Request for a Variance – Street Grades
The RIDGE at Deadwood
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LOCATION MAP



Map showing the general vicinity of the subject property.

Request for a Variance – Street Grades
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NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING BEFORE THE DEADWOOD BOARD OF ADJUSTMENT

City of Deadwood
Board of Adjustment
Deadwood, South Dakota 57732

NOTICE IS HEREBY GIVEN, that the following person(s) has applied to the City of Deadwood Planning and Zoning Office for a Variance to Ordinance Chapter 16.04.020 (K) – Street Grades and Alleys. (Maximum street grades 9%).

APPLICANTS: TRD, LLC (Randy & Cheri Horner)

LEGAL DESCRIPTION: REMAINDER OF PREACHER SMITH TRACT (LESS LOT A OF THE RIDGE DEVELOPMENT); LOTS 1 & 22, BLOCK 1B OF THE RIDGE DEVELOPMENT; AND BLOCK 1 AND BLOCK 1A OF THE RIDGE DEVELOPMENT, CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA.

ADDRESS: The RIDGE at Deadwood development
Deadwood, Lawrence County, South Dakota

ZONE: PUD – Planned Unit Development

NOTICE IS FURTHER GIVEN that said application will be heard by the Board of Adjustment within and for the City of Deadwood, State of South Dakota, at a regular meeting to be held Monday, August 7, 2023 in the Commission Room at 102 Sherman Street, Deadwood, South Dakota, will at 5:00 p.m. or soon thereafter as the matter at which time and place any such person interested may appear and show cause if there be any, why such special exception should not be granted.

NOTICE IS FURTHER GIVEN, that the proposed request for a Variance is on file and available for public examination at the Deadwood Planning, Zoning Office located at 108 Sherman Street, Deadwood, South Dakota.

ANY interested person or his/her agent is invited to submit oral or written comments or suggestions regarding the request to the Commissions or their agent prior to or at the public hearing.

Dated this 12th of July, 2023.

City of Deadwood, Lawrence County, South Dakota



Kevin Kuchenbecker
Planning, Zoning and Historic Preservation Officer

PUBLISH: Black Hills Pioneer: July __, 2023

Published once at the total approximate cost of \$_____

Return Completed Form To:
Planning and Zoning
 108 Sherman Street
 Deadwood, SD 57732



Section 5 Item h.

Questions Contact:
Kevin Kuchenbecker
 (605) 578-2082 or
 kevin@cityofdeadwood.com

Application No. _____

REQUEST FOR VARIANCE

Application Fee: \$200.00

Applicants: Please read thoroughly prior to completing this form. Only complete applications will be considered for review.

Name of Petitioner: Randy Horner Telephone: (701) 220-9686

Address: 16 Peck Street Deadwood SD 57732
Street City State Zip

Legal Description of Property: Remainder of Preacher Smith Tract (Less Lot A of the Ridge Dev.);
Lots 1 & 2, Blk 1B of the Ridge Dev. and Blk 1 and Blk 1A of the Ridge Dev, City of Deadwood
Lawrence County, South Dakota

Property Address: N/A
Street City State Zip

Description of Request: Based on prior approval of Project Plan, rural section with asphalt roads,
open ditches, and a pedestrian trail is planned, please see attached.

Appeal from Section: 16.05.020: 3. - curb and gutter, sidewalks and inlets and leads

Signature of Applicant: Randy Horner Date: 7/6/2023
DocuSigned by: 9DB3C25015A2450...

Signature of Property Owner: Randy Horner Date: 7/6/2023
DocuSigned by: 9DB3C25015A2450...

Fee: \$ _____ Paid On _____ Receipt Number _____

Legal Notice Published **Date:** _____ **Hearing Date:** _____

PLANNING AND ZONING ADMINISTRATOR:			
Approved/P&Z Administrator:	Yes	No	Signature: _____ Date: _____
PLANNING AND ZONING COMMISSION:			
Approved/P&Z Commission:	Yes	No	Date: _____
DEADWOOD BOARD OF ADJUSTMENT:			
Approved/City Commission:	Yes	No	Date: _____

Reason for Denial (if necessary): _____



VARIANCE REQUEST

NARRATIVE – REVISED 8/9/2023

the RIDGE Development, Deadwood, SD

Applicant/Developer/Owner: Preacher Smith, LLC / TRD, LLC
- Randy and Cheri Horner
16 Peck Street, Deadwood, SD 57732

Project Agent: Leah M. Berg, P.E.
LBerg@proacesinc.com Cell: 605-545-1120

Legal Description: Remainder of Preacher Smith Tract (Less Lot A of the Ridge Development); Lots 1 & 2, Block 1B of the Ridge Development and Block 1 and Block 1A of the Ridge Development, City of Deadwood, Lawrence County, South Dakota.

Variance: **Curb and Gutter, Sidewalks, and Inlets and Leads per City Ordinance 16.05.020:3**

1. Request:

- This request is in response to the City request for a formality that was not completed at project commencement and will serve as the official approval for the previously staff approved items. As well as, the previously presented and accepted Project Plan from February 2021. This project plan document is attached for reference. This project plan shows the Developers plan for the development including the road section planned for the RIDGE Development. This section includes a rural section road, open ditches for drainage, asphalt surfacing on the road surface and aggregate pedestrian trail on one side of the roadways, along the property line in most areas. Please see the typical residential section detailed graphically in the attached Project Plan and on the current recreational trails layout sheet.
- The “Project Plan” was referenced in and tied to many City voted on and approved documents such as: the MOU (Memorandum of Understanding) approved June 2021, TIF #14 approved November 2021, and Development Agreement approved January 2022.

- The Developer and property owner proceeded in good faith with staff approval in the Summer of 2021 in order to make every attempt of making TIF #14 be successful.
 - Infrastructure construction commenced on Gold Spike Drive (where the workforce housing is located) after Staff had all required information and permits were issued. Otherwise, construction would not have been allowed to commence.
- Clear transparency of project plan was provided through the multi-page Master Plan Document provided to each member of City Staff necessary, Planning & Zoning Board Members and City Commission members. Visual images were utilized to ensure intent was not misinterpreted in any way. As related to, road section being a rural section with open ditches and aggregate trail on one side of the roadway. Even images of materials planned were included.
 - If this document was not included in agenda packets the Developer has no control over agenda packet items, that is a City item/task.
- The understanding of the Developer, as directed by Staff is that the Project plan was accepted and approved as a whole project plan.
 - If variances were required, the project team would have applied for them at the same time. However, the project team was following direction from Staff on City process.
- The Developer would not have committed to providing curb and gutter, concrete sidewalk and underground storm sewer and does not commit to those items now. These items are not justifiable in the development location.
- Design Team and Developer met with City Staff on multiple occasions prior to drafting even the MOU document (Summer 2021) to ensure the project plan concept of asphalt roads, gravel shoulder and open ditches, with a pedestrian trail on one side of the Right-Of-Way would be acceptable.
 - This project only progressed forward with these being known facts between the City and Project Team.
 - City Staff typically inform the Commission and provide recommendations based on impact to the appropriate departments.
 - It was the Developers understanding that based on meetings with Staff and each Commission Member there was a clear understanding of the project.

- The items listed are a combination of improvements that all work together to be appropriate.
 - Curb and gutter is normally provided to allow for an underground storm sewer system. Also, sidewalk is typically placed along the back of curb so all hard surfacing works as one continuous unit.
- The requirement of Curb and gutter, sidewalk and underground storm sewer create a hardship that makes the Lot pricing unachievable for cost.
 - That is why a project plan was submitted prior to construction and throughout the City approval process for the TIF #14.
 - With the current, responsible City Commission, full understanding of the project plan was reviewed and discussed to ensure full understanding prior to TIF #14 consideration and approval.
 - Multiple meetings were held with staff, Mayor and Commissioners to ensure there was a clear understanding of the project plan, prior to TIF #14 approval.

2. Supporting Information:

- Extreme topography and bedrock conditions are present on the existing development site which limits standard requirement options.
- The proposed variance will not be detrimental to fire safety, clearance, preservation of light and open space and/or visual and aesthetic concerns.
- The City of Deadwood adopted the City of Rapid City standards for Public Works in November of 2021. This was after proposed infrastructure was negotiated and reviewed with the Public Works Department and other City Departments in order to develop the infrastructure concept that will work in this mountainous subdivision for the City of Deadwood.
- The project Team has been working with current staff to ensure concerns are addressed for each department.
- The aggregate recreational trail allows for a safe alternative for pedestrian movements through the development.
 - The attached layout shows the current trail layout which extends from Whitewood Creek access, to the future planned trolley stop at Highway 85 and Gold Spike Drive, as well as, along Ridge Drive to the under Highway 85, 14'x14' box culvert to allow safe access to the west side of Highway 85.
 - The pedestrian trail is located along the property line and is planned to be 5' wide. This is 15' to 20' off the edge of the asphalt road. Other sections of trail will be along property lines on private property within easement areas.

- The road crossing areas will be striped out with culvert crossings at the ditch sections to minimize pedestrian on road travel.
- The HOA shall be responsible for trail maintenance and improvements.
- The aggregate trail system allows for field fit conditions that exist on the RIDGE.
- There will be ditch crossings at every fire hydrant for pedestrians to go from the road to the trail
- Installation will be by the developer
 - Trail construction plans will be provided to City Staff for review and approval, prior to construction
- The open ditch drainage system provides a variety of uses and benefits:
 - The planned open ditches provide the ability to convey surface drainage safely in and through the development to Whitewood Creek.
 - Open turf ditches, once vegetation is reestablished, promote infiltration and high-quality groundwater recharge, trap sediments, and reduce flow velocity.
 - Open turf lined ditches allow for additional greenspace to be retained throughout the development, which is a natural mountainous environment with extreme slopes, grade changes, cliffs, and fully wooded sections.
 - Rock check dams will be provided in steep sections.
 - Lots are large with minimum frontage measuring 100 LF.
 - Existing drainage patterns will also be retained through the development.
 - Intersection culvert ends will be protected with large boulders being placed at the edge of the road to keep trucks and trailers from cutting the corner too sharp and the rear tires leaving the asphalt surface.
 - This will also protect the asphalt edge from excessive loads causing failure
 - Open ditch areas provide continuous and substantial snow storage areas as well.

- Snow removal operations are more efficient with the proposed asphalt roads, aggregate shoulders and open ditches.
 - There will be no on street parking allowed in the RIDGE which facilitates snow removal operations
- City concern was knowing where the edge of the roadway is located during large snow events. The proposed solution would be to, by covenants, tied to each property sold will be required to provide the standard orange reflective plow stakes at the start and end of their driveway.
 - This will allow snow plow operators to have a clear view of the edge of the road location.
 - Curb and gutter are not intended to be snow plow guides.
- Covenants will be revised to reflect the maintenance requirements in the ROW, such as, turf ditches shall be mowed and maintained by each adjacent property owner and driveway culverts shall be cleaned on a regular basis and kept free from obstructions.
 - The above conditions would eliminate additional City responsibilities.
 - The covenants will be enforced by the HOA.
- Asphalt road surface with gravel shoulder
 - A gravel shoulder is common practice and a 12" gravel shoulder is planned to provide lateral support to the asphalt edge
 - Geotechnical Engineered Pavement Section Design for a 20 year design period
 - Design life is the interval of time that with proper road maintenance, the pavement will not require major repairs.
 - Recommended pavement section:
 - 5" Asphalt over 6" Base Course, Scarify and Recompact Subgrade to an 8" depth
 - The planned road section has exceeded the Geotechnical design recommendation:
 - 6" Asphalt over 8" Base Course, Scarify and Recompact Subgrade to a 12" depth

- There is no on street parking allowed in the RIDGE with greatly reduces the continuous edge loading conditions and wear on the road section.
- Load Limits will be designated and posted for each road within the development and will be enforced by the HOA.
 - This will help to ensure road quality is retained as long as possible.
- The steep road section on Preacher Smith Drive will have guardrail installed for safety to ensure vehicles do not leave the road edge and end up in the drainage ravine. See example image for style reference.



- Curb stops for Lot water services have also been uniformly planned to be in the center of the Lot near the property line.
 - The intent is that most driveways will be located in the center of the Lot and driveways will be hard surfaced and in most cases kept free of snow
 - With this condition, curb stops will be located within an asphalt or concrete section for locating by the City as necessary.
 - For driveways not located in the center of the Lot, the curb stop will receive a concrete apron and be marked with a carsonite utility post
 - This will be a requirement added to the covenants since the property owner selects where their driveway will be located.
- Fire hydrants are uniformly planned at the edge of the trail and spaced 500' apart. Each hydrant will be marked with a flag as is standard in the Deadwood area.
 - Fire hydrant access is being provided with a 6 foot wide pedestrian path to each hydrant from edge of road to the hydrant with culvert in the ditch

- This Narrative includes the FIRE HYDRANT LAYOUT AND ACCESS DETAILS for reference. There are currently 27 hydrants planned in Phase 1, 1A and 1B.
- HOA will be responsible for fire hydrant culvert maintenance
- the RIDGE development team has been open to working with the City from the beginning of this project and expansion of the Deadwood Community in a true partnership. A common goal is to have a successful TIF #14 and a great asset added to the Deadwood community.
 - This variance is required to keep the project moving forward as was planned and agreed to in 2021.
 - If current City Staff and Commission wanted to have a different project plan, that should have been negotiated in 2021 when the partnership was formed and construction started, not two (2) years later into construction and after the Developer has already spent over \$14 Million with a commitment of \$8 Million more being needed to finish the current infrastructure due to extreme construction and location challenges.
 - With the current situation every alternative was considered to try to reach a compromise to the requests. All City Department concerns noted in meetings are address above with solutions being provided.
 - The infrastructure is in the current state where it cannot simply be converted from an open ditch section to an urban curb and gutter section.
 - For a curb and gutter road section the road surface is lower to allow for road surface drainage to be directed to the gutter and conveyed down the roadway. Surface drainage from the Right-Of-Way and adjacent property areas also drain toward the gutter. There is a limit to how much flow can be carried in the gutter along the curb and that is why drop inlets are engineered to collect flow from the surface and convey it underground in a storm sewer.
 - An open ditch or rural section directs road surface drainage off of the road surface and to the open

ditch system. The adjacent property and Right-Of-Way drain to the open ditch as well.

- This means the road surface is at a different elevation for a rural sections compared to an urban section.
- One road (Gold Spike Drive) has already been paved for about 80% of the roadway. It was discussed with Staff if a curb and gutter section can be added to the edge of the asphalt and then the constructed ditch would remain. This does not work since there would be nothing to support the curb and gutter section and a snow plow would push the concrete curb and gutter away from the asphalt edge and it would end up in the ditch, likely the first winter season.
 - It is acknowledged that this road is still under construction.
- The SDDOT style curb and gutter sections were discussed. Those curb sections have a large amount of ground adjacent to the back of curb to support the curb and hold it in place. They also have multiple 12' x 11' concrete curb cuts to convey surface flow off the highway. The highways near Deadwood have large impervious areas that create substantial runoff concerns. The highways also have a standard Right-Of-Way width of 150', which allow for a variety of drainage features and improvements to be provided.
- If the project cannot continue, then the Developer will be facing legal action due to existing commitments to the work force housing project within the RIDGE Development due to no City utilities (water and sewer) being available to the property.
- The project plan was created based on what improvements would work best with the existing topography, field conditions and proximity to surrounding developed areas. The development is not adjacent to any developed parcels with curb and gutter, sidewalks, and underground storm sewer.

END OF NARRATIVE

Attachments:

1. Project Plan Document from February 2021
2. Recreational Trails Layout dated July 2023
3. Fire Hydrant Layout and Access Detail dated August 2023

the RIDGE

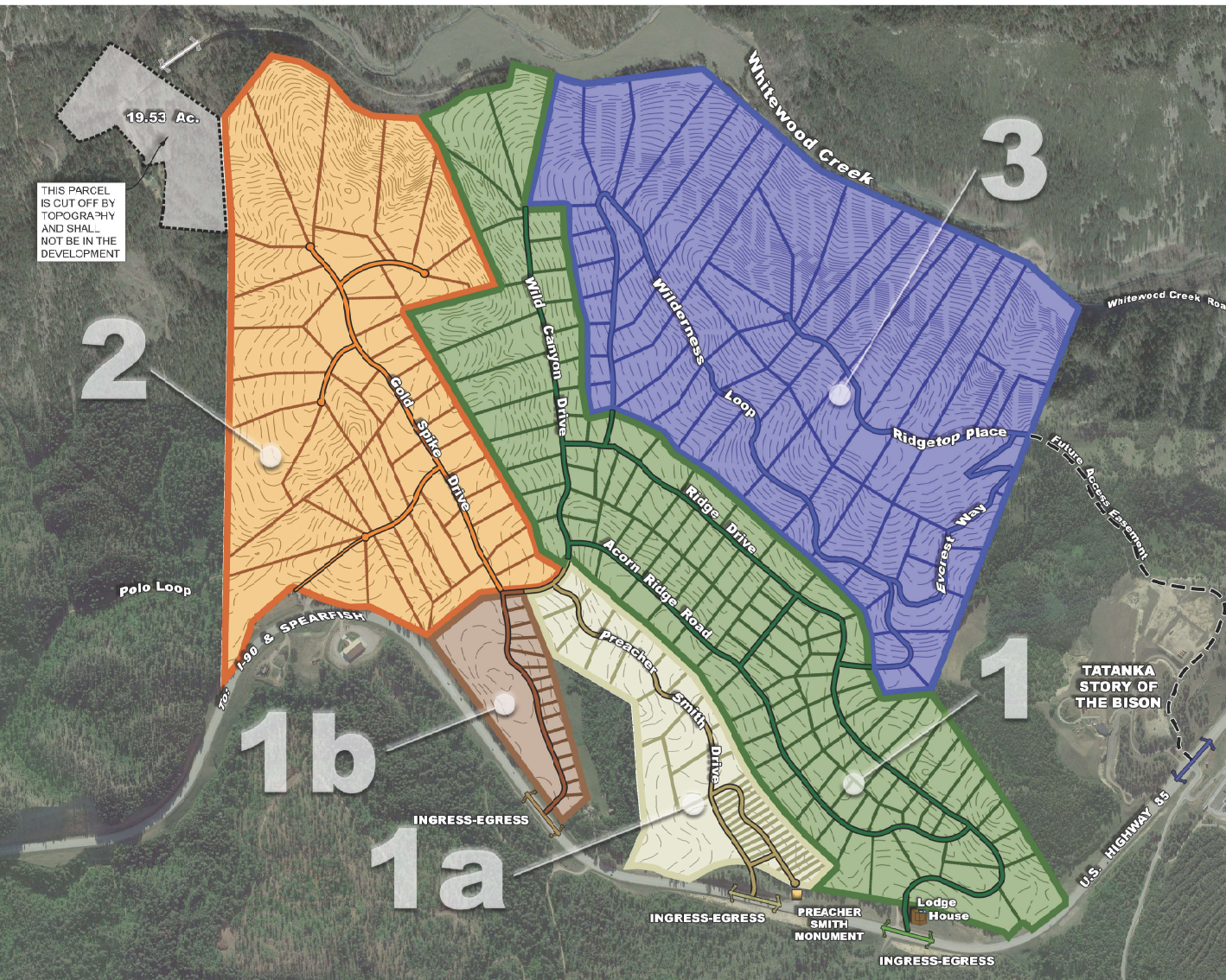
A MASTER PLANNED COMMUNITY

DEADWOOD - SOUTH DAKOTA

ACES

AFFORDABLY CREATIVE ENGINEERING SERVICES





the RIDGE by Preacher Smith LLC, Deadwood, South Dakota

Welcome to **the RIDGE**; a Mountain Modern West community inspired by nature and history. Through the entry are roughly 700 acres of Mountain Modern West vistas and rolling topography. Located just minutes from premium amenities in historic Deadwood and Spearfish, South Dakota. This development is surrounded by an abundance of nature and recreational opportunities. **the RIDGE** will be filled with new home opportunities for the City of Deadwood. There will be multi-family apartments, townhomes, single-family residential Lots and some commercial Lots along Highway 85. The community will include Mountain Modern West style homes which will bring richness and community to the development and local area. Homesites have been created to fit everyone with a range from 0.30 - 11 acre lots. Apartments and homes within **the RIDGE** will be built by some of the area's finest contractors and custom home builders, truly making **the RIDGE** a place that people desire to be part of. **the RIDGE** will include paved roads, underground utilities, City of Deadwood water, fire protection features, Lead/Deadwood Sanitary District sanitary sewer, a community lodge building, green space and trails, recreation opportunities, and true wilderness beauty. **the RIDGE** will offer protected woodlands, quiet springs, and natural areas.

the RIDGE will be a fire wise and environmentally conscious community developed by Preacher Smith LLC, out of Deadwood, South Dakota. Our vision is to create a community that will encompass the best of what the South Dakota lifestyle has to offer, yet provide responsible stewardship for the land and wildlife.

The first part of this large scale development will consist of multi-family housing, townhomes, commercial opportunities and 112 single family residences surrounded by ponderosa pines and aspen trees that light up the fall air. The community will include a trail system that can be used year round for hiking, biking, cross-country skiing, snowshoeing, and nature viewing.

The community will feature:

- Lodge house available to all community members
- Trail system - maintained year-round
- Connections to premium fly fishing along Whitewood Creek
- Pristine acreages filled with ponderosa pine and grand green spaces

the RIDGE has been divided into multiple phases noted on the map as 1, 1a, 1b, 2, and 3. The phases and options will be constructed over time as the development begins to fill out. The multi-phase concept has been strategically planned out to build the infrastructure by phase, in a complete engineered development.

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elevate
DESIGN
STUDIOS

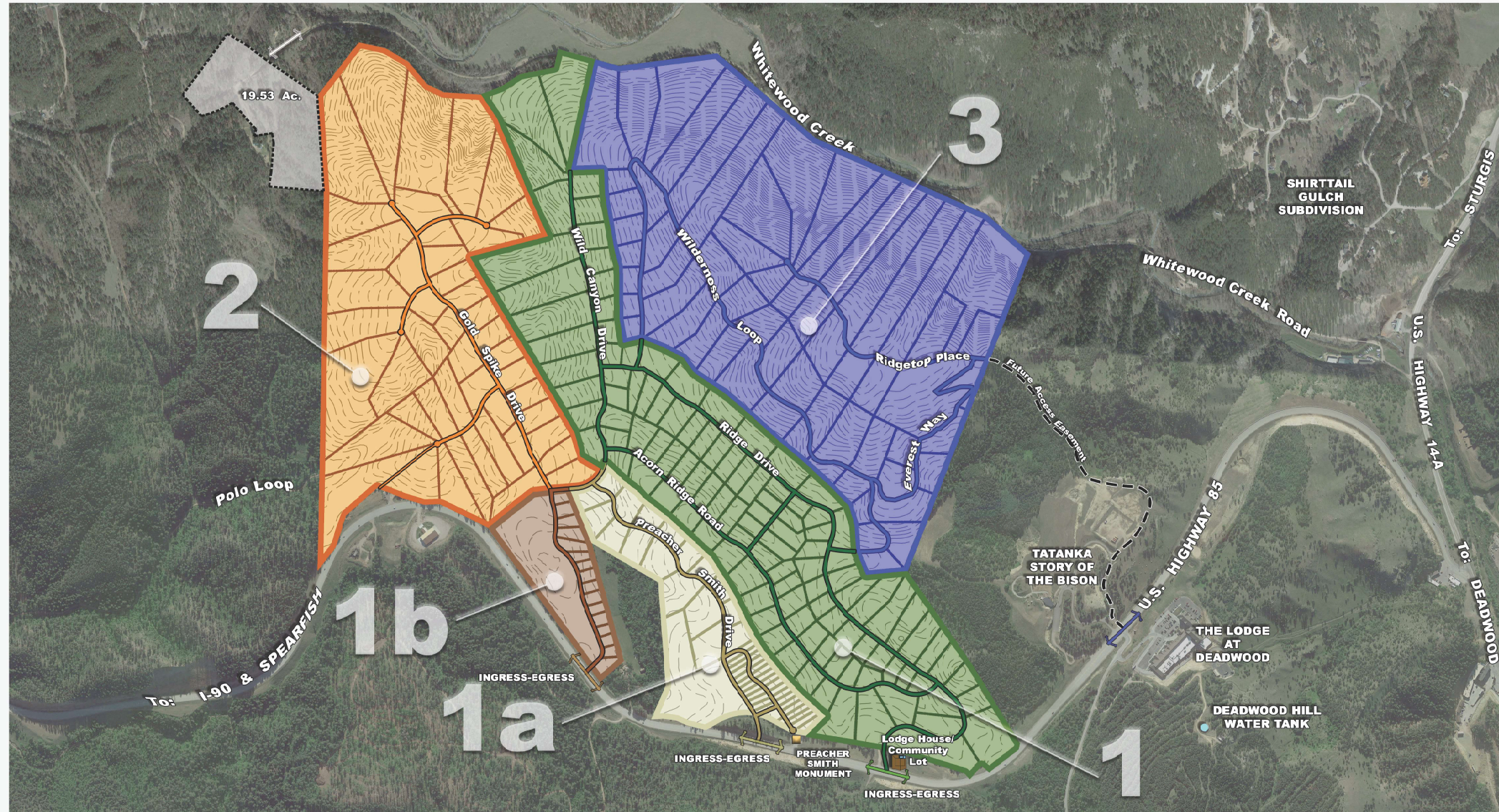
MASTER PLAN

NARRATIVE AND PHASING

0 400' 800'



FEBRUARY 2021



ACES
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DESIGN
STUDIOS

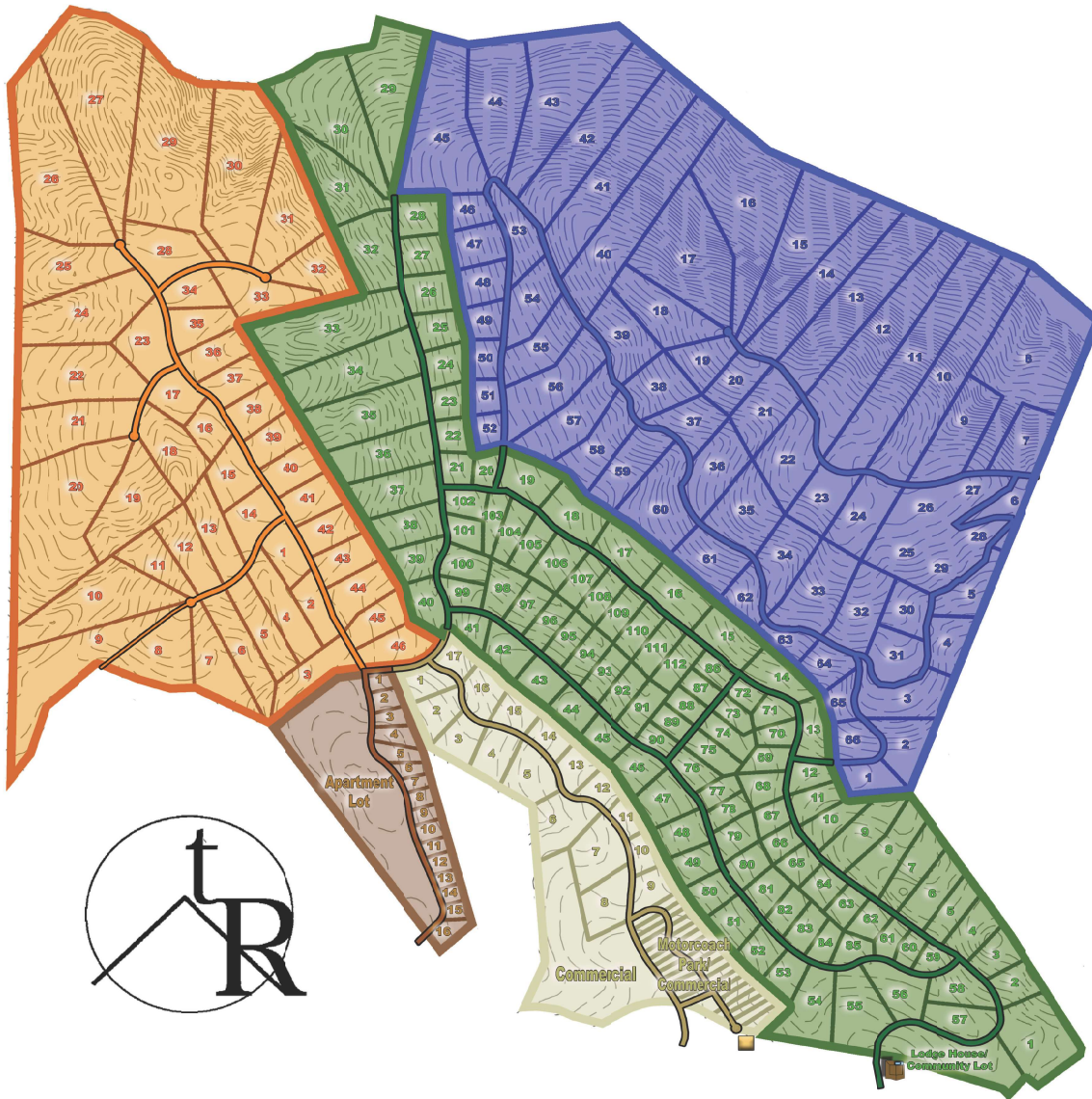
OVERALL MASTER PLAN

DEADWOOD, SOUTH DAKOTA

0 400' 800'



FEBRUARY 2021



Phase 1	Ac.
Lot 1	4.3
Lot 2	1.4
Lot 3	1.4
Lot 4	1.7
Lot 5	1.5
Lot 6	2.1
Lot 7	2.1
Lot 8	2.7
Lot 9	2.5
Lot 10	1.5
Lot 11	1.3
Lot 12	1.1
Lot 13	1.6
Lot 14	1.9
Lot 15	2.2
Lot 16	2.3
Lot 17	2.3
Lot 18	2.2
Lot 19	2.0
Lot 20	0.8
Lot 21	1.0
Lot 22	1.0
Lot 23	1.1
Lot 24	1.4
Lot 25	1.4
Lot 26	1.7
Lot 27	1.6
Lot 28	1.7
Lot 29	6.4
Lot 30	6.6
Lot 31	3.6
Lot 32	3.3
Lot 33	6.4
Lot 34	5.2
Lot 35	4.7
Lot 36	3.4
Lot 37	2.9
Lot 38	2.1
Lot 39	1.6
Lot 40	1.6
Lot 41	1.1
Lot 42	1.7
Lot 43	1.4
Lot 44	1.3
Lot 45	1.2
Lot 46	1.5
Lot 47	1.9
Lot 48	1.5
Lot 49	1.3
Lot 50	1.3
Lot 51	1.6
Lot 52	1.3
Lot 53	1.2
Lot 54	3.1
Lot 55	3.3
Lot 56	2.2
Lot 57	1.9
Lot 58	1.9
Lot 59	0.8
Lot 60	0.7
Lot 61	0.8
Lot 62	1.0
Lot 63	0.9
Lot 64	1.1
Lot 65	1.0
Lot 66	0.8
Lot 67	0.9
Lot 68	1.1
Lot 69	0.9
Lot 70	0.8
Lot 71	0.9
Lot 72	0.7
Lot 73	0.8
Lot 74	1.2
Lot 75	1.1

Continued:

Lot 76	1.1
Lot 77	0.8
Lot 78	0.8
Lot 79	1.2
Lot 80	1.1
Lot 81	1.2
Lot 82	1.0
Lot 83	1.1
Lot 84	0.8
Lot 85	0.9
Lot 86	0.8
Lot 87	0.7
Lot 88	0.7
Lot 89	0.7
Lot 90	0.8
Lot 91	1.2
Lot 92	1.2
Lot 93	1.2
Lot 94	1.2
Lot 95	1.2
Lot 96	1.2
Lot 97	1.2
Lot 98	1.5
Lot 99	1.0
Lot 100	1.3
Lot 101	0.9
Lot 102	1.0
Lot 103	1.0
Lot 104	1.2
Lot 105	1.2
Lot 106	1.6
Lot 107	1.2
Lot 108	1.2
Lot 109	1.2
Lot 110	1.2
Lot 111	1.2
Lot 112	1.2
Lodge House/Community Lot	4.7

Phase 1a	Ac.
Lot 1	1.4
Lot 2	1.6
Lot 3	1.6
Lot 4	1.8
Lot 5	2.1
Lot 6	2.6
Lot 7	2.5
Lot 8	2.1
Lot 9	1.3
Lot 10	0.9
Lot 11	0.8
Lot 12	1.1
Lot 13	1.2
Lot 14	1.1
Lot 15	1.2
Lot 16	1.5
Lot 17	1.1
Motorcoach Park/Comm.	8.7
Commercial	11.3

Phase 1b	Ac.
Lot 1	0.5
Lot 2	0.6
Lot 3	0.6
Lot 4	0.8
Lot 5	0.7
Lot 6	0.4
Lot 7	0.4
Lot 8	0.5
Lot 9	0.4
Lot 10	0.5
Lot 11	0.4
Lot 12	0.5
Lot 13	0.3
Lot 14	0.4
Lot 15	0.4
Lot 16	0.8
Apartment Lot	13.9

Phase 2	Ac.
Lot 1	1.7
Lot 2	1.5
Lot 3	2.5
Lot 4	2.7
Lot 5	2.4
Lot 6	2.6
Lot 7	3.3
Lot 8	3.8
Lot 9	7.6
Lot 10	5.8
Lot 11	2.0
Lot 12	2.4
Lot 13	2.4
Lot 14	2.0
Lot 15	2.0
Lot 16	1.5
Lot 17	1.7
Lot 18	3.0
Lot 19	4.5
Lot 20	11.1
Lot 21	4.8
Lot 22	5.8
Lot 23	2.6
Lot 24	5.6
Lot 25	4.6
Lot 26	10.0
Lot 27	11.3
Lot 28	3.0
Lot 29	10.5
Lot 30	8.5
Lot 31	4.9
Lot 32	2.8
Lot 33	3.0
Lot 34	1.7
Lot 35	2.0
Lot 36	1.9
Lot 37	1.8
Lot 38	1.8
Lot 39	1.8
Lot 40	1.8
Lot 41	1.8
Lot 42	1.8
Lot 43	1.8
Lot 44	2.2
Lot 45	1.9
Lot 46	2.6

Phase 3	Ac.
Lot 1	1.6
Lot 2	2.4
Lot 3	3.3
Lot 4	2.1
Lot 5	2.2
Lot 6	1.8
Lot 7	2.6
Lot 8	10.6
Lot 9	3.9
Lot 10	7.6
Lot 11	8.4
Lot 12	8.0
Lot 13	7.4
Lot 14	5.4
Lot 15	9.9
Lot 16	9.4
Lot 17	7.3
Lot 18	3.5
Lot 19	1.9
Lot 20	1.8
Lot 21	2.8
Lot 22	3.4
Lot 23	2.4
Lot 24	2.9
Lot 25	2.5
Lot 26	2.5
Lot 27	1.4
Lot 28	1.1
Lot 29	1.6
Lot 30	1.7
Lot 31	2.2
Lot 32	3.0
Lot 33	3.9
Lot 34	2.8
Lot 35	3.5
Lot 36	3.0
Lot 37	2.1
Lot 38	2.4
Lot 39	3.0
Lot 40	8.1
Lot 41	7.6
Lot 42	6.9
Lot 43	9.2
Lot 44	5.8
Lot 45	7.9
Lot 46	1.3
Lot 47	1.8
Lot 48	1.7
Lot 49	1.2
Lot 50	1.1
Lot 51	1.0
Lot 52	1.0
Lot 53	2.3
Lot 54	2.6
Lot 55	2.8
Lot 56	4.1
Lot 57	3.5
Lot 58	2.9
Lot 59	2.9
Lot 60	4.1
Lot 61	2.7
Lot 62	1.5
Lot 63	1.2
Lot 64	1.6
Lot 65	1.1
Lot 66	1.6

PHASE LEGEND

- PHASE 1 - 186 ACRES
- PHASE 1a - 46 ACRES
- PHASE 1b - 22 ACRES
- PHASE 2 - 169 ACRES
- PHASE 3 - 235 ACRES

UNDEVELOPED PARCEL - 26 ACRES

TOTAL DEVELOPMENT - 679.49 ACRES

ACES

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MASTER PLAN
LOTS AND SIZES

the
RIDGE
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The gateways to the development will be marked by a beautiful grand entry feature. The feature will signify that you have entered something special. Traveling through the feature you will have a mind set that will change from the business of the highway to a calmness of wilderness and home. The gateway will be made of two bookend feature columns. Base construction of local stone, these columns will support the large timber beams that will include lighting and the development branding.

The overall aesthetic of the feature will be the start of bringing the Mountain Modern West flare to the development.

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GRAND ENTRY FEATURE

MAIN ENTRANCE OFF HWY 85



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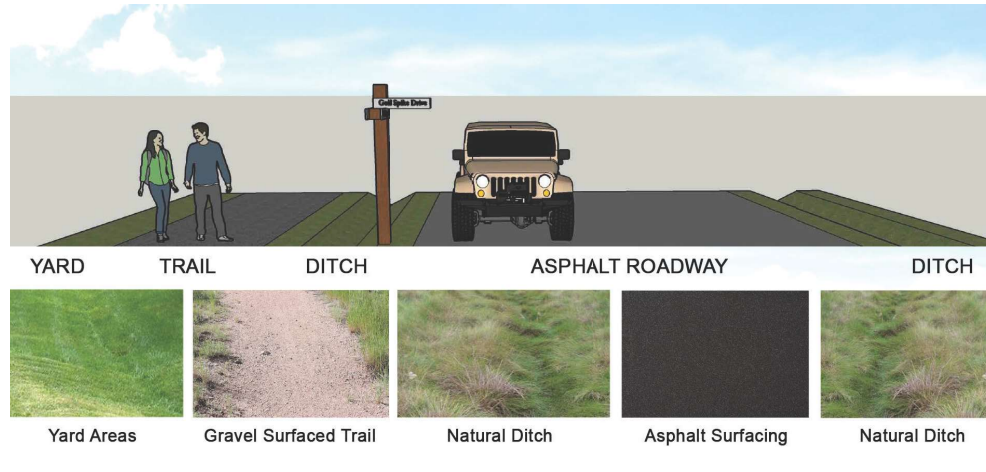
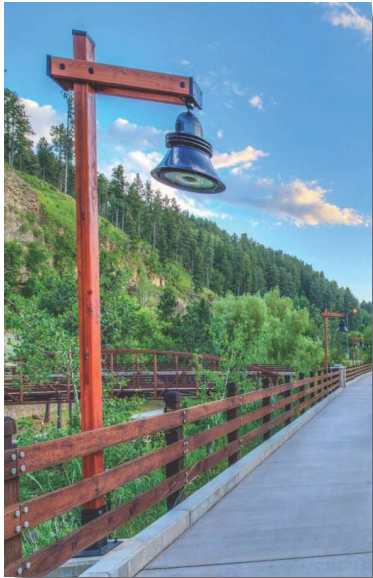
The design of the street lights and light poles throughout the development will be consistent. Specific styles will be determined through design but will include solar powered lights mounted on top of a locally sourced timber post. The timber post will complement elements found throughout the development and the City of Deadwood, such as the 'Deadwood Style Fence' shown below, and new custom entry features. The proposed light concepts are currently being used at the Days of 76 Museum in Deadwood.



POST STYLE OPTIONS



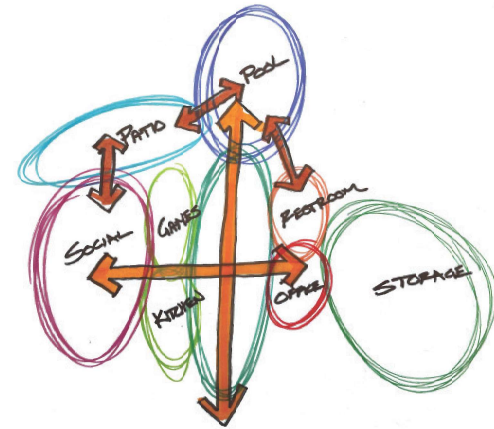
Street name signs and traffic wayfinding and directional signage throughout **the RIDGE** will be constructed of timber posts similar to the street lights, entry feature, and other elements throughout the development. These poles will include a metal branding feature that will bring a richness and sense of community throughout the development.



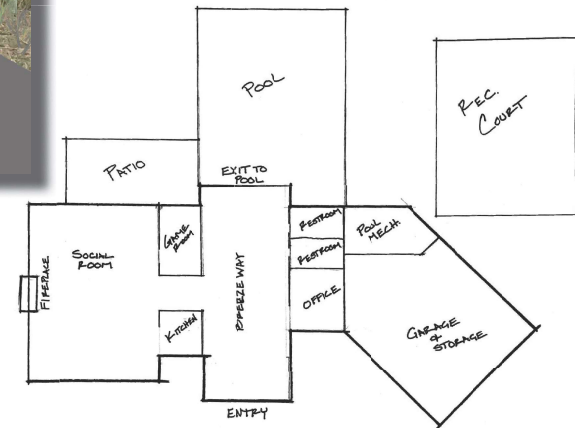
TYPICAL RESIDENTIAL SECTION WITH TRAIL



The name and the brand that have been designed develop a sense of community throughout the development. The brand and name will be seen from the entry of the development and will be incorporated throughout the development and specific features. The Lodge House will include both the name and the brand throughout the design of the lodge, patios, and recreation courts.



LODGE HOUSE SCHEMATIC FLOW

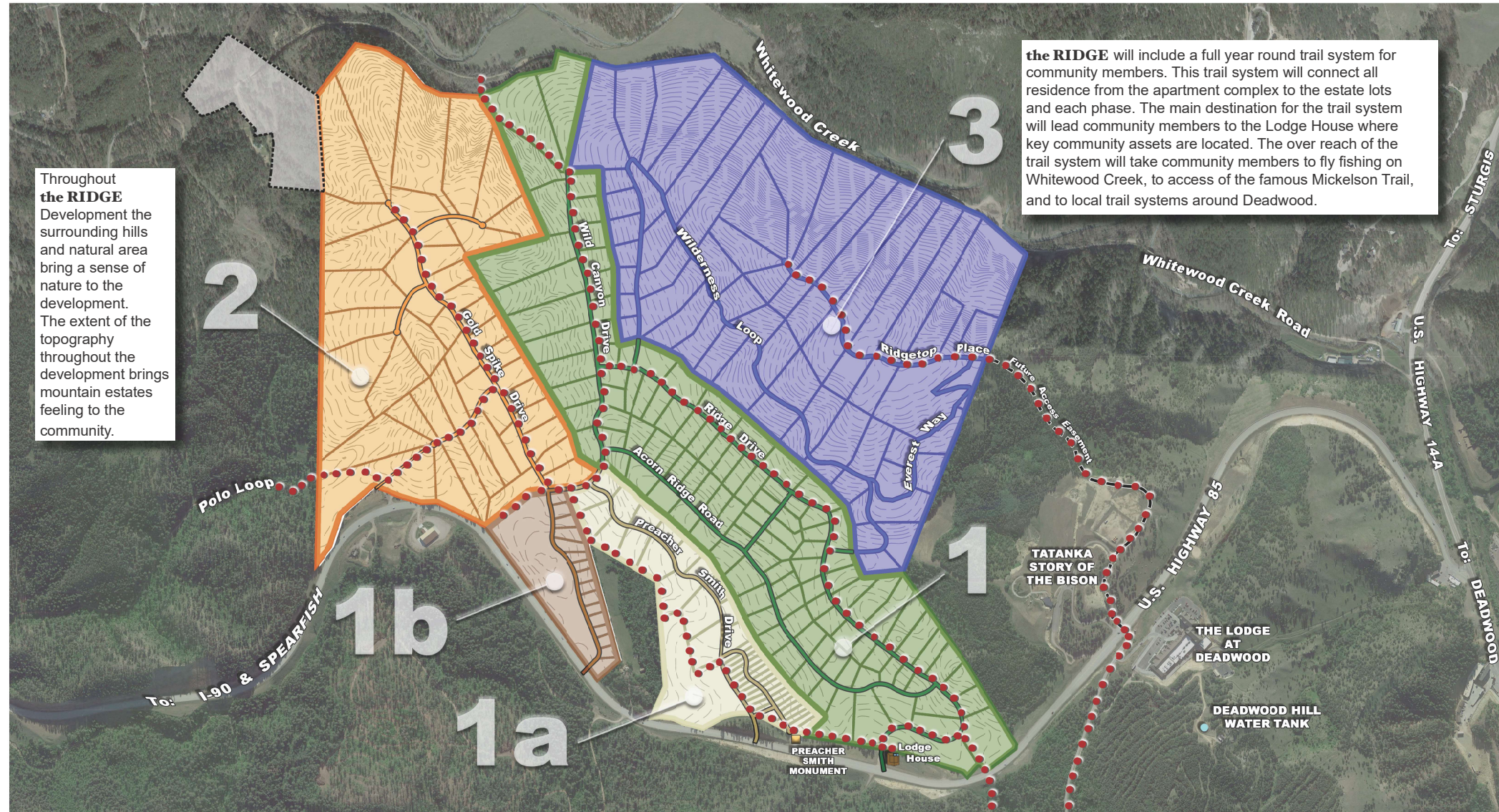


LODGE HOUSE SCHEMATIC FLOOR PLAN

The Community Lodge House will be a gathering place for the entire community of **the RIDGE**. The lodge will include an interior area of 4,000-4,500 square feet. Features provided will be a social room including a kitchen to host smaller gatherings, a game room, a marketing office space, restrooms, outdoor social patio, and a year-round outdoor heated pool and spa with associated patio. Garage type storage space shall be for the homeowners' association (HOA) and the development. The area around the lodge house may include recreation courts and a small natural playground feature. All of these elements and features are key assets for future community members.

Throughout **the RIDGE** Development the surrounding hills and natural area bring a sense of nature to the development. The extent of the topography throughout the development brings mountain estates feeling to the community.

the RIDGE will include a full year round trail system for community members. This trail system will connect all residence from the apartment complex to the estate lots and each phase. The main destination for the trail system will lead community members to the Lodge House where key community assets are located. The over reach of the trail system will take community members to fly fishing on Whitewood Creek, to access of the famous Mickelson Trail, and to local trail systems around Deadwood.



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RECREATIONAL TRAILS

0 400' 800'



the **RIDGE**

FEBRUARY 2021

Notes:

1. **the RIDGE** sewer collection system will include gravity flow collection to the lift station. From the lift station flow will be pumped through the force main uphill to the end of the sanitary sewer system along Highway 85.
2. **the RIDGE** will have City of Deadwood water supply and mains throughout the development.
3. All lots will be served by public water supply and sewer collection.

UTILITY LEGEND

	FM	SANITARY SEWER FORCE MAIN
	S	SANITARY SEWER MAIN
	W	WATER MAIN
	LS	SANITARY SEWER LIFT STATION

STUB OUT WATER AND SEWER FOR FUTURE EXPANSION

TATANKA STORY OF THE BISON

THE LODGE AT DEADWOOD

DEADWOOD HILL WATER TANK

END OF EXISTING SEWER SYSTEM AT MANHOLE

STUB OUT END POINT OF EXISTING WATER SYSTEM

PREACHER SMITH MONUMENT

Lodge House

PUBLIC UTILITY LAYOUT

WATER & SANITARY SEWER



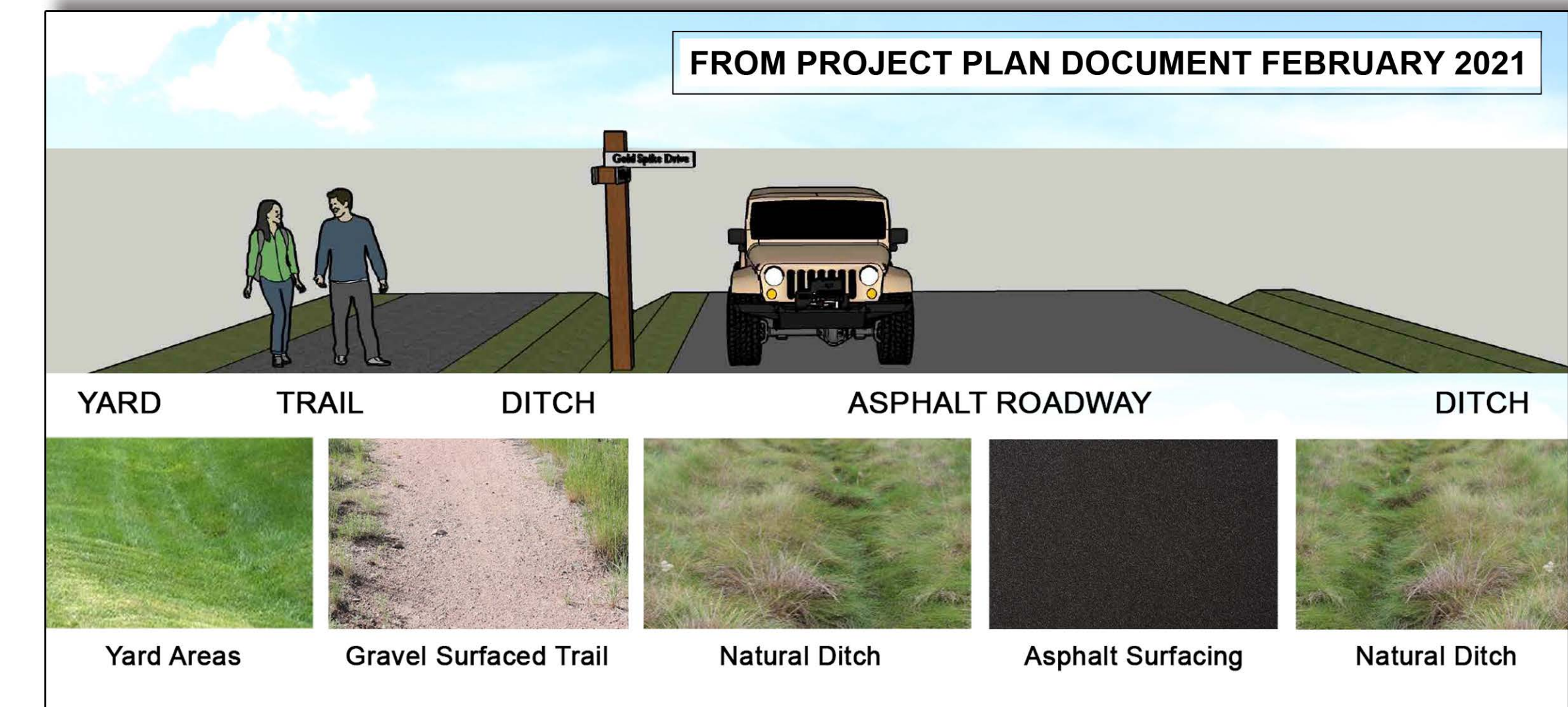
FEBRUARY 2021

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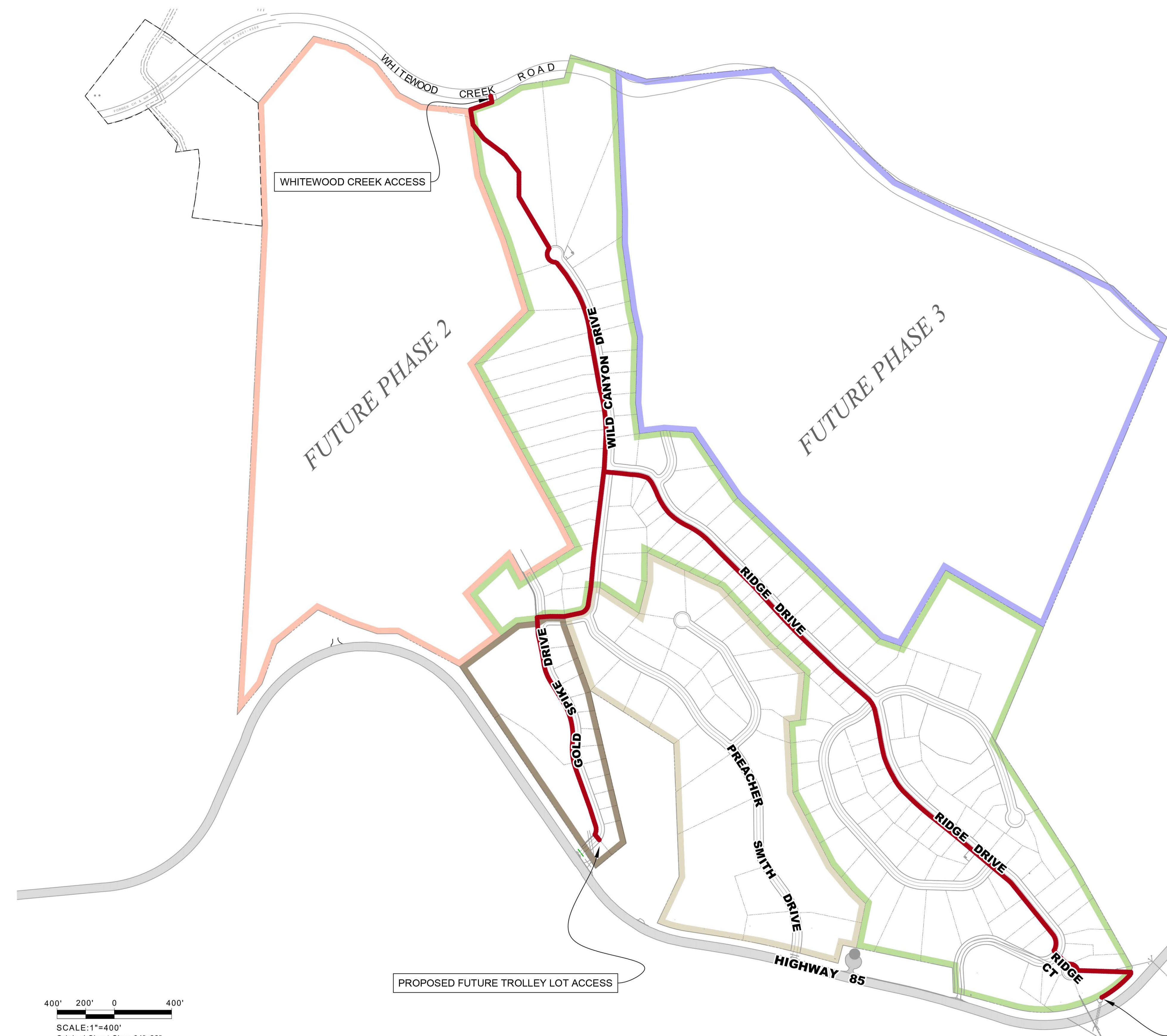
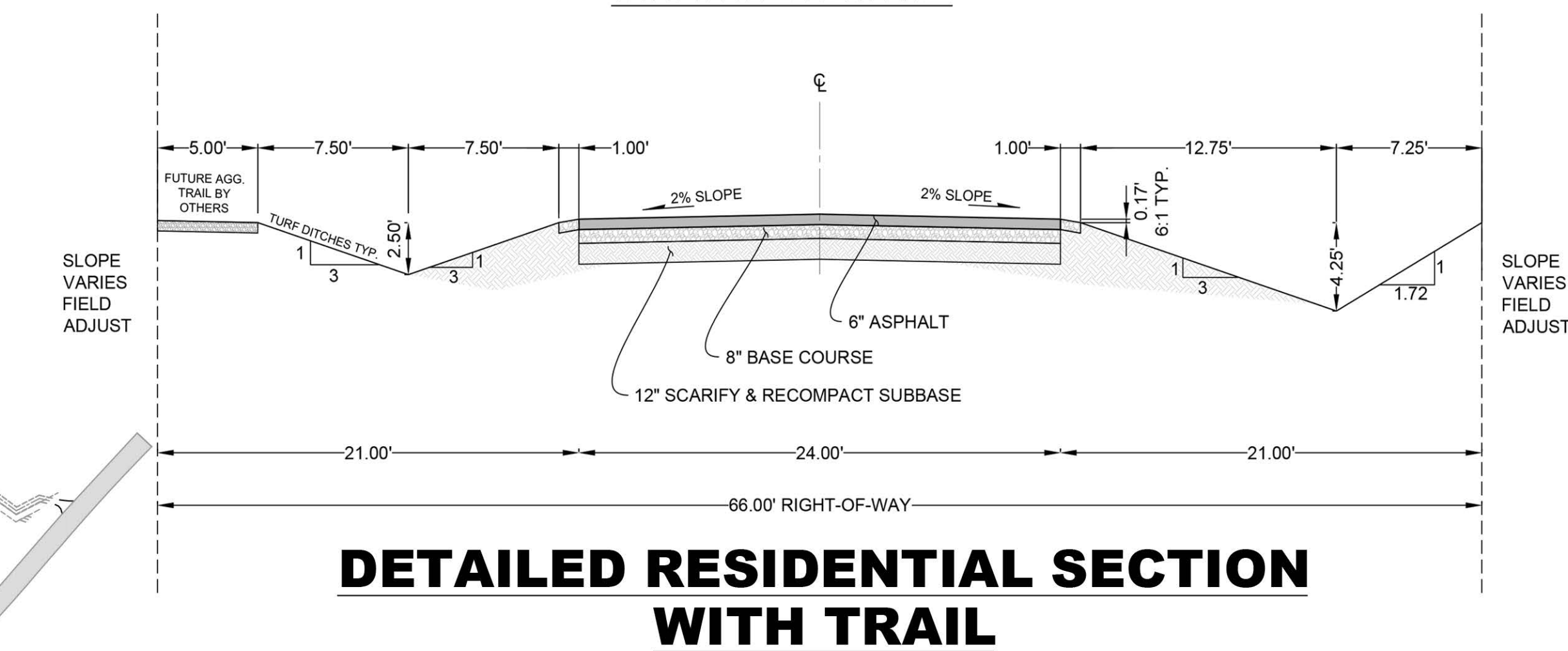
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DESIGN STUDIOS

LEGEND

- 5' WIDE GRAVEL SURFACED TRAIL IN ROW OR IN EASEMENT AREAS
- PHASE 1
- PHASE 1A
- PHASE 1B
- PHASE 2 - FUTURE
- PHASE 3 - FUTURE



TYPICAL RESIDENTIAL SECTION WITH TRAIL


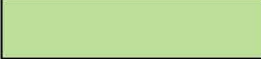






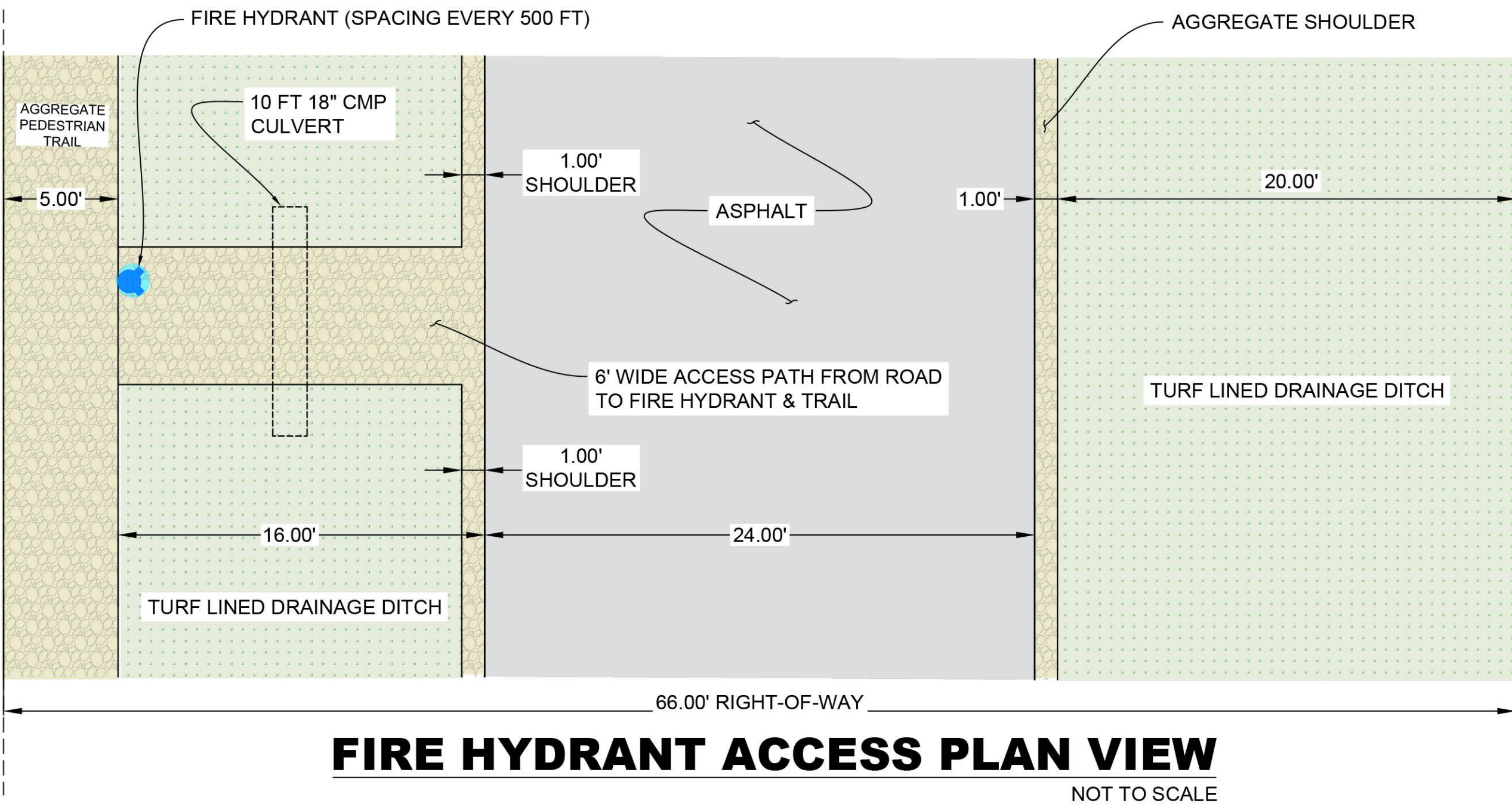
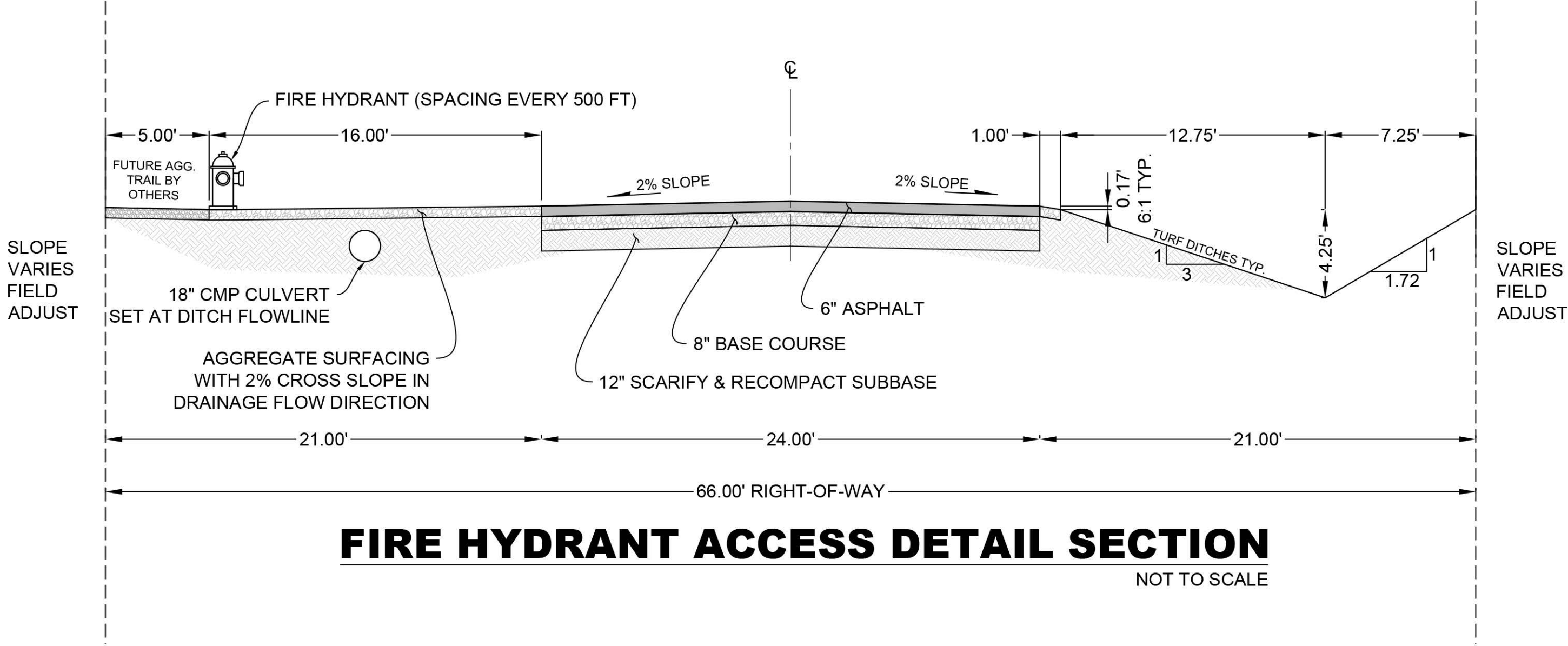
the RIDGE - RECREATIONAL TRAILS
DEADWOOD, SOUTH DAKOTA



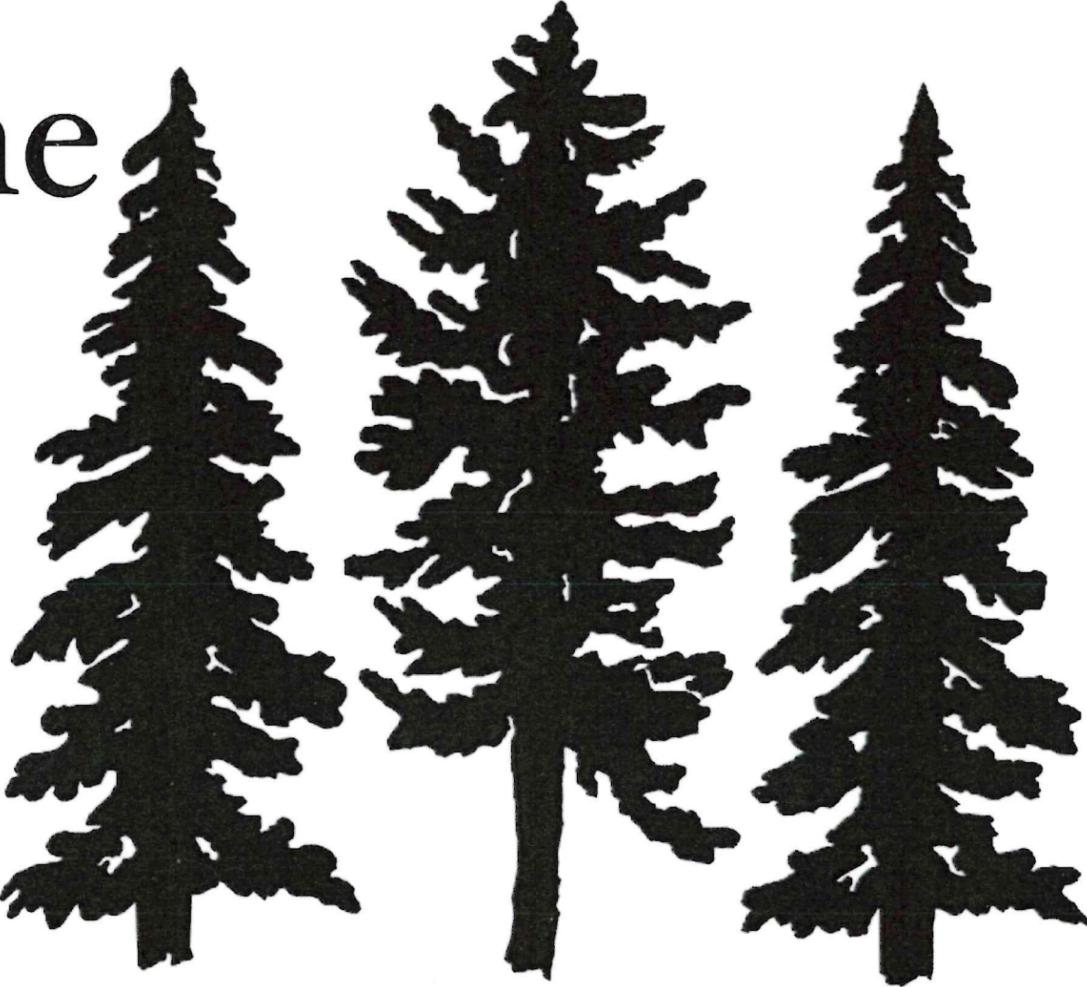


LEGEND

-  FIRE HYDRANT - 27 PLANNED CURRENTLY
-  PHASE 1
-  PHASE 1A
-  PHASE 1B
-  PHASE 2 - FUTURE
-  PHASE 3 - FUTURE



the RIDGE - FIRE HYDRANT LAYOUT & ACCESS DETAIL
DEADWOOD, SOUTH DAKOTA

the  RIDGE

A MASTER PLANNED COMMUNITY

DEADWOOD - SOUTH DAKOTA

the RIDGE by Preacher Smith LLC, Deadwood, South Dakota

Welcome to **the RIDGE**; a Mountain Modern West community inspired by nature and history. Through the entry are roughly 700 acres of Mountain Modern West vistas and rolling topography. Located just minutes from premium amenities in historic Deadwood and Spearfish, South Dakota. This development is surrounded by an abundance of nature and recreational opportunities. **the RIDGE** will be filled with new home opportunities for the City of Deadwood. There will be multi-family apartments, townhomes, single-family residential Lots and some commercial Lots along Highway 85. The community will include Mountain Modern West style homes which will bring richness and community to the development and local area. Homesites have been created to fit everyone with a range from 0.30 - 11 acre lots. Apartments and homes within **the RIDGE** will be built by some of the area's finest contractors and custom home builders, truly making **the RIDGE** a place that people desire to be part of. **the RIDGE** will include paved roads, underground utilities, City of Deadwood water, fire protection features, Lead/Deadwood Sanitary District sanitary sewer, a community lodge building, green space and trails, recreation opportunities, and true wilderness beauty. **the RIDGE** will offer protected woodlands, quiet springs, and natural areas.

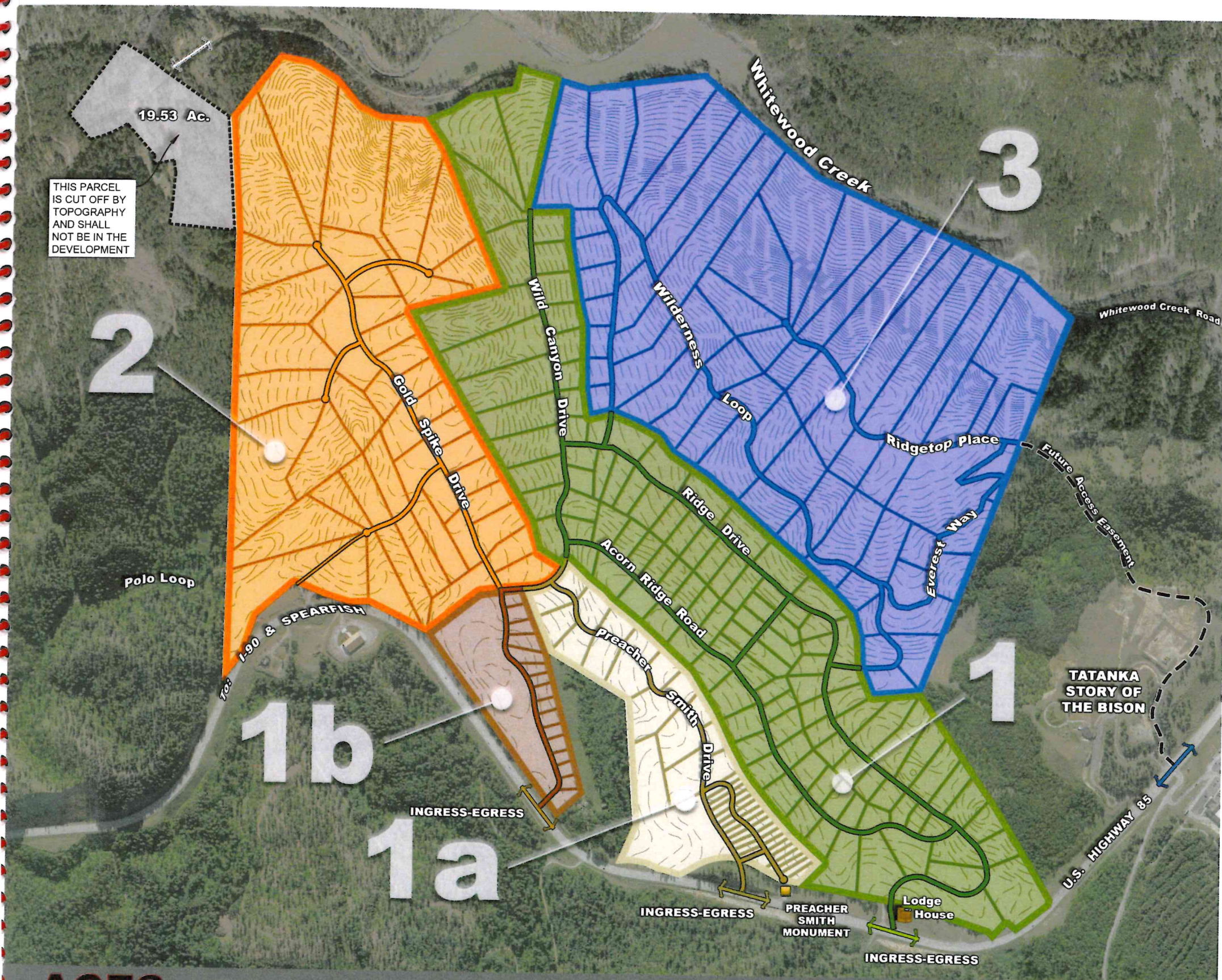
the RIDGE will be a fire wise and environmentally conscious community developed by Preacher Smith LLC, out of Deadwood, South Dakota. Our vision is to create a community that will encompass the best of what the South Dakota lifestyle has to offer, yet provide responsible stewardship for the land and wildlife.

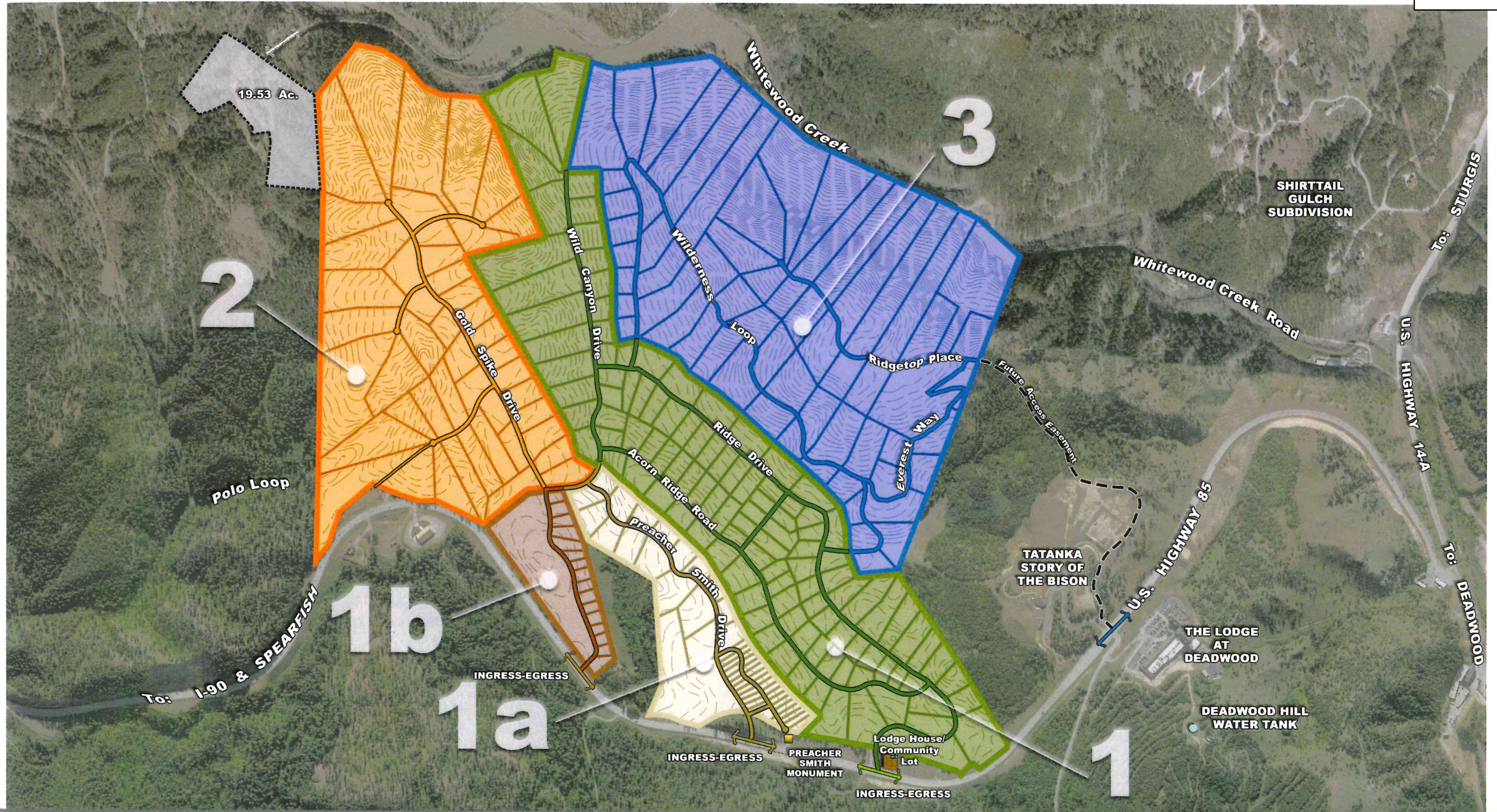
The first part of this large scale development will consist of multi-family housing, townhomes, commercial opportunities and 112 single family residences surrounded by ponderosa pines and aspen trees that light up the fall air. The community will include a trail system that can be used year round for hiking, biking, cross-country skiing, snowshoeing, and nature viewing.

The community will feature:

- Lodge house available to all community members
- Trail system - maintained year-round
- Connections to premium fly fishing along Whitewood Creek
- Pristine acreages filled with ponderosa pine and grand green spaces

the RIDGE has been divided into multiple phases noted on the map as 1, 1a, 1b, 2, and 3. The phases and options will be constructed over time as the development begins to fill out. The multi-phase concept has been strategically planned out to build the infrastructure by phase, in a complete engineered development.





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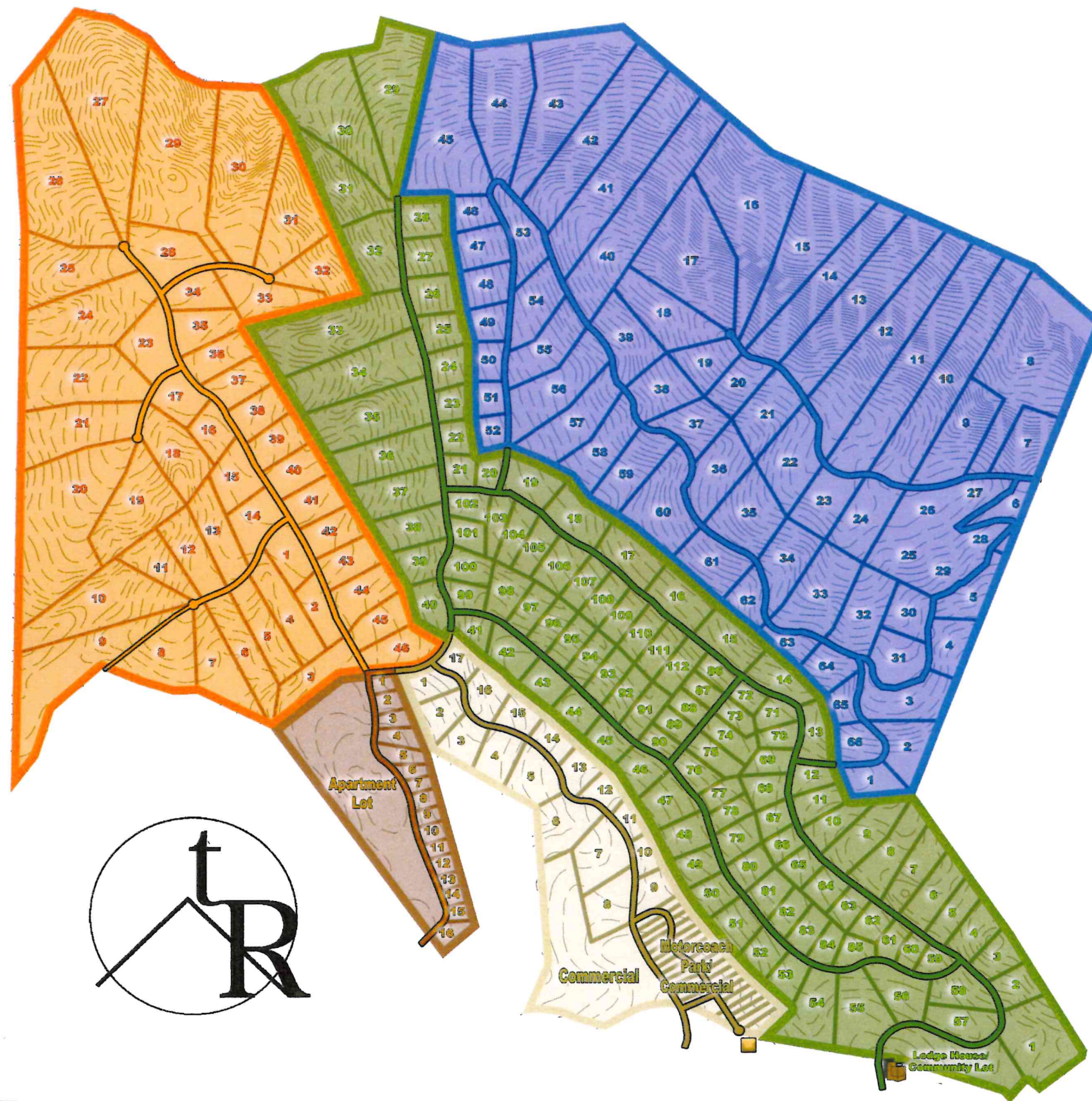
OVERALL MASTER PLAN

DEADWOOD, SOUTH DAKOTA



the
RIDGE

FEBRUARY 2021



Phase 1	Ac.
Lot 1	4.3
Lot 2	1.4
Lot 3	1.4
Lot 4	1.7
Lot 5	1.5
Lot 6	2.1
Lot 7	2.1
Lot 8	2.7
Lot 9	2.5
Lot 10	1.5
Lot 11	1.3
Lot 12	1.1
Lot 13	1.6
Lot 14	1.9
Lot 15	2.2
Lot 16	2.3
Lot 17	2.3
Lot 18	2.2
Lot 19	2.0
Lot 20	0.8
Lot 21	1.0
Lot 22	1.0
Lot 23	1.1
Lot 24	1.4
Lot 25	1.4
Lot 26	1.7
Lot 27	1.6
Lot 28	1.7
Lot 29	8.4
Lot 30	8.6
Lot 31	3.6
Lot 32	3.3
Lot 33	6.4
Lot 34	5.2
Lot 35	4.7
Lot 36	3.4
Lot 37	2.9
Lot 38	2.1
Lot 39	1.6
Lot 40	1.6
Lot 41	1.1
Lot 42	1.7
Lot 43	1.4
Lot 44	1.3
Lot 45	1.2
Lot 46	1.5
Lot 47	1.9
Lot 48	1.5
Lot 49	1.3
Lot 50	1.3
Lot 51	1.6
Lot 52	1.3
Lot 53	1.2
Lot 54	3.1
Lot 55	3.3
Lot 56	2.2
Lot 57	1.9
Lot 58	1.9
Lot 59	0.8
Lot 60	0.7
Lot 61	0.8
Lot 62	1.0
Lot 63	0.9
Lot 64	1.1
Lot 65	1.0
Lot 66	0.8
Lot 67	0.9
Lot 68	1.1
Lot 69	0.9
Lot 70	0.8
Lot 71	0.9
Lot 72	0.7
Lot 73	0.8
Lot 74	1.2
Lot 75	1.1

Continued:

Lot 76	1.1
Lot 77	0.8
Lot 78	0.8
Lot 79	1.2
Lot 80	1.1
Lot 81	1.2
Lot 82	1.0
Lot 83	1.1
Lot 84	0.8
Lot 85	0.9
Lot 86	0.8
Lot 87	0.7
Lot 88	0.7
Lot 89	0.7
Lot 90	0.8
Lot 91	1.2
Lot 92	1.2
Lot 93	1.2
Lot 94	1.2
Lot 95	1.2
Lot 96	1.2
Lot 97	1.2
Lot 98	1.5
Lot 99	1.0
Lot 100	1.3
Lot 101	0.9
Lot 102	1.0
Lot 103	1.0
Lot 104	1.2
Lot 105	1.2
Lot 106	1.6
Lot 107	1.2
Lot 108	1.2
Lot 109	1.2
Lot 110	1.2
Lot 111	1.2
Lot 112	1.2
Lodge House/ Community Lot	4.7

Phase 1a	Ac.
Lot 1	1.4
Lot 2	1.6
Lot 3	1.6
Lot 4	1.8
Lot 5	2.1
Lot 6	2.6
Lot 7	2.5
Lot 8	2.1
Lot 9	1.3
Lot 10	0.9
Lot 11	0.8
Lot 12	1.1
Lot 13	1.2
Lot 14	1.1
Lot 15	1.2
Lot 16	1.6
Lot 17	1.1
Motorcoach Park/Comm	8.7
Commercial	11.3

Phase 1b	Ac.
Lot 1	0.5
Lot 2	0.6
Lot 3	0.8
Lot 4	0.8
Lot 5	0.7
Lot 6	0.4
Lot 7	0.4
Lot 8	0.5
Lot 9	0.4
Lot 10	0.5
Lot 11	0.4
Lot 12	0.5
Lot 13	0.3
Lot 14	0.4
Lot 15	0.4
Lot 16	0.8
Apartment Lot	13.9

Phase 2	Ac.
Lot 1	1.7
Lot 2	1.5
Lot 3	2.5
Lot 4	2.7
Lot 5	2.4
Lot 6	2.8
Lot 7	3.3
Lot 8	3.8
Lot 9	7.6
Lot 10	5.8
Lot 11	2.0
Lot 12	2.4
Lot 13	2.4
Lot 14	2.0
Lot 15	2.0
Lot 16	1.5
Lot 17	1.7
Lot 18	3.0
Lot 19	4.5
Lot 20	11.1
Lot 21	4.8
Lot 22	5.8
Lot 23	2.6
Lot 24	5.8
Lot 25	4.8
Lot 26	10.0
Lot 27	11.3
Lot 28	3.0
Lot 29	10.5
Lot 30	8.5
Lot 31	4.9
Lot 32	2.8
Lot 33	3.0
Lot 34	1.7
Lot 35	2.0
Lot 36	1.9
Lot 37	1.8
Lot 38	1.8
Lot 39	1.8
Lot 40	1.8
Lot 41	1.8
Lot 42	1.8
Lot 43	1.8
Lot 44	2.2
Lot 45	1.9
Lot 46	2.6

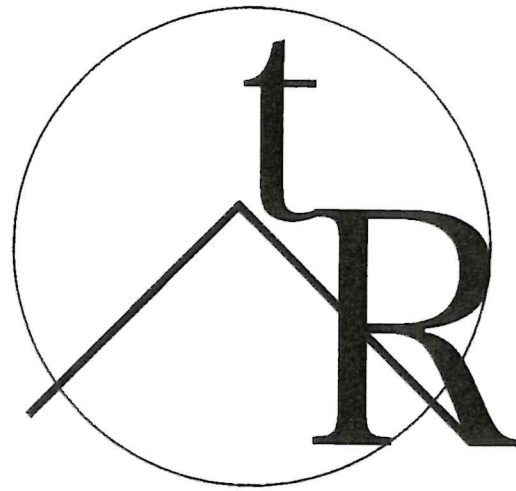
Phase 3	Ac.
Lot 1	1.6
Lot 2	2.4
Lot 3	3.3
Lot 4	2.1
Lot 5	2.2
Lot 6	1.8
Lot 7	2.6
Lot 8	10.6
Lot 9	3.9
Lot 10	7.8
Lot 11	8.4
Lot 12	8.0
Lot 13	7.4
Lot 14	5.4
Lot 15	6.9
Lot 16	9.4
Lot 17	7.3
Lot 18	3.5
Lot 19	1.9
Lot 20	1.8
Lot 21	2.8
Lot 22	3.4
Lot 23	2.4
Lot 24	2.9
Lot 25	2.5
Lot 26	2.5
Lot 27	1.4
Lot 28	1.1
Lot 29	1.8
Lot 30	1.7
Lot 31	2.2
Lot 32	3.0
Lot 33	3.9
Lot 34	2.8
Lot 35	3.5
Lot 36	3.0
Lot 37	2.1
Lot 38	2.4
Lot 39	3.0
Lot 40	8.1
Lot 41	7.8
Lot 42	6.9
Lot 43	8.2
Lot 44	5.8
Lot 45	7.9
Lot 46	1.3
Lot 47	1.8
Lot 48	1.7
Lot 49	1.2
Lot 50	1.1
Lot 51	1.0
Lot 52	1.0
Lot 53	2.3
Lot 54	2.6
Lot 55	2.8
Lot 56	4.1
Lot 57	3.5
Lot 58	2.9
Lot 59	2.9
Lot 60	4.1
Lot 61	2.7
Lot 62	1.5
Lot 63	1.2
Lot 64	1.8
Lot 65	1.1
Lot 66	1.6

PHASE LEGEND

- PHASE 1 - 188 ACRES
- PHASE 1a - 46 ACRES
- PHASE 1b - 22 ACRES
- PHASE 2 - 169 ACRES
- PHASE 3 - 235 ACRES

UNDEVELOPED PARCEL - 20 ACRES

TOTAL DEVELOPMENT - 679.49 ACRES



The gateways to the development will be marked by a beautiful grand entry feature. The feature will signify that you have entered something special. Traveling through the feature you will have a mind set that will change from the business of the highway to a calmness of wilderness and home. The gateway will be made of two bookend feature columns. Base construction of local stone, these columns will support the large timber beams that will include lighting and the development branding.

The overall aesthetic of the feature will be the start of bringing the Mountain Modern West flare to the development.

ACES

AFFORDABLY CREATIVE ENGINEERING SERVICES
elevate
DESIGN
STUDIOS

GRAND ENTRY FEATURE

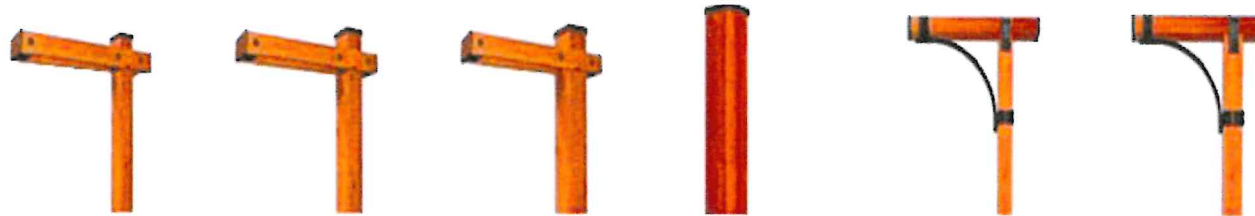
MAIN ENTRANCE OFF HWY 85

the
RIDGE

FEBRUARY 2021



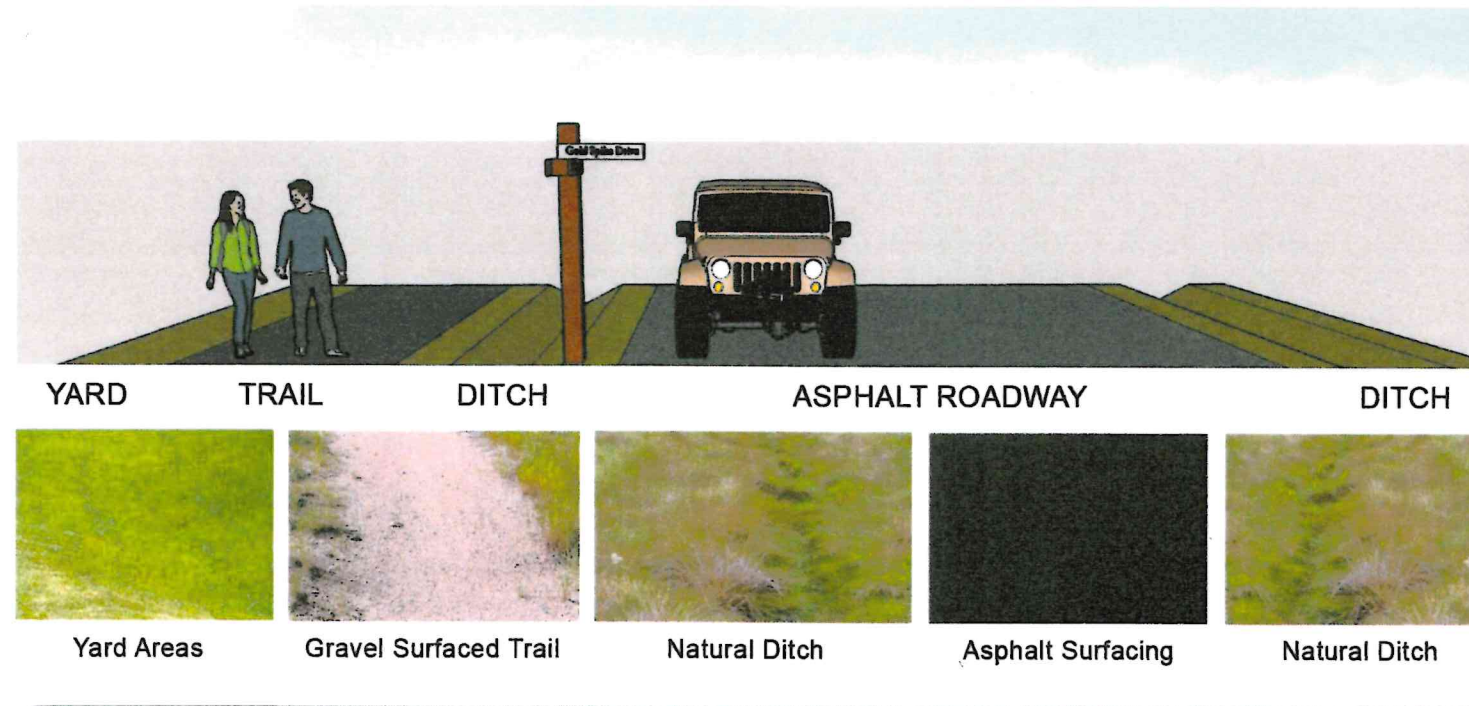
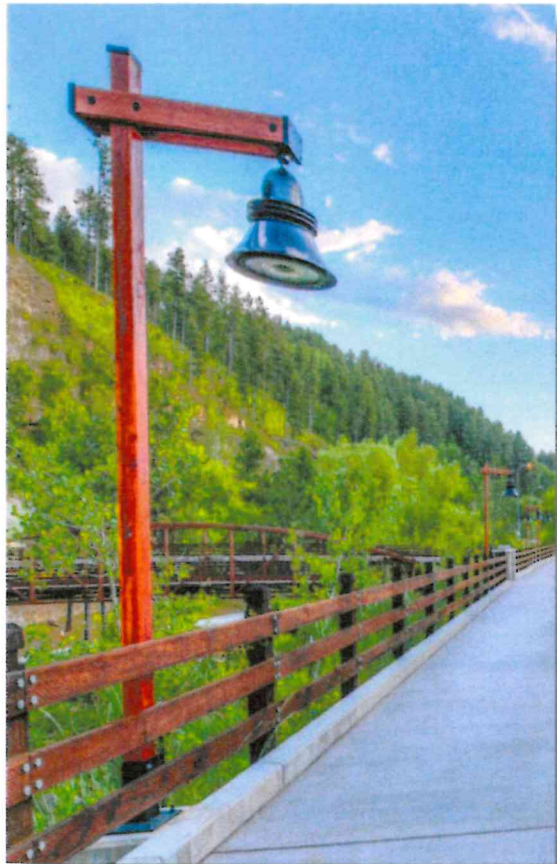
The design of the street lights and light poles throughout the development will be consistent. Specific styles will be determined through design but will include solar powered lights mounted on top of a locally sourced timber post. The timber post will complement elements found throughout the development and the City of Deadwood, such as the 'Deadwood Style Fence' shown below, and new custom entry features. The proposed light concepts are currently being used at the Days of 76 Museum in Deadwood.



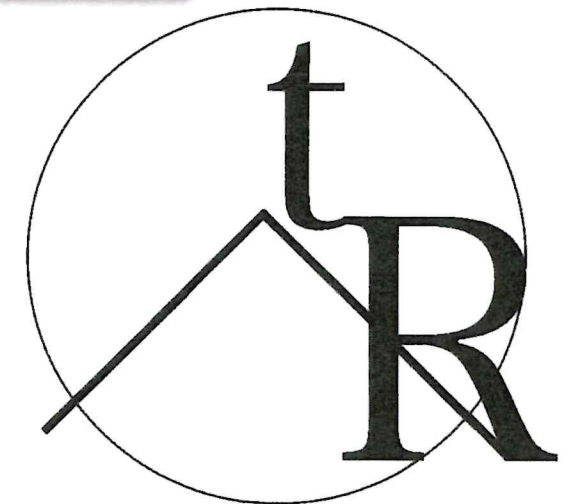
POST STYLE OPTIONS



Street name signs and traffic wayfinding and directional signage throughout **the RIDGE** will be constructed of timber posts similar to the street lights, entry feature, and other elements throughout the development. These poles will include a metal branding feature that will bring a richness and sense of community throughout the development.



TYPICAL RESIDENTIAL SECTION WITH TRAIL



The name and the brand that have been designed develop a sense of community throughout the development. The brand and name will be seen from the entry of the development and will be incorporated throughout the development and specific features. The Lodge House will include both the name and the brand throughout the design of the lodge, patios, and recreation courts.

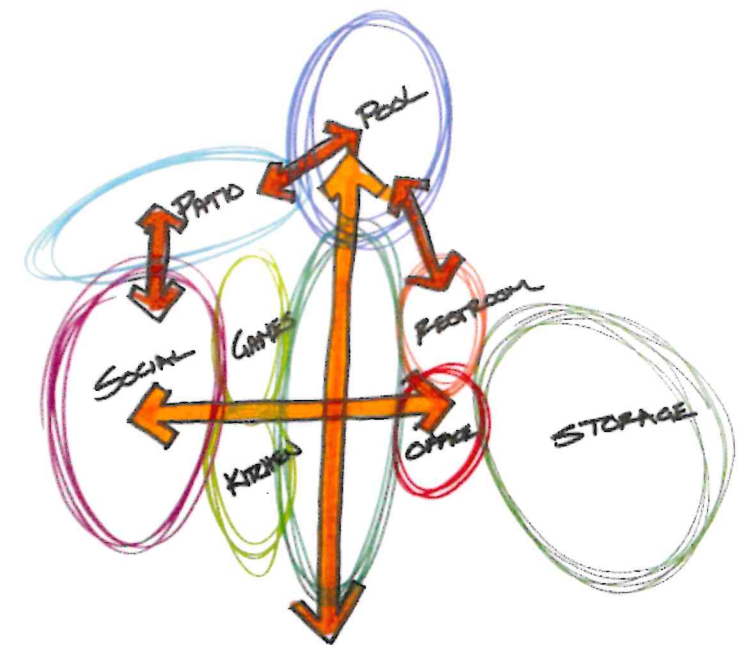
ACES

AFFORDABLY CREATIVE ENGINEERING SERVICES
elevate
DESIGN
STUDIOS

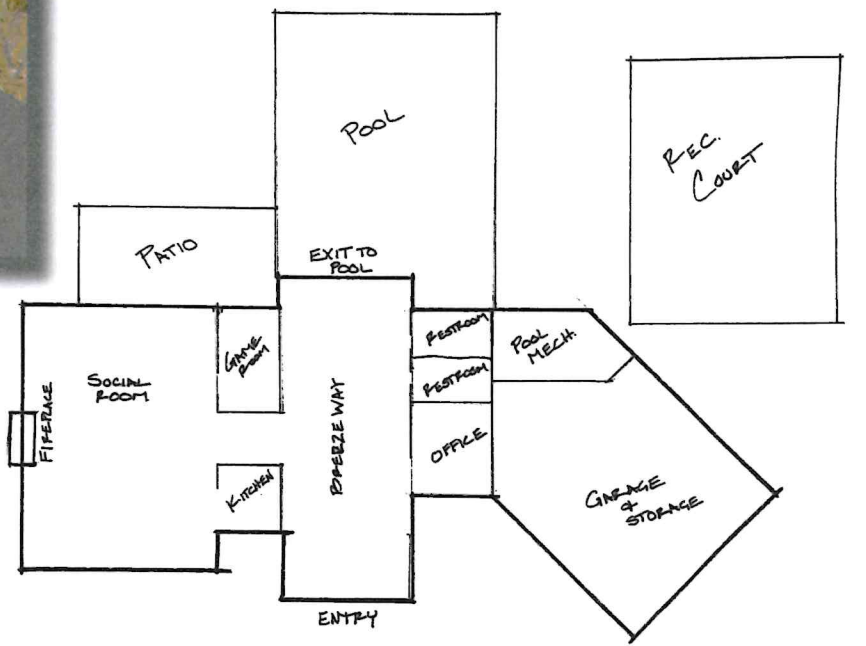
FEATURES

the
RIDGE

FEBRUARY 2021



LODGE HOUSE SCHEMATIC FLOW

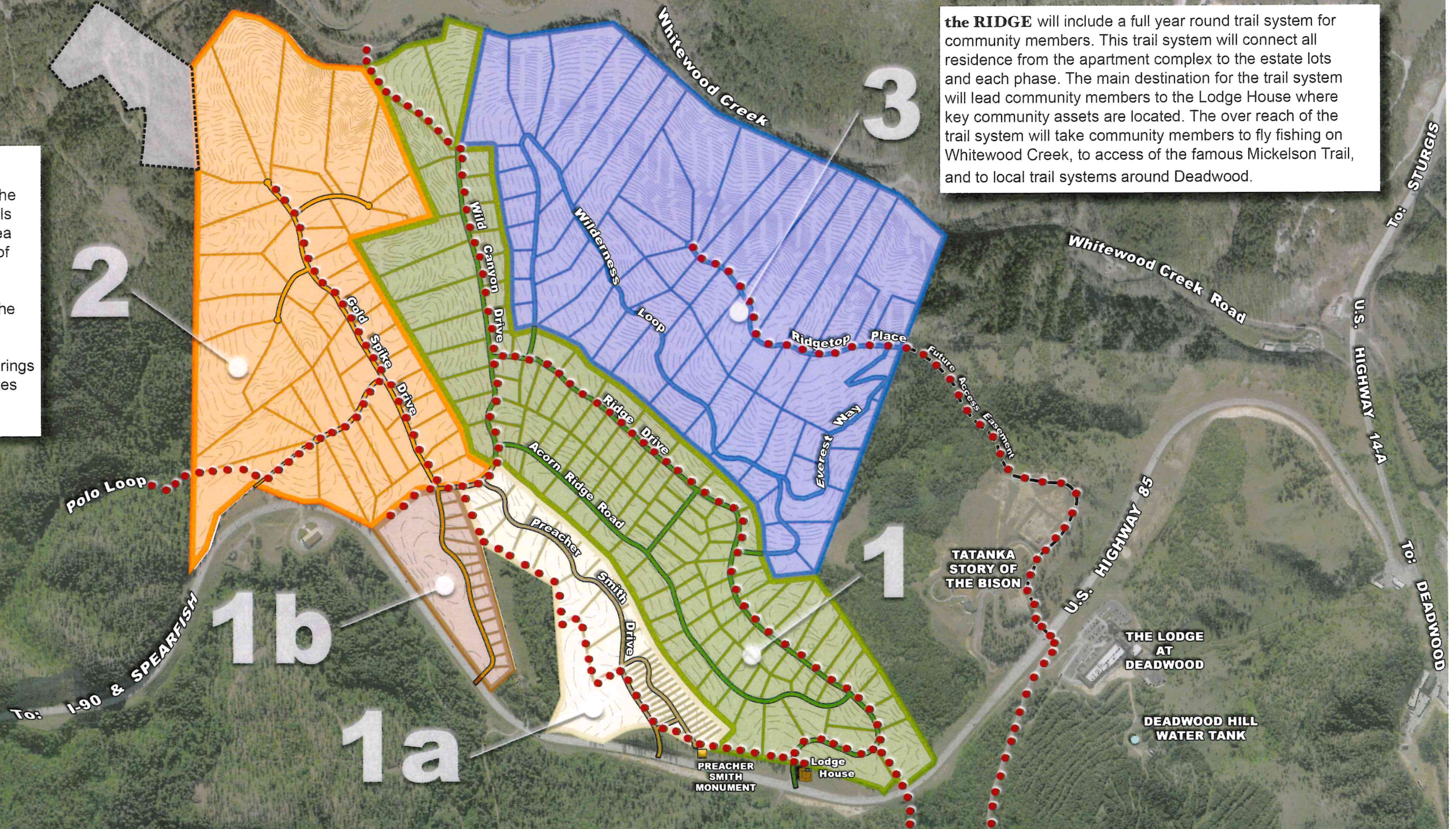


LODGE HOUSE SCHEMATIC FLOOR PLAN

The Community Lodge House will be a gathering place for the entire community of **the RIDGE**. The lodge will include an interior area of 4,000-4,500 square feet. Features provided will be a social room including a kitchen to host smaller gatherings, a game room, a marketing office space, restrooms, outdoor social patio, and a year-round outdoor heated pool and spa with associated patio. Garage type storage space shall be for the homeowners' association (HOA) and the development. The area around the lodge house may include recreation courts and a small natural playground feature. All of these elements and features are key assets for future community members.

Throughout **the RIDGE** Development the surrounding hills and natural area bring a sense of nature to the development. The extent of the topography throughout the development brings mountain estates feeling to the community.

the RIDGE will include a full year round trail system for community members. This trail system will connect all residence from the apartment complex to the estate lots and each phase. The main destination for the trail system will lead community members to the Lodge House where key community assets are located. The over reach of the trail system will take community members to fly fishing on Whitewood Creek, to access of the famous Mickelson Trail, and to local trail systems around Deadwood.



Notes:

1. **the RIDGE** sewer collection system will include gravity flow collection to the lift station. From the lift station flow will be pumped through the force main uphill to the end of the sanitary sewer system along Highway 85.
2. **the RIDGE** will have City of Deadwood water supply and mains throughout the development.
3. All lots will be served by public water supply and sewer collection.

UTILITY LEGEND

	SANITARY SEWER FORCE MAIN
	SANITARY SEWER MAIN
	WATER MAIN
	SANITARY SEWER LIFT STATION

STUB OUT WATER AND SEWER FOR FUTURE EXPANSION

TATANKA STORY OF THE BISON

THE LODGE AT DEADWOOD

DEADWOOD HILL WATER TANK

END OF EXISTING SEWER SYSTEM AT MANHOLE

STUB OUT END POINT OF EXISTING WATER SYSTEM

PREACHER SMITH MONUMENT

Lodge House

PUBLIC UTILITY LAYOUT

WATER & SANITARY SEWER



ACES

AFFORDABLY CREATIVE ENGINEERING SERVICES
elevate
DESIGN
STUDIOS

the
RIDGE
FEBRUARY 2021

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("**MOU**") is dated _____, 2021, and entered into by and between the CITY OF DEADWOOD, SOUTH DAKOTA (the "**City**"), and TRD, LLC, a South Dakota limited liability company ("**Developer**") (collectively, the "**Parties**").

RECITALS:

WHEREAS, Developer has acquired Phase 1, Phase 1a and Phase 1b of the Preacher Smith Tract, Lawrence County, South Dakota, as shown on **Exhibit A** attached hereto (the "**Property**"); and

WHEREAS, City and Developer are exploring the possible development of the Property into residential / multi-family and retail/commercial development; and

WHEREAS, certain project costs incurred in the development of the Property would constitute Tax Increment Financing ("**TIF**") project costs, eligible for reimbursement under SDCL Chapter 11-9; and

WHEREAS, the Parties desire to enter into this MOU to set forth certain understandings regarding the project and to confirm their intent to move forward with evaluating a proposed TIF to stimulate the development of the Property.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties recognize and agree as follows:

1. Property Attributes. The Property is inside City limits
2. TIF Eligibility. Economic development within a city is an authorized use of tax increment districts under SDCL Chapter 11-9. None of the Property is currently developed. Developing the Property into a mixed-use development with multi-family, residential, office and retail space, is expected to promote economic development within the City. It will also conform to the standards of the comprehensive plan of the City in order to provide for the orderly development of residential and commercial property for the City.

3. Project Costs and Reimbursable Project Costs. The Developer anticipates the project costs in acquiring, developing, financing and preparing the Property for sale or lease to third parties, will meet or exceed Thirteen Million Dollars (\$13, 900, 000.00). Certain of these costs, will meet or exceed Ten Million Five Hundred Thousand Dollars (\$10,500,000.00) and would be considered TIF-eligible costs within the meaning of SDCL § 11-9-14 and SDCL § 11-9-15. Developer anticipates requesting reimbursement of those eligible reimbursement costs that relate to site work, ingress/egress locations, roadway and utility build-out, rock removal, drainage features, utility relocation, fire fuels (dense timber or overgrowth) reduction tasks, engineering, and lift station with force main, together with financing costs.

The projected development costs are preliminary, but based on the good-faith estimate of the Developer following the due diligence completed by Developer prior to the date of this MOU. Prior to bringing the proposed TIF to the City Planning Commission, the Parties will further delineate the project costs, eligible project costs and requested reimbursable project costs for the development of the Property. – Attached is the opinion of probable cost as an exhibit B

The City will require an ongoing administration fee of 10% of the total increment received on a yearly basis. The total amount projected for the administration fee will not exceed \$1,050,000

4. Property and TIF Development Process. The Developer has submitted a concept plan that will be reviewed by the City Staff and Planning Commission. City and Developer will work jointly on the preparation of a TIF proposal for presentation to the City Planning Commission. During this period, Developer will also continue to work with the City Planning Director, and Public Works Director concerning the project and site plans. The City and Developer will work jointly on the drafting of the TIF project plan and an associated development agreement outlining the duties, rights and responsibilities of Developer in connection with the development of the Property. The City will also cooperate with Developer in securing necessary permits.

5. Miscellaneous.

- a. This MOU may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.
- b. The Developer Agreement, when presented, shall be governed and construed in accordance with the laws of the State of South Dakota.
- c. All parties agree to negotiate in good faith using commercially reasonable efforts to achieve the outcomes set forth in this MOU.
- d. Developer acknowledges that the Tax Increment District will be set up on an Annual Appropriation basis to ensure that this does not constitute Constitutional Debt against the City's debt capacity
- e. Developer acknowledges the risks associated with the Annual Appropriation clause that will be implemented in the proposed Tax Increment District

REMAINDER OF PAGE LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date set forth above.

CITY:
CITY OF DEADWOOD

DEVELOPER: TRD, LLC

By:

By

Its:

Its: Member

EXHIBIT A
PROPERTY LOCATED IN TIF BOUNDARY
MASTER PLAN OVERVIEW
PLAT

EXHIBIT B
OPINION OF PROBABLE COST

EXHIBIT A

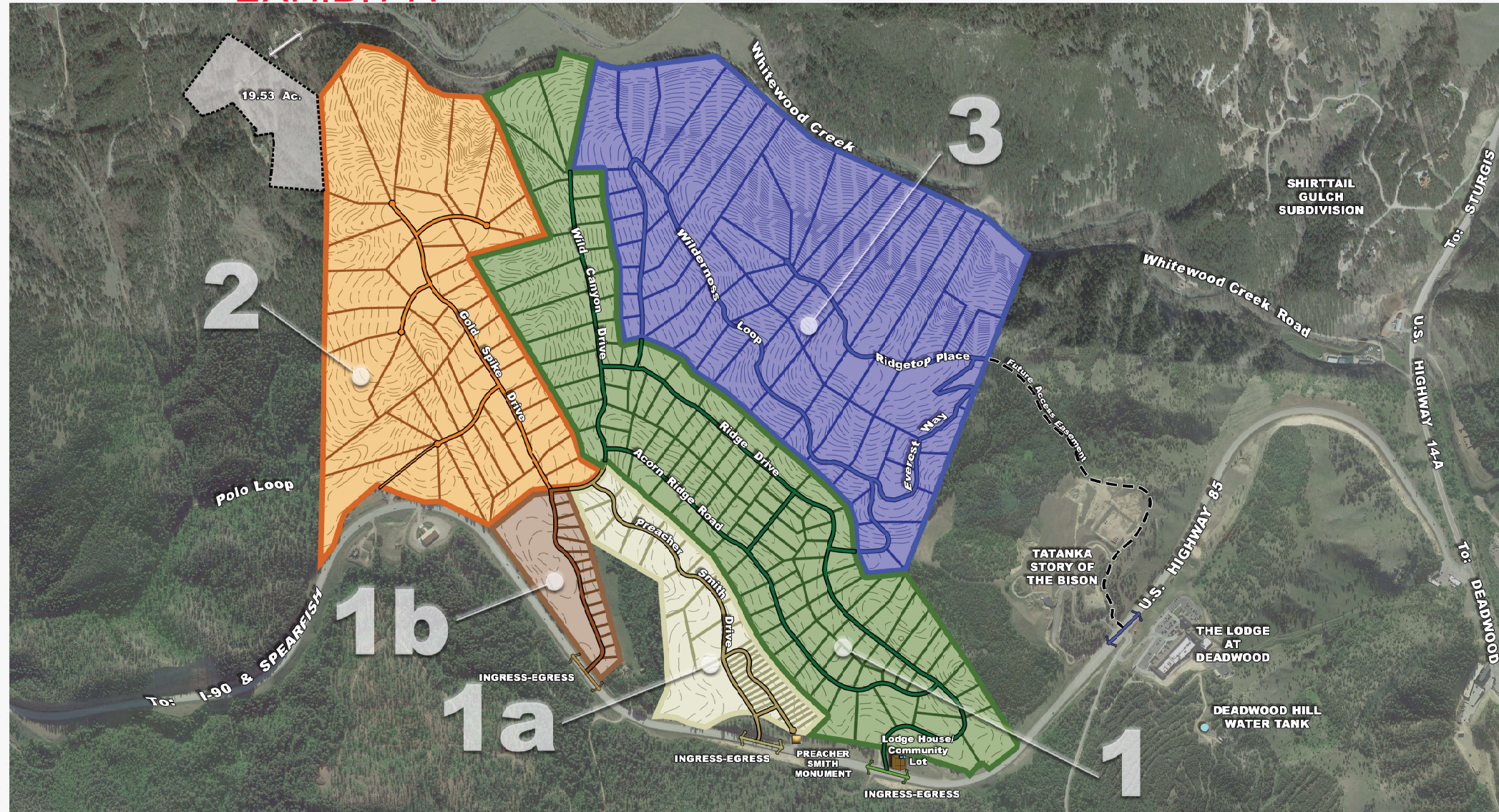
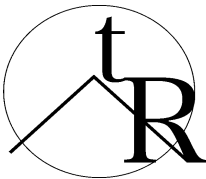


EXHIBIT B

5/16/2021



OPINION OF PROBABLE COSTS - BUDGET FOR TIF JUSTIFICATION



	Road Length	Clearing / Grubbing / Mass Grading		Roadway Const.		Culvert / Drainage Feature	Gravel Base 8" thickness		Asphalt 6" thickness		Water Main 8"-10"	Fire Hydrant	Sewer Main 8" (Gravity)	Sewer MH	Rock Excavation	Sewer Force Main	Sewer Lift Station System	Utilities - Power, gas, communications	Utilities - Relocate overhead hazard line	Street Lighting Timber with solar fixture	DOT Hwy Approach and Rock Mass Removal
	LF	CY	\$	CY	\$	EA	Ton	\$	Ton	\$	for pipe LF	for all hyd.	for pipe LF	for all MH's	CY	pipe LF	EA	Per Phase	Per Phase	Per road length	EA
Phase 1																					
Ridge Drive	5900	21923	\$328,845	10926	\$ 327,778	\$ 85,000	7080	\$ 162,840	5310	\$ 584,100	\$ 442,500	\$ 65,556	\$ 265,500	\$ 81,125	\$ 885,000	\$ 480,900	\$ 15,000	\$ 460,000		\$ 48,000	
Wild Canyon Drive (Connects each Phase together)	3050	28358	\$425,370	7343	\$ 220,278	\$ 100,000	3660	\$ 84,180	2745	\$ 301,950	\$ 228,750	\$ 33,889	\$ 137,250	\$ 41,938	\$ 457,500			\$ 140,000		\$ 26,000	Phase 1 Sub-Total
	8950		\$754,215		\$ 548,056	\$ 185,000		\$ 247,020		\$ 886,050	\$ 671,250	\$ 99,444	\$ 402,750	\$ 123,063	\$ 1,342,500	\$ 480,900	\$ 15,000	\$ 600,000		\$ 74,000	\$ 6,430,000
Phase 1a																					Phase 1a Sub-Total
Preacher Smith Drive	2964	106096	\$1,591,440	5489	\$ 274,444	\$ 120,000	3557	\$ 81,806	2668	\$ 293,436	\$ 222,300	\$ 32,933	\$ 133,380	\$ 40,755	\$ 444,600			\$ 85,000		\$ 6,000	\$ 600,000
Phase 1b																					
Gold Spike Drive Part 1	2276	73256	\$1,098,840	5479	\$ 273,963	\$ 60,000	2731	\$ 62,818	2048	\$ 225,324	\$ 170,700	\$ 25,289	\$ 102,420	\$ 31,295	\$ 341,400			\$ 75,000	\$ 120,000	\$ 4,000	Phase 1b Sub-Total
																				\$ 2,592,000	
Critical Infrastructure Construction Total for Phase 1, 1a & 1b:																					\$ 12,949,000
Initial Overall Boundary Platting, Master Planning, TIF application, Phase 1, 1a & 1b Engineering Design, Geotech, survey, platting, Const Docs & Const Admin																					\$ 950,000

REQUESTED TIF AMOUNT FOR THE RIDGE PROJECT: \$ 10,500,000

DRAWING NUMBER

2020-7205

SAFCO PRODUCTS • NEW HOPE, MINNESOTA
RECORDER BY PART NUMBER 6552
POSITION EDGE OF PRINT ON THIS LINE

DRAWING NUMBER

2020-7205

SAFCO PRODUCTS • NEW HOPE, MINNESOTA
RECORDER BY PART NUMBER 6552
POSITION EDGE OF PRINT ON THIS LINE

1 of 3

Plat of the Preacher Smith Tract previously described as;

All that portion of Mineral Lot No. 921, known as the Red Placer, which is embraced within the original boundaries of the Wade Porter Placer Claim; All of Cattaraugus Placer Mineral Lot No. 952;

Tract 1 and Tract 2, a subdivision of H.E.S. 37, located in the SE $\frac{1}{4}$ of Section 11, the SW $\frac{1}{4}$ of Section 12 and the NE $\frac{1}{4}$ of Section 14, Township 5 North, Range 3 East BHM; Government Lots 1, 5, 10, 12, 13, 19 and 20 in Section 11, Township 5 North, Range 3 East, BHM; Government Lots 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, and 18 in Section 12, Township 5 North, Range 3 East, BHM; Government Lots 3 and 4 in Section 13, Township 5 North, Range 3 East, BHM; Government Lots 10, and 11 in Section 14, Township 5 North, Range 3 East, BHM, All located in the City of Deadwood Lawrence County, South Dakota

LEGEND:

- SET REBAR AND CAP STAMPED "LS11918"
- FOUND MONUMENT AS NOTED
- FOUND BEARING TREE
- FOUND STONE IF NOT NOTED

NOTES:

1. PROPOSED LOT AREA = 679.49 ACRES±;
PROPOSED R-O-W AREA = 0.00 ACRES±;
TOTAL PROPOSED PLATTED AREA: 679.49 ACRES±
EASEMENTS INCLUDED IN ALL AREAS.
2. 8' UTILITY EASEMENT ON INTERIOR OF ALL LOT LINES.
EASEMENTS INCLUDED IN LOT AREAS.
3. ZONING IS PF PER CITY OF DEADWOOD ZONING MAP.
4. WE HEREBY GRANT EASEMENTS TO RUN WITH THE LAND FOR WATER, DRAINAGE, SEWER, GAS, ELECTRIC, TELEPHONE, OR OTHER PUBLIC UTILITY LINES OR SERVICES UNDER, ON OR OVER THOSE PORTIONS OF LAND DESIGNATED HEREON AS EASEMENTS.
5. ALL EASEMENTS THAT ARE KNOWN TO BE RECORDED AT THE TIME OF THIS SURVEY TO THE BEST OF OUR KNOWLEDGE ARE SHOWN ON THE PLAT AS RECORDED BY THE SPECIFIC RECORDED DOCUMENT. THEY SHOULD BE FIELD VERIFIED TO FIND THE TRUE AND ACCURATE LOCATION ON THE GROUND. SOME EASEMENT ON THE LAND WHERE NOT LOCATABLE OR TRACEABLE BY USE OF THE RECORD DOCUMENT. THIS WOULD MEAN THAT ALL OF THE EASEMENTS ARE NOT SHOWN ON THIS PLAT. FIELD VERIFIED FOR THE EXACT LOCATION WILL NEED TO BE CONDUCTED PRIOR TO ANY SIGNIFICANT DEVELOPMENT. SOME DISCREPANCIES HAVE BEEN IDENTIFIED THROUGH THIS PROCESS BETWEEN RECORD DOCUMENTS FOR THE SAME EASEMENT AND THERE LOCATION, INDICATING A NEED TO FURTHER IDENTIFY THE TRUE FIELD LOCATION. THIS SURVEY WAS CONDUCTED, REVIEWED AND COMPLETED AFTER EXHAUSTIVE LEGAL RESEARCH AND FIELD INVESTIGATION. IT IS A TRUE AND ACCURATE REPRESENTATION OF THE SAID PROPERTY TO THE BEST OF MY KNOWLEDGE WITH THE INFORMATION AVAILABLE AT THE TIME OF THE SURVEY.

OWNER/DEVELOPERS:
RANDY HORNER
3215 VALLEY DRIVE
BISMARCK, ND 58503LARRY COTTIER
18 PECK STREET
DEADWOOD, SD 57732

CERTIFICATE OF SURVEYOR

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE
I, BRADLEY LIMBO, REGISTERED LAND SURVEYOR NO. 11918 IN

THE STATE OF SOUTH DAKOTA, DO HEREBY CERTIFY THAT AT THE REQUEST OF THE OWNER(S) LISTED HEREON I HAVE SURVEYED THAT TRACT OF LAND SHOWN, AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE WITHIN PLAT IS A REPRESENTATION OF SAID SURVEY. EASEMENTS OR RESTRICTIONS OF MISCELLANEOUS RECORD OR PRIVATE AGREEMENTS THAT ARE NOT KNOWN TO ME ARE NOT SHOWN HEREON. IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL.



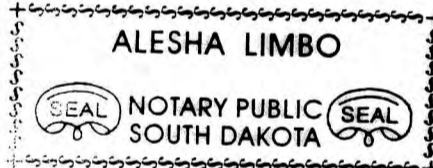
DATE: 11-02-2020

BRADLEY LIMBO,
REGISTERED LAND SURVEYOR

OWNER'S CERTIFICATE

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, RANDY HORNER, DO HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON, THAT I DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF THIS PROPERTY SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING, SUBDIVISION, EROSION AND SEDIMENT CONTROL REGULATIONS.

OWNER: Randy Horner
3215 VALLEY DRIVE
BISMARCK, ND 58503

ACKNOWLEDGMENT OF OWNER

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

ON THIS 26 DAY OF October, 2020, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED

Randy Horner, KNOWN TO ME TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING CERTIFICATE.

MY COMMISSION EXPIRES: June 10, 2022

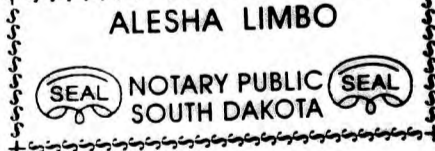
NOTARY PUBLIC: Alesha Limbo



OWNER'S CERTIFICATE

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, LARRY COTTIER, DO HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON, THAT I DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF THIS PROPERTY SHALL CONFORM TO ALL EXISTING APPLICABLE ZONING, SUBDIVISION, EROSION AND SEDIMENT CONTROL REGULATIONS.

OWNER: Larry Cottier
18 PECK STREET
DEADWOOD, SD 57732

ACKNOWLEDGMENT OF OWNER

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

ON THIS 26 DAY OF October, 2020, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED

Larry Cottier, KNOWN TO ME TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING CERTIFICATE.

MY COMMISSION EXPIRES: June 10, 2022

NOTARY PUBLIC: Alesha Limbo

CERTIFICATE OF COUNTY TREASURER

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

I, Debora Tridle, LAWRENCE COUNTY TREASURER, DO HEREBY CERTIFY THAT 2019 TAXES WHICH ARE LIENS UPON THE HEREIN PLATTED PROPERTY HAVE BEEN PAID, DATED THIS 4 DAY OF November, 2020.

LAWRENCE COUNTY TREASURER: Jamie Marshall Deputy

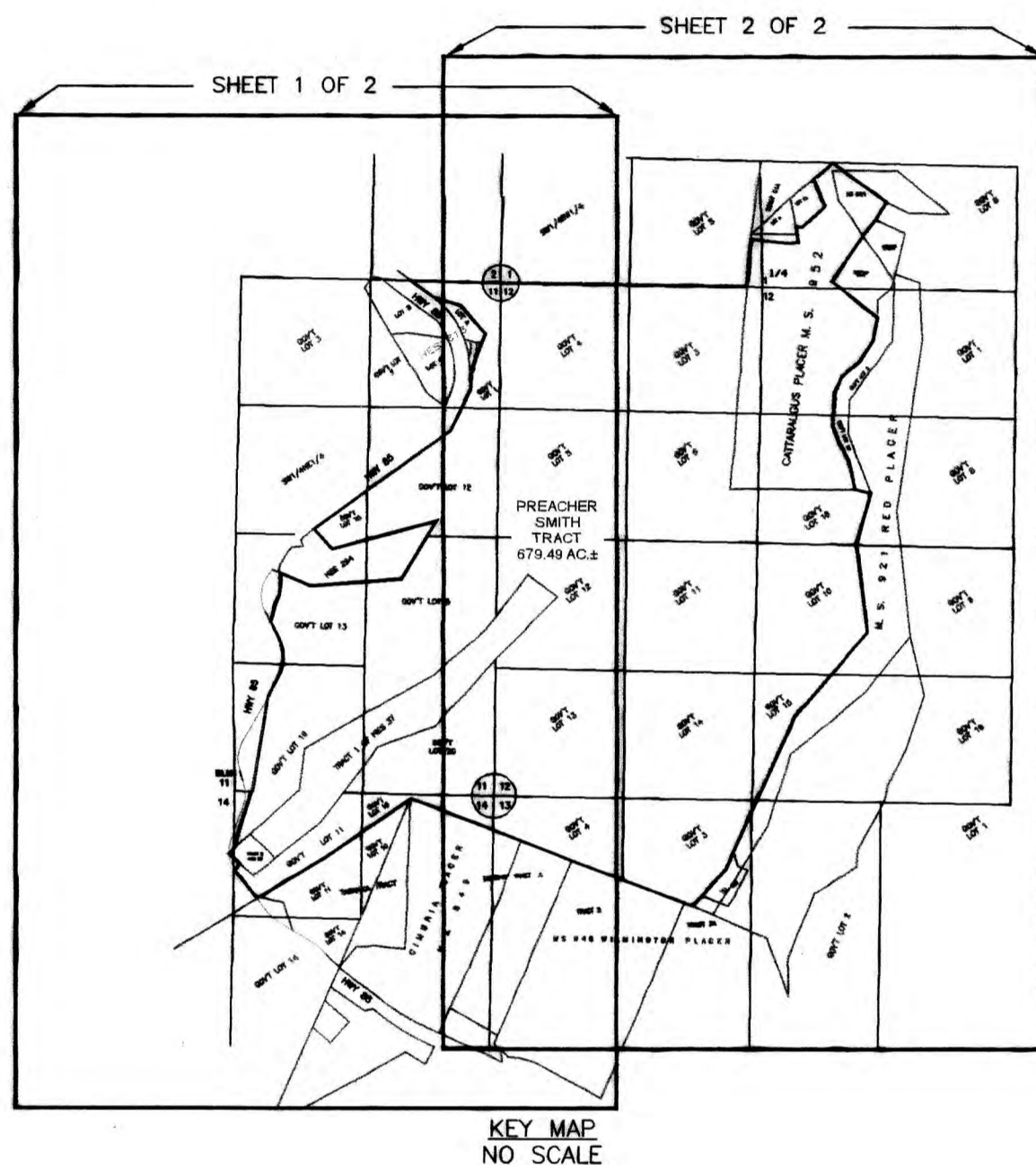


APPROVAL OF HIGHWAY AUTHORITY

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THE LOCATION OF THE PROPOSED ACCESS ROADS ABUTTING THE COUNTY OR STATE HIGHWAY AS SHOWN HEREON, IS HEREBY APPROVED. ANY CHANGE IN THE PROPOSED ACCESS SHALL REQUIRE ADDITIONAL APPROVAL.

HIGHWAY AUTHORITY: Robert G. Galt



APPROVAL OF THE CITY OF DEADWOOD PLANNING COMMISSION

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE

THIS PLAT APPROVED BY THE CITY OF DEADWOOD PLANNING COMMISSION THIS 4 DAY OF November, 2020.

Jenny Runde
CITY PLANNERBrett Rung
CHAIRMAN

APPROVAL OF THE CITY OF DEADWOOD BOARD OF COMMISSIONERS

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE
BE IT RESOLVED THAT THE CITY OF DEADWOOD BOARD OF COMMISSIONERS HAVING VIEWED THE WITHIN PLAT, DO HEREBY APPROVE THE SAME FOR RECORDING IN THE OFFICE OF THE REGISTER OF DEEDS, LAWRENCE COUNTY, S.D. DATED THIS 4th DAY OF November, 2020.

ATTEST: Ronda Morrison
FINANCE OFFICER

MAYOR

OFFICE OF THE COUNTY DIRECTOR OF EQUALIZATION

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE
I, LAWRENCE COUNTY DIRECTOR OF EQUALIZATION, DO HEREBY CERTIFY THAT I HAVE RECEIVED A COPY OF THIS PLAT, DATED THIS 5 DAY OF November, 2020.

LAWRENCE COUNTY DIRECTOR OF EQUALIZATION



OFFICE OF THE REGISTER OF DEEDS

STATE OF SOUTH DAKOTA COUNTY OF LAWRENCE
FILED FOR RECORD THIS 5th DAY OF November, 2020 AT 2:22 O'CLOCK, P.M., AND RECORDED IN DOC. #2020-7205

LAWRENCE COUNTY REGISTER OF DEEDS

FEE: \$ 60.00



SHEET 1 OF 3

PREPARED BY:		ALL ASPECTS INC. LAND SURVEYING
Project: AN-20-054		
Date: OCTOBER 14, 2020	Rev:	
Surveyed by: BJL	Prepared by: FB	

All Aspects Inc.
444 Saint Joe St.
Spearfish SD 57783
605-490-2944
limboPLSAN@GMAIL.COM

Doc. # 2020-7205

page 1 of 3

DRAWING NUMBER

2020-7205

SAFCO PRODUCTS • NEW HOPE, MINNESOTA
REORDER BY PART NUMBER 6552
POSITION EDGE OF PRINT ON THIS LINE

DRAWING NUMBER

2020-7205

SAFCO PRODUCTS • NEW HOPE, MINNESOTA
REORDER BY PART NUMBER 6552
POSITION EDGE OF PRINT ON THIS LINE

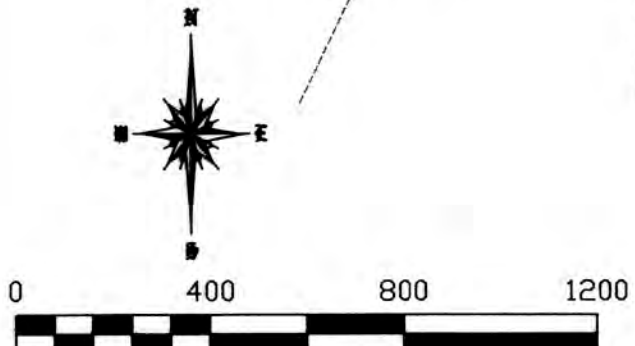
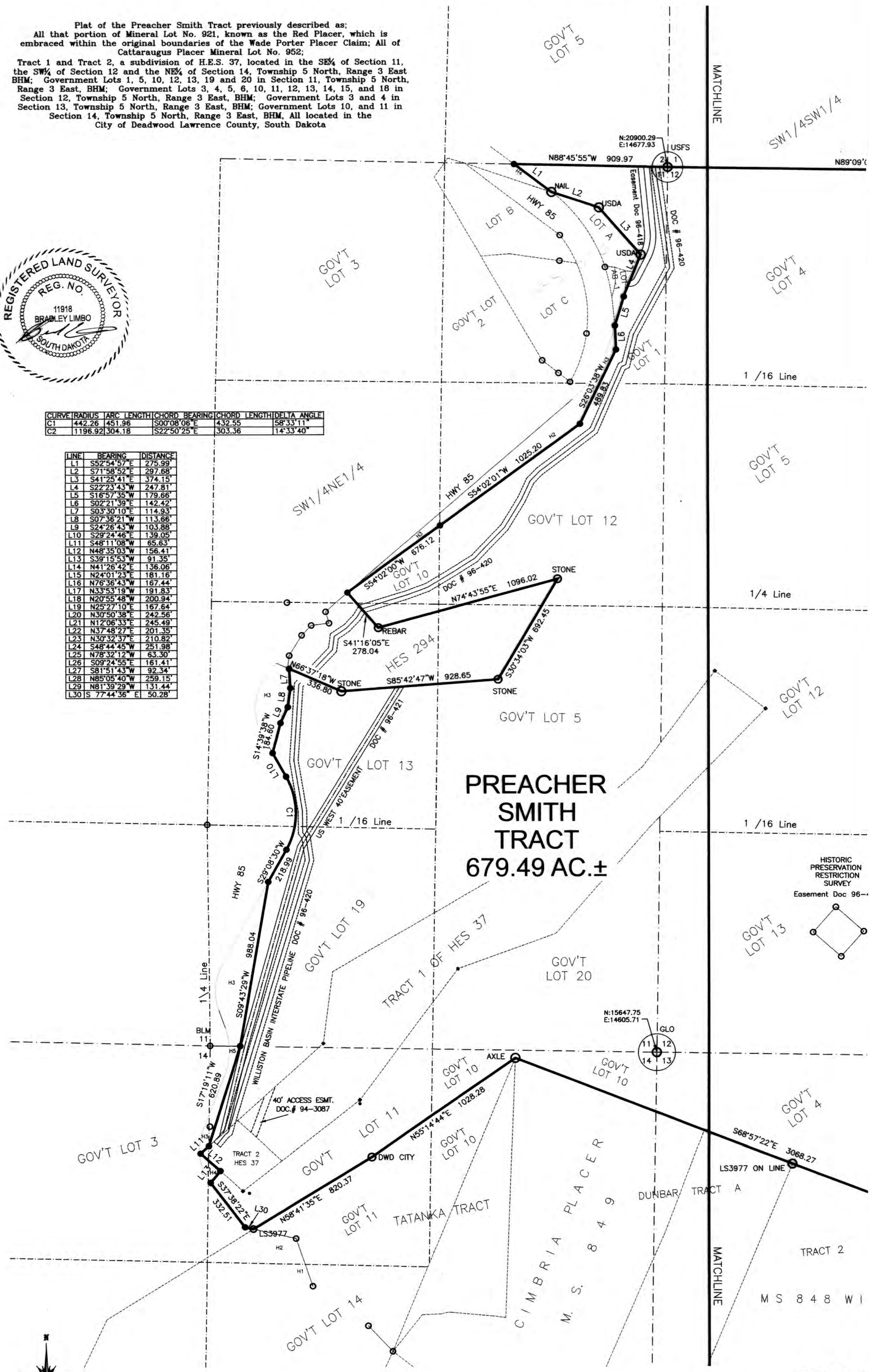
PLAT OF THE PREACHER SMITH TRACT

Plat of the Preacher Smith Tract previously described as;
All that portion of Mineral Lot No. 921, known as the Red Placer, which is embraced within the original boundaries of the Wade Porter Placer Claim; All of Cattaraugus Placer Mineral Lot No. 952;
Tract 1 and Tract 2, a subdivision of H.E.S. 37, located in the SE¼ of Section 11, the SW¼ of Section 12 and the NE¼ of Section 14, Township 5 North, Range 3 East BHM; Government Lots 1, 5, 10, 12, 13, 19 and 20 in Section 11, Township 5 North, Range 3 East, BHM; Government Lots 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, and 18 in Section 12, Township 5 North, Range 3 East, BHM; Government Lots 3 and 4 in Section 13, Township 5 North, Range 3 East, BHM; Government Lots 10, and 11 in Section 14, Township 5 North, Range 3 East, BHM, All located in the City of Deadwood Lawrence County, South Dakota



CURVE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH	DELTA ANGLE
C1	442.26	451.96	S00°08'06"E	432.55	58°33'11"
C2	1196.92	304.18	S22°50'25"E	303.36	14°33'40"

LINE	BEARING	DISTANCE
L1	S52°54'57"E	275.99
L2	S71°58'52"E	297.68
L3	S41°25'41"E	374.15
L4	S22°23'43"W	247.81
L5	S16°57'35"W	179.66
L6	S02°21'39"E	142.42
L7	S03°30'10"E	114.93
L8	S07°36'21"W	113.66
L9	S24°26'43"W	103.88
L10	S29°24'46"E	139.05
L11	S48°11'08"W	65.63
L12	N48°35'03"W	156.41
L13	S39°15'53"W	91.35
L14	N41°26'42"E	136.06
L15	N24°01'23"E	181.16
L16	N76°36'43"W	167.44
L17	N33°53'19"W	191.83
L18	N20°55'48"W	200.94
L19	N25°27'10"E	167.64
L20	N30°50'38"E	242.56
L21	N12°06'33"E	245.49
L22	N37°48'27"E	201.35
L23	N30°32'57"E	210.82
L24	S48°44'45"W	251.98
L25	N78°32'12"W	63.30
L26	S09°24'55"E	161.41
L27	S81°51'43"W	92.34
L28	N85°05'40"W	259.15
L29	N81°39'29"W	131.44
L30	S77°44'36"E	50.28



NOTE:
COORDINATES SHOWN HEREON ARE ON THE DEADWOOD COORDINATE SYSTEM.

SHEET 2 OF 3

PREPARED BY:
 ALL ASPECTS INC.
LAND SURVEYING

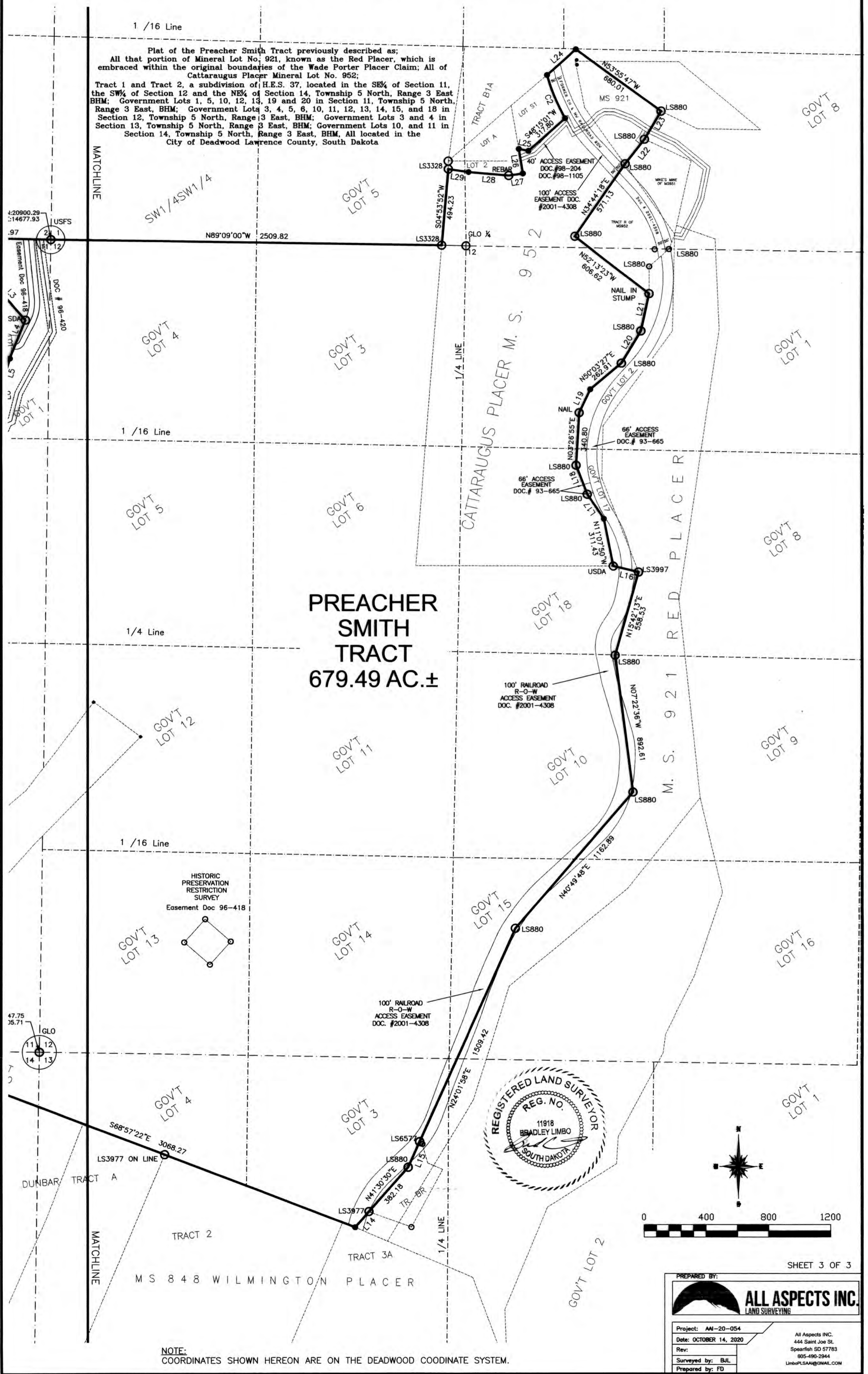
Project: AN-20-054
Date: OCTOBER 14, 2020
Rev:
Surveyed by: B.L.L.
Prepared by: F.D.

All Aspects INC.
444 Saint Joe St.
Spearfish SD 57783
605-490-2944
limbo@allaspectsinc.com

Doc # 2020-7205 page 2 of 3

DRAWING NUMBER
2020-7205
SAFCO PRODUCTS • NEW HOPE, MINNESOTA
REORDER BY PART NUMBER 6552
POSITION EDGE OF PRINT ON THIS LINE

Plat of the Preacher Smith Tract previously described as;
All that portion of Mineral Lot No. 921, known as the Red Placer, which is
embraced within the original boundaries of the Wade Porter Placer Claim; All of
Cattaraugus Placer Mineral Lot No. 952;
Tract 1 and Tract 2, a subdivision of H.E.S. 37, located in the SE¼ of Section 11,
the SW¼ of Section 12 and the NE¼ of Section 14, Township 5 North, Range 3 East
BHM; Government Lots 1, 5, 10, 12, 13, 19 and 20 in Section 11, Township 5 North,
Range 3 East, BHM; Government Lots 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, and 18 in
Section 12, Township 5 North, Range 3 East, BHM; Government Lots 3 and 4 in
Section 13, Township 5 North, Range 3 East, BHM; Government Lots 10, and 11 in
Section 14, Township 5 North, Range 3 East, BHM. All located in the
City of Deadwood Lawrence County, South Dakota



Doc # 2020-7205

page 3 of 3



BUILDING PERMIT APPLICATION

CITY OF DEADWOOD

108 Sherman St., Deadwood, SD 57732

(605) 578-3082 Fax (605) 578-2084

permitsandlicensing@cityofdeadwood.com

Permit #

210153

Permit Fee \$

100.00

Property Owner: <u>Randy Horner & Larry Cottier</u> Mailing Address: <u>16 Peck Street</u> City/State/Zip: <u>Deadwood, SD 57732</u> Owner Phone: <u>Leah Berg/ACES 605-545-1120</u> E-mail: <u>LBerg@proacesinc.com</u> Job Address: <u>Hwy 85. between Tatanka and the Rock Shop/Wolves Den</u>	Please check: <input type="checkbox"/> Residential <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Public <input type="checkbox"/> New Construction <input type="checkbox"/> Accessory Structure <input checked="" type="checkbox"/> Grading <input type="checkbox"/> Remodel Existing Structure <input type="checkbox"/> Excavation <input type="checkbox"/> Repair Existing Structure <input type="checkbox"/> Demolition <input type="checkbox"/> Sewer Tap <input type="checkbox"/> Addition to Existing Structure <input type="checkbox"/> Water Tap <input type="checkbox"/> Sidewalk Repair/Replacement <input type="checkbox"/> Change of Occupancy
Do you intend on hiring a contractor or performing the work yourself? <input checked="" type="checkbox"/> Contractor <input type="checkbox"/> Self <i>If you checked Contractor, please complete the following:</i> Contractor Name: <u>RCI - Rogers Construction, Inc.</u> Mailing Address: <u>1871 Lazelle Street</u> City/State/Zip: <u>Sturgis, SD 57785</u> Contact Name: <u>James Rogers</u> Contact Phone: <u>605-580-2425</u> E-mail: <u>Rogersconstruction2@rushmore.com</u> Is City License current: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	What type of work will be done? (check all that apply) <input type="checkbox"/> Building/Construction/Repair <input type="checkbox"/> Plumbing/Gas <input type="checkbox"/> Electrical <input type="checkbox"/> Concrete/Foundation <input type="checkbox"/> Mechanical/HVAC <input checked="" type="checkbox"/> Other (describe below) Description of work: <u>Rough mass grading work for future new roads and limited development area(s).</u> Quantity of material for grading work: <u>73,000 cuyd</u> <u>No material is being hauled off site and no material is being brought onsite.</u>
Project Cost: <u>\$600,000</u> (materials and labor)	
Subcontractor Name(s): <u>N/A</u>	
NOTICE THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZATION IS NOT COMMENCED WITHIN 180 DAYS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 180 DAYS AT ANY TIME AFTER WORK IS COMMENCED. THIS PERMIT DOES NOT COVER ELECTRICAL OR PLUMBING PERMITTING; PLEASE CONTACT THE APPLICABLE STATE AGENCY FOR THOSE PERMITS. I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS APPLICATION AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. THE GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISIONS OF ANY OTHER STATE OR LOCAL LAW OR ORDINANCE REGULATION CONSTRUCTION OR THE PERFORMANCE OR CONSTRUCTION.	
X <u></u> <u>08/17/2021</u> Signature of Contractor/Authorized Agent Date	X _____ _____ Signature of Contractor/Authorized Agent Date
<u>Leah M. Berg W/ ACES - Authorized Agent</u> PRINTED NAME of Applicant, Contractor, Owner or Authorized Agent	X <u></u> <u>08/17/2021</u> Signature of Owner or Agent Date
FOR OFFICE USE ONLY BELOW THIS LINE	
Building Official Approval _____ Date _____	Historic Preservation Official _____ Date _____
Planning and Zoning Official _____ Date _____	<input type="checkbox"/> Contributing Case # _____ <input type="checkbox"/> Project Approval <input type="checkbox"/> Certificate of Appropriateness <input type="checkbox"/> SFHA <input type="checkbox"/> Site Plan <input type="checkbox"/> Acc Type _____ Are plans required? <input type="checkbox"/> Yes <input type="checkbox"/> No Parcel No. _____



TAX INCREMENT FINANCE DISTRICT #14

**Submitted by:
TRD, LLC**

November 2021

**Prepared by Tobin Morris
Colliers Securities LLC
124 W. Dakota Avenue | Pierre, SD 57501
tobin.morris@colliers.com**

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INTRODUCTION – THE PROJECT

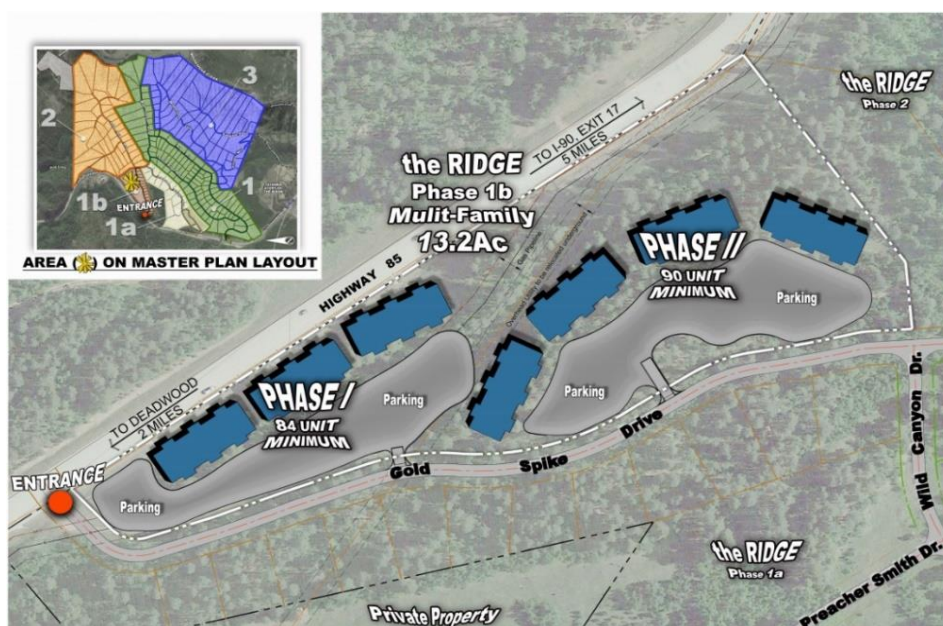
Tax Increment Financing (TIF) is an incentive utilized by local governments to attract private development and investment. New investment equals new jobs, more customers, and in turn, more investment opportunity. The incentive can also help attract and retain existing businesses and workers that might otherwise find more attractive options elsewhere. The jobs and additional investment, both private and public, mean more money for the community. Tax Increment Financing helps to overcome costs that often prevent redevelopment and private investment from occurring in the community. As a result, the TIF area itself improves and property values increase.

Specifically, money for improvements and other incentives comes from the growth in property valuations and the corresponding property tax revenues — the tax increment. A tax increment is the difference between the amount of property valuation present within the TIF district before TIF district designation and the amount of property valuation increase due to the creation of a TIF district. Property taxes collected on the original valuation existing in the TIF at the time of its designation continue to be distributed to the city, school district, county and all other taxing districts in the same manner as if the TIF district did not exist. Only property taxes collected as a result of the incremental increase in the value of these properties after formation of the TIF district are available for use by the counties or cities to fund project costs in the TIF district.

In addition to increasing property valuation, creating a Tax Increment District for the benefit of economic development can mean retaining and creating more jobs. Today's business climate allows corporations the flexibility to call any state in the union their home. It is up to local communities to attract and retain companies to their communities. Using Tax Increment Financing is one of the most powerful economic development tools to help communities achieve their goals.

A local government, per South Dakota Codified Law, Chapter 11-9, can designate a specific area within its boundaries as a redevelopment area appropriate for a TIF district and prepare a plan for development. TIF projects must be recommended for approval by the County or City Planning Commission and the County or City Commission.

The primary objective of TIF #14 is to create a housing development that will boast a commercial component along Highway 85 to augment the growing interest around the Black Hills and especially the City of Deadwood. The development will include a mix of both residential homes, multi-family and workforce housing, and a retail/commercial element.



Affordable housing is important to the economic vitality of communities. It can attract and retain employees to a community, a selling point for area employers. Affordable homes also support the local workforce so they can live close to their jobs. Based upon the Deadwood-Lead Housing Study, most Deadwood residents were working close to their home, with nearly 54% having a travel time that was less than 10 minutes. Fewer than 20% of Deadwood's residents were traveling 20 minutes or more for employment. Shorter commutes allow workers to spend more time with their families while the community benefits from reduction in traffic congestion, air pollution, and expenditures on roads.

Although Deadwood has seen a slow decrease in population over the last few decades, the housing study estimates that the trend will start to reverse over the next several years. The Deadwood area has many assets including a K-12 school, several large employers, a Downtown Commercial District, health facilities, recreational and tourism opportunities, historic buildings, natural amenities, etc. These are strong assets that make Deadwood desirable to live in and are key components to the city's long-term success and viability.

With an increase in families moving to Deadwood there will be a demand for housing. While the existing housing stock is affordable, much is in need of improvements to meet expectations of potential buyers. This is why, in a revitalizing community such as Deadwood, the construction of dependable, affordable homes is so critical. Not only will it meet the demand needed for more households, it can also help to stimulate economic growth. A healthy mix of housing options ensures opportunities for all individuals to improve their economic situation and contribute to their communities.

Deadwood's central location in the Black Hills makes it a prime location for visitors. The City offers a rich history offering a multitude of personal and guided tours, an exciting nightlife, the primary gaming center of the state, and various recreational activities, including campgrounds, hiking, and biking. Visitors to a city create a direct economic value within multiple sectors of the economy by staying at hotels, eating at restaurants, and shopping. This in turn supports jobs, wages, and taxes within the area. The induced effect is that the employees whose wages are generated directly or indirectly by visitors will spend their wages in the community, thus further boosting local economic vitality.

Investing in the community and its infrastructure will make the City desirable to live in which is a key component to the city's long-term success and viability.

It must be noted that the TIF WILL NOT directly benefit the homes or businesses that will be established in the Project area. Rather, it will be the increment from these properties that will be used to make the needed infrastructure improvements to develop the area.

PURPOSE & GENERAL DEFINITIONS

The property upon which this Tax Incremental District (TID) is proposed to be implemented is located within City of Deadwood, South Dakota.

As such, the creation of City of Deadwood TIF #14 shall be conditioned upon the creation of the District by resolution, and the establishment of the TID boundaries and recommended approval of the TID Project plan by the City of Deadwood.

The purpose of this Plan, to be implemented by the City of Deadwood, South Dakota is to satisfy the requirements for a Tax Increment District Number 14 as specified in SDCL Chapter 11-9. The principal purpose of the Plan is to define eligible property and to define a Tax Increment Plan for funding eligible activities in an eligible area of the City. The Plan will describe the boundary, estimated costs, feasibility and fiscal impact of the District.

This Plan was prepared for adoption by the City Commissioners in recognition that the area requires a coordinated, cooperative strategy, with financing possibilities, to promote economic development and accomplish the City's development objectives for improving the continued viability by promoting economic development within the county and region.

The driving interest in the establishment of this Plan is to offer tax increment financing as a tool to stimulate and leverage private sector development and redevelopment, and to promote economic development throughout the District.

The intention of this TIF Project is to provide the necessary infrastructure related to the construction of a residential development and a commercial retail area.

General Definitions

The following terms found in this Plan are defined as the following:

"Base" or "Tax Incremental Base" means the aggregate assessed value of all taxable property located within a Tax Incremental District on the date the district is created, as determined by SDCL § 11-9-20.

"Blighted or Economic Development" SDCL § 11-9-8.

(1) Not less than twenty-five percent, by area, of the real property within the district is a blighted area or not less than fifty percent, by area, of the real property within the district will stimulate and develop the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, manufacturing, agricultural, or natural resources; and

(2) The improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the district

"City Commission" means the City Commission of Deadwood, South Dakota

"Calendar Year" means the starting date of January 1 to an ending date of December 31st.

"Department of Revenue" means the South Dakota Department of Revenue.

"Developer" means TRD, LLC

"Developer's Agreement" means the agreement between Developer and City of Deadwood concerning this Tax Incremental District.

"District" means the Tax Incremental District.

"Economic Development" means all powers expressly granted and reasonably inferred pursuant to SDCL § 9-54.

"Fiscal year" means that fiscal year for City of Deadwood

"Generally Applicable Taxes" shall have the same meaning as set forth in 26 CFR § 1.141-4(e).

"Governing body" means City of Deadwood, South Dakota

"Grant" means the transfer for a governmental purpose of money or property to a transferee that is not a related party to or an agent of the municipality;

"Infrastructure Improvements" means a street, road, sidewalk, parking facility, pedestrian mall, alley, bridge, sewer, sewage treatment plant, property designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, drainage system, waterway, waterline, water storage facility, rail line, utility line or pipeline, or other similar or related structure or improvement, together with necessary easements for the structure or improvement, for the benefit of or for the protection of the health, welfare, or safety of the public generally.

"Planning Commission" means the City of Deadwood Planning Commission

"Plan" means this Project Plan.

"Project Costs" means any expenditure or monetary obligations by City of Deadwood, whether made, estimated to be made, incurred or estimated to be incurred, which are listed as Project Costs herein will include any costs incidental thereto but diminished by any income, special assessments, or other revenues, other than tax increments, received, or reasonably expected to be received, by City of Deadwood in connection with the implementation of this Plan.

"Project Plan" means a properly approved Plan for the development or redevelopment of a tax incremental district including all properly approved amendments thereto as recommended pursuant to SDCL § 11-9-13.

"Public Works" means the Infrastructure Improvements, the acquisition by purchase or condemnation of real and personal property within the Tax Incremental District and the sale, lease, or other disposition of such property to private individuals, partnerships, corporations, or other entities at a price less than the cost of such acquisition which benefit or further the health, safety, welfare and economic development of the City and Project Costs.

"Taxable Property" means all real taxable property located in a Tax Incremental District.

"Tax Incremental District" means a contiguous geographic area within a City defined and created by resolution of the governing body and named City of Deadwood Tax Incremental District #14.

"Tax Increment Valuation" is the total value of the Tax Incremental District minus the tax incremental base pursuant to § 11-9-19.

"Tax Increment Law" means South Dakota Codified Laws Chapter 11-9.

CREATION OF CITY OF DEADWOOD TAX INCREMENT DISTRICT

#14

Representatives of the Developer have approached officials of City of Deadwood regarding the possibility of creating a Tax Incremental Financing District ("TID") to assist in the Project Costs within the Plan on land located within City of Deadwood.

The TID will consist of creating a new development and all necessary infrastructure needed in an undeveloped area that is currently on the northern side of the City of Deadwood. Once developed, the area will be the site of a residential and multi-family housing area and a retail/commercial development. A healthy mix of housing options ensures opportunities for all individuals to improve their economic situation and contribute to their communities. Visitors to a city create a direct economic value within multiple sectors of the economy by staying at hotels, eating at restaurants, and shopping, boosting local economic vitality.

Investing in the community and its infrastructure will make the City desirable to live in which is a key component to the city's long-term success and viability.

Property Within Tax Increment #14

The real property to be located within the Tax Increment District is within City of Deadwood, described as follows:

Preacher Smith Tract, in the City of Deadwood, Lawrence County, SD

Lot 1 & 2, Block 1B of The Ridge Development

TAXABLE VALUE OF CITY OF DEADWOOD

State law requires that tax increment districts cannot exceed ten percent of the taxable value of a municipality. The 2021 Taxes Payable value for City of Deadwood is \$230,465,448. The base value of the taxable property for inclusion into this Tax Incremental District #14, as estimated but not yet verified by Lawrence County Director of Equalization, is \$125,050

11-9-7. Maximum percentage of taxable property in municipality permitted in districts. In order to implement the provisions of this chapter, the resolution required by § 11-9-5 shall contain a finding that the aggregate assessed value of the taxable property in the district plus the **tax incremental base of all other existing districts does not exceed ten percent** of the total assessed value of taxable property in the municipality.

CITY OF DEADWOOD		
Tax Increment District		Base Value
6	\$	141,353.00
8	\$	883,125.00
9	\$	9,602,165.00
10	\$	1,664,099.00
11	\$	2,929,065.00
12	\$	32,145.00
13	\$	32,737.00
14	\$	125,050.00
Total of ALL Base Valuations	\$	15,409,739.00

City of Deadwood Valuation \$230,465,448

All TIF Base Values must be less than 10% \$23,046,544.80

There are currently seven active TIF districts in City of Deadwood. Using the estimates provided for TID #14, the value of all existing Tax Increment Districts combined is approximately 6.69 % of the total 2021 Taxable Valuation.

KIND, NUMBER, LOCATION, AND DETAILED COSTS OF PROPOSED PUBLIC WORKS AND IMPROVEMENTS – SDCL § 11-9-13(1)

In order to implement the provisions of SDCL Chapter 11-9, the following are Project Costs and expenditures made or estimated to be made and the monetary obligations incurred or estimated to be incurred. The Project Costs include capital costs, financing costs, real property assembly costs, professional fee costs, imputed administration costs, relocation costs, organizational costs, discretionary costs and grants, plus any costs incidental thereto.

All Project Costs are found to be necessary and convenient to the creation of the Tax Incremental District and its implementation. The project constitutes economic development which is a proper public purpose of the City. The City exercises the powers expressly stated in and reasonably inferred by SDCL §11-9-15 and Chapter 9-54. The City shall enter into all contracts in accordance with South Dakota Law.

Costs of Public Works and Improvements

In accordance with SDCL § 11-9-14 the following is the kind, number, location and dollar amount of estimated Project Costs, costs of public works and improvements.

The following are estimated costs of the Project:

Kind of Project	Location ¹	Amount	Reference ²
Capital Costs (Street, Water, Sewer, Infrastructure) land / grading	District	\$0	11-9-15(1)
Financing Costs	District	\$0	11-9-15(2)
Real Property Assembly	District	\$0	11-9-15(3)
Professional Fees	District	\$0	11-9-15(4)
Administrative Costs	District	\$1,250,000	11-9-15(5)
Relocation Costs	District	\$0	11-9-15(6)
Organizational Costs	District	\$0	11-9-15(7)
Discretionary Costs and Grants	District	\$11,250,000	11-9-15(8)
Eligible Project Costs		\$12,500,000	

further breakout of the costs are defined on the following page

The above are estimates of the costs involved in the project; the final total may be greater or smaller. An itemized listing of the estimated costs is set forth on Schedule 1. Because the cost estimates are only projected expenditures, the total authorized TID costs is expected to be \$12,500,000. This amount is the controlling value with respect to authorized TID Project Costs rather than the particular line item amounts contained in the above Chart and Schedule 1. The line item categories proposed are for guidance only, and actual costs will be determined upon completion of the improvements. The above total represents eligible Project Costs and is classified as a Grant to the Developer. The conditions of the Grant will be further defined in the Developer's Agreement. Only such amounts as are feasible will be allowed by the City.

¹ District shall mean the Tax Increment District.

² SDCL §11-9-15 (1) Capital costs, including the actual costs of the construction of public works or improvements, buildings, structures, and permanent fixtures; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and permanent fixtures; the acquisition of equipment; the clearing and grading of land; and the amount of interest payable on tax incremental bonds or notes issued pursuant to this chapter until such time as positive tax increments to be received from the district, as estimated by the Project Plan, are sufficient to pay the principal of and interest on the tax incremental bonds or notes when due;

(2) Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for Project Costs, any premium paid over the principal amount thereof because of the redemption of such obligations prior to maturity and a reserve for the payment of principal of and interest on such obligations in an amount determined by the governing body to be reasonably required for the marketability of such obligations;

(3) Real property assembly costs, including the actual cost of the acquisition by a municipality of real or personal property within a tax incremental district less any proceeds to be received by the municipality from the sale, lease, or other disposition of such property pursuant to a Project Plan;

(4) Professional service costs, including those costs incurred for architectural, planning, engineering, and legal advice and services;

(5) Imputed administrative costs, including reasonable charges for the time spent by municipal employees in connection with the implementation of a Project Plan;

(6) Relocation costs;

(7) Organizational costs, including the costs of conducting environmental impact and other studies and the costs of informing the public of the creation of tax incremental districts and the implementation of project plans; and

(8) Payments and grants made, at the discretion of the governing body, which are found to be necessary or convenient to the creation of tax incremental districts or the implementation of project plans.

The following chart further defines how the costs will be allocated and reimbursed under the Discretionary Costs and Grants SDCL 11-9-14

Tax Increment Financing District #14			
Description		Eligible	Requested Reimbursement
Phase 1			
Ridge Drive	\$	5,023,043	\$ 3,858,000
Wild Canyon Drive	\$	2,200,154	\$ 1,000,000
Phase 1a			
Commercial Mixed Use	\$	3,927,000	\$ 1,800,000
Phase 1b			
Gold Spike (Multi Family)	\$	2,592,000	\$ 2,592,000
DOT Turn Lanes	\$	2,000,000	\$ 2,000,000
Engineering, platting, construction docs, survey, platting, geotech, const admin	\$	950,000	\$0
City of Deadwood Admin Fee	\$	1,250,000	\$ 1,250,000
TOTAL	\$	17,942,197	\$ 12,500,000

Refer to Schedule 1 for project descriptive costs provided by the Engineer.

Conditions of the Developer Agreement relating to Constitutional Debt

It is specifically a condition of the proposed Developer's Agreement that the City's obligation to pay is limited to the proceeds of the positive tax increment from the TID receipted into the TIF Fund. The obligation of the City to pay pursuant to the proposed Agreement does not constitute a general indebtedness of the City or a charge against the City's general taxing power. The provisions of SDCL § 11-9-36 are specifically incorporated within the Agreement by reference. It is also to be specifically agreed that the City has made no representation that the proceeds from such Fund shall be sufficient to retire any indebtedness incurred by Developer. The parties further acknowledge that SDCL § 11-9-25 limits the duration of allocation of the positive tax increment payments and the fund created by the TID.

Additionally, the City's obligations to make the payments set forth in the proposed Agreement shall be lawfully made from funds to be budgeted and appropriated on an ANNUAL BASIS for that purpose during the City's then current fiscal year, thus not counting towards Constitutional Debt. If at any time during the term of this Agreement, the governing body of the City shall fail or refuse to approve or authorize the funds due hereunder, then the Agreement shall terminate upon the end of the fiscal year for which funds were approved or authorized, without penalty to the City. The City's obligation hereunder shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. Notwithstanding anything to the contrary contained in the proposed Agreement, the City hereby acknowledges and agrees that the obligations of the City under this Agreement are a material inducement for Developer to incur various development and construct improvements upon the TID property and the failure to pay tax increment to Developer will be financially detrimental to future improvements on said property.

It is further understood that the amount of \$12,500,000 will be the maximum amount the City will ever pass on acting as a conduit for TIF #14. This amount will include any and all interest associated with the debt and the controlling value of the TIF will never pay more than \$12,500,000. All TIF revenue, per the terms of the Agreement, will be passed onto the Developer until the full amount has been paid or 20 years from the year of creation, whichever happens first. It is also understood that of the \$12,500,000, \$2,000,000 will be restricted for the possible use of constructing turn lanes into the Development and that \$1,250,000 will be retained by the City to offset future City expenses associated with the development. Further terms and conditions will be spelled out in the Developer's Agreement.

Developer acknowledges the risks associated with the Annual Appropriation clause that will be implemented in the proposed Tax Increment District and recognizes the City may determine not to fund the TIF at any point as set forth herein.

The City will require an ongoing administration fee of 10% of the total increment received on a yearly basis. The total amount projected for the administration fee will not exceed \$1,250,000. When the City receives the total increment, the remaining amount will be passed on to the Developer.

The payment of tax increment funds under this Agreement is a grant under Chapter 11-9 of the South Dakota Codified Laws (the "Grant"). The Grant is a personal property right vested with the Developer on the effective date of this Agreement. The City will grant this amount to the Developer and thus not have to account for any assets on the City's financial statement. The Developer will be responsible for obtaining their financing and the City will not be liable for any Developer debt.

Upon completion of the construction of the infrastructure improvements, the Developer shall certify to the City's Finance Officer the costs of construction, including capital costs, Professional Fees, and contingency costs. The Developer shall provide contractor/supplier invoices or other supporting documentation upon request of the Finance Officer. Upon certification and verification of costs, the City shall pay all available tax increment fund revenues not to exceed \$12,500,000, which shall include the total amount paid to the City and Developer.

Expenditures Exceeding Estimated Cost

Any expenditures, which in sum would exceed the total amount of the TID amount of \$12,500,000, will require an amendment of this Plan. All amendments would be undertaken pursuant to SDCL §11-9-23.

When the expenditures within the Plan are increased in excess of more than 35 percent of the total above, the Department of Revenue will be required to reset the base, in accordance with SDCL §11-9-23. If the Project Costs are not provided for in the original plan, the governing body would be required to amend the plan which requires the South Dakota Department of Revenue to re-determine the tax increment base when additional Project Costs are added to a plan. SDCL §11-9-23.

Feasibility Study, Economic Development Study, and Fiscal Impact Statement

Detailed List of Estimated Project Costs

Attached as Schedule 1 is a detailed list of estimated Project Costs for the project as per SDCL § 11-9-13(3). No expenditure for Project Costs is provided for more than five years after the District is created.

Feasibility Study

An economic feasibility study per SDCL § 11-9-13(2) is attached as Schedule 2.

Economic Development Study

Attached is Schedule 3 a Fiscal Impact Statement showing the impact of the Tax Increment District, until and after the bonds are repaid, upon all entities levying property taxes in the district. Required as per SDCL § 11-9-13(4).

Fiscal Impact Statement

Attached is Schedule 4 a Fiscal Impact Statement showing the impact of the Tax Increment District, until and after the bonds are repaid, upon all entities levying property taxes in the district. Required as per SDCL § 11-9-13(4).

METHOD OF FINANCING, TIMING OF COSTS AND MONETARY OBLIGATIONS

The payment of Project Costs is anticipated to be made by the City to Developer from the special fund of the Tax Incremental District. SDCL § 11-9-13(5). Pursuant to the Developer's Agreement, the City will pay to the Developer all available tax increment funds it receives from the District.

Maximum Amount of Tax Increment Revenue

The maximum amount of tax increment revenue bonds or monetary obligations to be paid through Tax Increment District #14 shall be the amount sufficient to reimburse the City for the payments made for Project Costs and pay all tax increment bonds or monetary obligations in an amount not to exceed \$12,500,000 principal and interest or such lesser amount as may be feasible with the estimated revenue generated by the Tax Increment District. The final terms and conditions will be set forth in the Developer's Agreement.

Duration of Tax Increment Plan

The duration of the Plan will extend to the number of years it will take for the reimbursement of the City, the extinguishment of bonds and the monetary obligation except that the Plan duration **shall not exceed 20 calendar years** of revenue from the year of creation of the District.

ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON REVENUES OF TAXING JURISDICTIONS

The site will generate taxes to the local jurisdictions at or above the assessed value of the base. All taxing districts shall receive the taxes from that base which will be the value set for the 2020 assessment year for taxes payable in 2021. The tax increment will be available to the taxing jurisdictions after dissolution, which is at or before twenty years after the creation of the District. Schedule 5 details the tax capture implications to each of the local taxing jurisdictions. After the repayment of all bonds and monetary obligations, taxing entities will receive their proportionate share of tax dollars for the base value and the tax incremental values.

GENERAL FUND

Mechanisms are built within State Codified Law to ensure that school districts are held harmless by TIF districts for their General Fund. For these purposes, law (SDCL § 13-13-10.2) defines three classifications of TIFs:

- Economic Development - Any area where there is or will be one or more businesses engaged in any activity defined as commercial or industrial by the governing body that has zoning authority over the land contained within the tax incremental district
- Industrial – Any factory or any business engaged primarily in the manufacturing or assembly of goods, the processing of raw materials, and the wholesale distribution of products for resale
- Affordable Housing – Includes an area where: 1. The original selling price of any house in the district will be at or below the first-time homebuyer purchase price limit being used by the South Dakota Housing Development Authority as of the date the house is sold; OR 2. The monthly rental rate of all multifamily housing units in the district will be at or below the calculated rent for the state's eighty percent area median income as of the date the district is created, for a minimum of five years following the date of first occupancy.
- Local – Any tax incremental districts that do not fall under Economic Development or Industrial

Public school districts are generally funded through the State Aid to Education formula. The two primary channels of the formula are State Aid and Local Effort. Multiple agencies of the State of South Dakota calculate the amount of General Fund monies to be distributed to school districts each year through the State portion. Local effort is considered the amount of revenue that is generated by local property taxes at maximum levies.

If a TIF is classified as Economic Development, Industrial, or Affordable Housing, the school funding that would be generated by the increment valuation is considered lost local effort and is paid through the State Aid side of the formula. If a TIF is classified as Local, the affected school district funding must be recouped through local effort in the form of an additional levy added to the General and Special Education Funds. In either scenario, the school district receives the financial need associated with the increment valuation.

City of Deadwood TIF #14 has already received the preliminary classification from the Department of Revenue. The TIF is considered Economic Development; therefore, any lost local effort of the General Fund will be covered through the State Aid to Education Formula.

CAPITAL OUTLAY FUND

The impact of a TIF to the Capital Outlay Fund is minimal. Starting on July 1, 2020, a school district is limited to the amount of capital outlay dollars they can receive by either:

- A. the previous year's maximum allowable can be increased by a growth factor plus 3%
- Or
- B. a per student amount.

The primary impact would be to the first scenario; a TIF would delay annual growth until the TIF is completed. However, once the TIF is dissolved, all increment value would be considered new growth for the school district.

If a school district falls under a per student limitation, they will see no impact to their funding due to the TIF.

SPECIAL EDUCATION FUND

The Special Ed Fund has the potential to see the greatest negative impact from the creation of a TIF district.

If the school district requests their special education monies in the form of a levy, then the exclusion of the TIF increment in the tax base would mean the school district is not receiving as much as it could.

If the school district submits their request in a dollar amount, then the fund would see no impact from a TIF district.

BOND REDEMPTION FUND

The school district is always able to ask for the needed money for the principal and interest of their bond repayment. The only impact a TIF would have on this fund is by holding back the increment value, lowering tax base for the spreading of the tax burden and creating a slightly higher levy for the local taxpayers.

MAPS

The Conditions map, SDCL § 11-9-16(1), is included as Attachment 2.

The Improvements map, SDCL § 11-9-16(2), is included as Attachment 3.

The Zoning Change Map, SDCL § 11-9-16(3), is included as Attachment 4.

SUPPLEMENTARY FINDINGS

CHANGES TO CITY COMPREHENSIVE/MASTER PLAN MAP, BUILDING CODES & CITY ORDINANCES PER SDCL §11-9-16 (4)

No changes to City ordinances nor the City Master Plan are required.

LIST OF ESTIMATED NON-ELIGIBLE PROJECT COSTS

The following is a preliminary projected list of the non-Project Costs per SDCL § 11-9-16(5). All costs are listed as taxable value; actual non-project costs will exceed the following amounts.

Item	Amount
Residential homes	\$100,000,000
Town Homes	\$15,000,000
Multi-family housing	\$25,000,000
Commercial properties	\$10,000,000
TOTAL	\$150,000,000

STATEMENT OF DISPLACEMENT AND RELOCATION PLAN

No residents or families will be displaced by the Project. SDCL § 11-9-16(6)

PERFORMANCE BOND, SURETY BOND OR OTHER GUARANTY

As security for its fulfillment of the agreement with the governing body, a purchaser or lessee of redevelopment property may furnish a performance bond, with such surety and in such form and amount as the governing body may approve or make such other guaranty as the governing body may deem necessary in the public interest. This additional security may be provided for in a Developer's Agreement.

LIST OF SCHEDULES

SCHEDULE 1 - Estimated Project Cost

SCHEDULE 2 - Economic Feasibility Study & Estimated Captured Taxable Values

SCHEDULE 3 - Economic Development Study

SCHEDULE 4 - Fiscal Impact Statement

LIST OF ATTACHMENTS

Attachment 1 - Descriptions of Real Property

Attachment 2 - Conditions map, SDCL § 11-9-16(1)

Attachment 3 - Improvements map, SDCL § 11-9-16(2)

Attachment 4 - Zoning Change Map SDCL § 11-9-16(3)

SCHEDULE 1

Section 5 Item h.

DETAIL OF PROJECT COSTS

The following are estimate TIF eligible costs for the project as provided by the Project Engineers. Green cells designate Phase 1 of the project, tan designates Phase 1a, and brown designates Phase 1b. The yellow cells designate the South Dakota Department of Transportation (SD DOT) to be required Highway 85 turn lanes.

OPINION OF PROBABLE COSTS - BUDGET FOR TIF JUSTIFICATION

Phase 1 Residential	Road Length	Clearing Grubbing Mass Grading	Roadway Const.	Culvert / Drainage Feature	Gravel Base 6" thickness	Asphalt 5" thickness	Water Main 8"-10"	Fire Hydrant	Sewer Main 8" (Gravity)	Sewer MH	Rock Excavation	Sewer Force Main	Sewer Lift Station System(s)	Utilities - Power, gas, comm.	Street Lighting Timber with solar fixture
	LF	50,281 CY	18,269 CY	EA	10,740 TON	8,055 TON	for pipe LF	for all hyd.	for pipe LF	for all MH's	CY	pipe LF	EA	Per Phase	Per road
Ridge Drive	5,900	\$328,845	\$ 327,778	\$ 85,000	\$ 162,840	\$ 584,100	\$ 442,500	\$ 65,556	\$ 265,500	\$ 81,125	\$ 885,000	\$ 480,900	\$ 800,000	\$ 460,000	\$ 48,000
Wild Canyon Drive	3,050	\$425,370	\$ 220,278	\$ 100,000	\$ 84,180	\$ 301,950	\$ 228,750	\$ 33,889	\$ 137,250	\$ 41,938	\$ 457,500			\$ 140,000	\$ 26,000
	8,950	\$754,215	\$ 548,056	\$ 185,000	\$ 247,020	\$ 886,050	\$ 671,250	\$ 99,444	\$ 402,750	\$ 123,063	\$1,342,500	\$ 480,900	\$ 800,000	\$ 600,000	\$ 74,000
Phase 1 Sub-Total :														\$	7,223,198

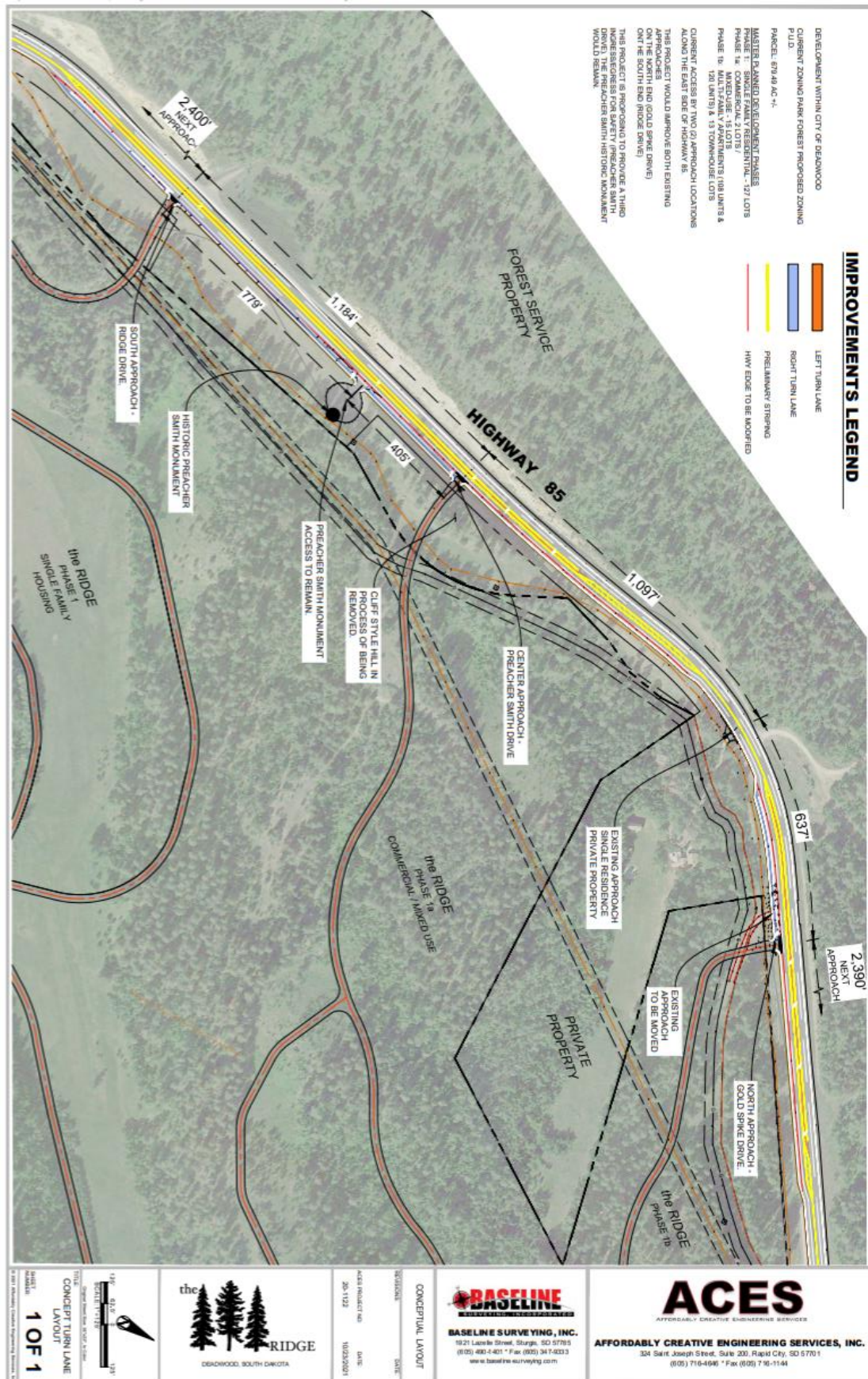
Phase 1a Commercial & Mixed-Use	Road Length	Clearing Grubbing Mass Grading	Roadway Const.	Culvert / Drainage Feature	Gravel Base 6" thickness	Asphalt 5" thickness	Water Main 8"-10"	Fire Hydrant	Sewer Main 8" (Gravity)	Sewer MH	Rock Excavation	Utilities - Power, gas, comm.	Street Lighting Timber with solar fixture	DOT Hwy Approach and Rock Mass Removal
	LF	106,096 CY	5,489 CY	EA	3,557 Ton	2,668 Ton	for pipe LF	for all hyd.	for pipe LF	for all MH's	CY	Per Phase	Per road	EA
	Preacher Smith Drive	2,964	\$1,591,440	\$ 274,444	\$ 120,000	\$ 81,806	\$ 293,436	\$ 222,300	\$ 32,933	\$ 133,380	\$ 40,755	\$ 444,600	\$ 85,000	\$ 6,000
												Phase 1a Sub-Total: \$ 3,927,000		

Phase 1b Multi-Family Housing	Road Length	Clearing Grubbing Mass Grading	Roadway Const.	Culvert / Drainage Feature	Gravel Base 6" thickness	Asphalt 5" thickness	Water Main 8"-10"	Fire Hydrant	Sewer Main 8" (Gravity)	Sewer MH	Rock Excavation	Utilities - Power, gas, comm.	Utilities - Relocate overhead hazard line	Street Lighting Timber with solar fixture		
	LF	73,256 CY	5,479 CY	EA	2,731 Ton	2,048 Ton	for pipe LF	for all hyd.	for pipe LF	for all MH's	CY	Per Phase	Per Phase	Per road		
	Gold Spike Drive Part 1	2,276	\$1,098,840	\$ 273,963	\$ 60,000	\$ 62,818	\$ 225,324	\$170,700	\$ 25,289	\$ 102,420	\$ 31,295	\$ 341,400	\$ 75,000	\$ 120,000	\$ 4,000	
												Phase 1b Sub-Total :			\$	2,592,000

SD DOT			
Turn Lanes Hwy 85 - Left & Right at Approaches (ingress/egress points for development) as required by SDDOT	Funds allocated for Turn Lane implementation only:	\$	2,000,000

Critical Infrastructure Construction Sub-Total for Phase 1, 1a & 1b:	\$15,742,198
Initial Overall Boundary Platting, Master Planning, TIF application, Phase 1, 1a & 1b Engineering Design, Geotech, survey, platting, Const Docs & Const Admin	\$ 950,000
Critical Infrastructure Expense Total for Phase 1, 1a & 1b:	\$16,692,198
TOTAL REQUESTED TIF AMOUNT FOR THE RIDGE PROJECT:	\$ 10,500,000
TOTAL REQUESTED TIF AMOUNT FOR SDDOT TURN LANES ONLY:	\$ 2,000,000
TOTAL REQUESTED TIF AMOUNT FOR THE RIDGE PROJECT:	\$12,500,000

The following diagram is a preliminary design to demonstrate how the turning lanes may be constructed. Final designs will require South Dakota Department of Transportation approval.



Estimates TID Eligible of Project Costs Requested

City of Deadwood has determined that this will be an economic development Tax Increment District, thus the eligible cost will be in the form of an infrastructure grant that will not exceed \$12,500,000. This is a permitted use under SDCL 11-9-15.

11-9-15. Specific items included in project costs. Project costs include:

- (1) Capital costs, including the actual costs of the construction of public works or improvements, buildings, structures, and permanent fixtures; the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, permanent fixtures; the acquisition of equipment; the clearing & grading of land; & the amount of interest payable on tax incremental bonds issued pursuant to this chapter until such time as positive tax increments to be received from the district, as estimated by the project plan, are sufficient to pay the principal of & interest on the tax incremental bonds when due;
- (2) Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for project costs, any premium paid over the principal amount thereof because of the redemption of such obligations prior to maturity and a reserve for the payment of principal of and interest on such obligations in an amount determined by the governing body to be reasonably required for the marketability of such obligations;
- (3) Real property assembly costs, including the actual cost of the acquisition by a municipality of real or personal property within a tax incremental district less any proceeds to be received by the municipality from the sale, lease, or other disposition of such property pursuant to a project plan;
- (4) Professional service costs, including those costs incurred for architectural, planning, engineering, and legal advice and services;
- (5) Imputed administrative costs, including reasonable charges for the time spent by municipal employees in connection with the implementation of a project plan;
- (6) Relocation costs;
- (7) Organizational costs, including the costs of conducting environmental impact and other studies and the costs of informing the public of the creation of tax incremental districts and the implementation of project plans; and
- (8) Payments and grants made, at the discretion of the governing body, which are found to be necessary or convenient to the creation of tax incremental districts, the implementation of project plans, or to stimulate and develop the general economic welfare and prosperity of the state.

SCHEDULE 2

ECONOMIC FEASIBILITY STUDY & TAXABLE VALUE

The City has been asked to create a Tax Increment District to help offset the expansion associated with this project. This feasibility study provides that the Project Costs can be financed through tax increment financing under South Dakota Tax Incremental District Law (South Dakota Codified Laws Chapter 11-9). Tax increment financing is an indispensable self-financing tool used throughout the United States to help local governments successfully develop and redevelop areas and encourage economic development.

In tax increment financing, the current real property tax assessed value of all properties in a designated project area (“tax increment financing district”) is established as the “base value.” As development in the tax increment financing district increases the assessed values of the redeveloped properties, a portion of the additional tax revenue generated by the increase in assessed value over the base value is set aside and committed by the City to the reimbursement of approved project costs.

Tax increment financing is permitted only in connection with a “Project Plan” duly adopted by the City. The property is currently estimated to have a taxable value of \$125,050. The improvements to be made to the property are estimated to add to the assessed valuation. The estimated increment resulting from the improvements would be approximately \$61,300,000 in new value once fully developed. Since only positive tax increment will be applied, the proposed project is feasible.

All of the project costs are found to be necessary and convenient to the creation of the Tax Incremental District and the implementation of the project.

For purposes of this Project Plan, the Developer is projecting that the infrastructure and site improvements will be fully developed by calendar year 2023.

The City’s role is to simply act as a conduit for the revenue and pass on all positive increment to the Developer. The total amount will never exceed \$12,500,000 in total payments, of which \$1,250,000 will be paid to the City and up to \$11,250,000 to the Developer, provide all costs are certified with the City. This amount will be paid over time up to 20 years.

It is assumed that all obligations incurred would be adequately secured as to allow the payment of principal and interest when due, whether by means of a taxable bond or loan. The actual repayment schedule may change, but all principal and interest shall be paid within the life of the TID. Utilizing the information regarding expected increment valuation and tax generation, it is possible to estimate an expected revenue stream that

can be utilized to retire debt that will be created as a result of implementing the Project Plan.

The City of Deadwood TID #14 is proven feasible based upon the projections made by the Developer, projecting a total in excess of \$12,500,000 in tax revenue during the life of the 20-year TIF.

The calculations of the estimated tax increment valuation and tax generated for the TID can be found in the following tables. For purposes of this Project Plan, it is anticipated no increment generated by City of Deadwood TID #14 will be available until the earliest of calendar year 2023 and thereafter.

TID Tax Revenue Estimates Available for City of Deadwood

This project will have properties that are classified as both Owner-Occupied and Non-Ag Other.

The following are projections that take into account a conservative build out schedule related to townhomes, homes and workforce apartments. These projections do not include the commercial components that are part of the Ridge.

Based on the projected build out schedule, those numbers are now formulated into a yearly revenue projection. The following demonstrates that the projections are feasible and could pay off the TIF in 2036. However it should be noted that projections could change to a variety of outside influences, such as economy, legislature, contractor availability, etc.

One of the primary components of the projections includes the build out of multi-family units. The Developer has an executed purchase agreement with a Rapid City Developer that will start construction in 2022 to construct up to 108 workforce apartments, and 120 market rate units to follow.

TRD, LLC is also working with another Rapid City Developer to construct up to 50 townhomes. This is still preliminary, but it demonstrates not only the need in the area, but also the energy The Ridge is generating.

The following are projections provided by the Developer based on their potential buildout of the Ridge Development.

City of Deadwood TIF #14 - The Ridge

Assumed Mill Rate for 2021 20.714 estimated

School "OO"	10.899	0.020714
Lawrence County	3.966	
City of Deadwood	5.033	
Sanitary District	0.816	
	20.714	

Assumed Percentage of Assessment 90%

Year 2024						
# of Twin Homes		Avg Price		Total	Mill Rate	Revenue from TIF
10	\$	300,000.00	\$	3,000,000.00	0.020714	\$ 55,927.80
# of Houses		Avg Price		Total	Mill Rate	
10	\$	350,000.00	\$	3,500,000.00	0.020714	\$ 65,249.10
Apartments		Assessed Value		Total	Mill Rate	
1	\$	10,000,000.00	\$	10,000,000.00	0.020714	\$ 186,426.00
			\$	16,500,000.00		
Year 2025						
# of Twin Homes		Avg Price		Total	Mill Rate	Revenue from TIF
10	\$	300,000.00	\$	3,000,000.00	0.020714	\$ 55,927.80
# of Houses		Avg Price		Total	Mill Rate	
10	\$	350,000.00	\$	3,500,000.00	0.020714	\$ 65,249.10
Apartments		Assessed Value				
1	\$	11,000,000.00	\$	11,000,000.00	0.020714	\$ 205,068.60
			\$	17,500,000.00		
Year 2026						
# of Twin Homes		Avg Price		Total	Mill Rate	Revenue from TIF
10	\$	300,000.00	\$	3,000,000.00	0.020714	\$ 55,927.80
# of Houses		Avg Price		Total	Mill Rate	
20	\$	350,000.00	\$	7,000,000.00	0.020714	\$ 130,498.20
			\$	10,000,000.00		
Year 2027						
# of Twin Homes		Avg Price		Total	Mill Rate	Revenue from TIF
10	\$	300,000.00	\$	3,000,000.00	0.020714	\$ 55,927.80
# of Houses		Avg Price		Total	Mill Rate	
20	\$	350,000.00	\$	7,000,000.00	0.020714	\$ 130,498.20
				\$ 10,000,000.00		
Year 2028						
# of Twin Homes		Avg Price		Total	Mill Rate	Revenue from TIF
10	\$	300,000.00	\$	3,000,000.00	0.020714	\$ 55,927.80
# of Houses		Avg Price		Total	Mill Rate	
20	\$	350,000.00	\$	7,000,000.00	0.020714	\$ 130,498.20
			\$	10,000,000.00		
Total Twin		50				
Total Homes		80				

The following table reflects the Developer's projections to arrive at a yearly and gross revenue for the life of Tax Increment District #14. The projections show a max of 20 years, from the year of creation. It should be noted that the TIF amount in this Plan is ONLY for \$12,500,000 and is assumed to be dissolved by 2036. This table demonstrates that the revenue based on the Developer projections the proposed Tax Increment District is feasible.

Year	New Amt Avail. For D/S	Total Amount Available for Debt Service	
		Annual	Semi
2024	\$ 307,602.90	\$ 307,602.90	\$ 153,801.45
2025	\$ 633,848.40	\$ 633,848.40	\$ 316,924.20
2026	\$ 820,274.40	\$ 820,274.40	\$ 410,137.20
2027	\$ 1,006,700.40	\$ 1,006,700.40	\$ 503,350.20
2028	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2029	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2030	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2031	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2032	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2033	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2034	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2035	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2036	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2037	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2038	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2039	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2040	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
2041	\$ 1,193,126.40	\$ 1,193,126.40	\$ 596,563.20
		\$ 19,472,195.70	

The following Note Amortization represents the gross amount of the Tax Increment District at \$12,500,000 amortized from the projected revenue of the Ridge buildout. Tax Increment District #14 does not have an interest rate as an allowable expense, so the note is based on 0% interest.

NOTE AMORTIZATION						
Date	Principal	Interest	P & I	Semi-Annual Net Revenue	Accrued Interest	Loan Balance Outstanding
						12,500,000.00
12/01/21	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/22	0.00	0.00	0.00	0.00	0.00	12,500,000.00
12/01/22	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/23	0.00	0.00	0.00	0.00	0.00	12,500,000.00
12/01/23	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/24	153,801.45	0.00	153,801.45	153,801.45	0.00	12,346,198.55
12/01/24	153,801.45	0.00	153,801.45	153,801.45	0.00	12,192,397.10
06/01/25	316,924.20	0.00	316,924.20	316,924.20	0.00	11,875,472.90
12/01/25	316,924.20	0.00	316,924.20	316,924.20	0.00	11,558,548.70
06/01/26	410,137.20	0.00	410,137.20	410,137.20	0.00	11,148,411.50
12/01/26	410,137.20	0.00	410,137.20	410,137.20	0.00	10,738,274.30
06/01/27	503,350.20	0.00	503,350.20	503,350.20	0.00	10,234,924.10
12/01/27	596,563.20	0.00	596,563.20	596,563.20	0.00	9,638,360.90
06/01/28	596,563.20	0.00	596,563.20	596,563.20	0.00	9,041,797.70
12/01/28	596,563.20	0.00	596,563.20	596,563.20	0.00	8,445,234.50
06/01/29	596,563.20	0.00	596,563.20	596,563.20	0.00	7,848,671.30
12/01/29	596,563.20	0.00	596,563.20	596,563.20	0.00	7,252,108.10
06/01/30	596,563.20	0.00	596,563.20	596,563.20	0.00	6,655,544.90
12/01/30	596,563.20	0.00	596,563.20	596,563.20	0.00	6,058,981.70
06/01/31	596,563.20	0.00	596,563.20	596,563.20	0.00	5,462,418.50
12/01/31	596,563.20	0.00	596,563.20	596,563.20	0.00	4,865,855.30
06/01/32	596,563.20	0.00	596,563.20	596,563.20	0.00	4,269,292.10
12/01/32	596,563.20	0.00	596,563.20	596,563.20	0.00	3,672,728.90
06/01/33	596,563.20	0.00	596,563.20	596,563.20	0.00	3,076,165.70
12/01/33	596,563.20	0.00	596,563.20	596,563.20	0.00	2,479,602.50
06/01/34	596,563.20	0.00	596,563.20	596,563.20	0.00	1,883,039.30
12/01/34	596,563.20	0.00	596,563.20	596,563.20	0.00	1,286,476.10
06/01/35	596,563.20	0.00	596,563.20	596,563.20	0.00	689,912.90
12/01/35	596,563.20	0.00	596,563.20	596,563.20	0.00	93,349.70
06/01/36	93,349.70	0.00	93,349.70	93,349.70	0.00	0.00
12/01/36	0.00	0.00	0.00	0.00	0.00	0.00
06/01/37	0.00	0.00	0.00	0.00	0.00	0.00
12/01/37	0.00	0.00	0.00	0.00	0.00	0.00
06/01/38	0.00	0.00	0.00	0.00	0.00	0.00
	12,500,000.00	0.00	12,500,000.00	12,500,000.00	0.00	

SCHEDULE 3

ECONOMIC DEVELOPMENT STUDY

Introduction

The City of Deadwood has been approached concerning the creation of a tax increment district (TID) located within the City limits. Per South Dakota Codified Law 11-9-8, the governing body must make a finding that not less than 50%, by area, of the real property within the district will stimulate and develop the general economic welfare and prosperity of the State through the promotion and advancement of industrial, commercial, manufacturing, agricultural and natural resources, and the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the district.

Study Area Boundary

The Project boundaries are described and depicted on the maps in Attachments 1 and 2 of this Plan.

Establishing Economic Development

South Dakota law describes economic development as activity that stimulates and develops the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, manufacturing, agricultural, or natural resources. The definition of Economic Development for State Aid to Education Formula purpose is any area where there is or will be one or more businesses engaged in any activity defined as commercial or industrial. The proposed City of Deadwood TID #14 meets both of these criteria.

The area within the boundaries of the TIF is generally located north of Deadwood along Highway 85. The project includes an area east of the highway.

The project is expected to be completed by 2024 or 2025 calendar year.

Finding That the Improvements to the Area Are Likely to Enhance Significantly the Value of Substantially All of The Other Real Property in The District

It is definitively found that once the improvements set forth within the Project Plan are initiated, the improvements will enhance significantly the value of substantially all of the other real property in the district. City of Deadwood TID #14 will have a tremendous economic impact on the region's infrastructure advancement and the labor force.

Conditions Within the Study Area: Land Use and Planning Land Use, Planning and Comprehensive Plan

The City of Deadwood Comprehensive Plan is consistent with the proposed use of the District.

Findings within the Project Area Analysis

It is found that not less than 50%, by area, of the real property within the District will stimulate and develop the general economic welfare and prosperity of the State of South Dakota through the promotion and advancement of industrial, commercial, manufacturing, agricultural, and natural resources. It is also found that the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the District in accordance with SDCL 11-9-8.

The Project area lies north of Deadwood along Highway 85. It is to be used for providing infrastructure for a housing development with a commercial component. The investment in the Project area will stimulate and develop the general economic welfare and prosperity of the State through the increase of housing, promotion of employment, and advancement of commerce.

Schedule 4

FISCAL IMPACT STATEMENT FOR CITY OF DEADWOOD TID

#14

Introduction

A fiscal impact statement shows the impact of the TID, both until and after the bonds or obligations are repaid, upon all entities levying taxes upon property in the District. The following fiscal impact statement is intended to provide only a brief analysis of the estimated impact of the Tax Increment District to the public pursuant to SDCL § 11-9-13(4). It is not intended to challenge a more detailed, complete financial analysis

Definitions

"Assumptions" means factors or definitions used in the fiscal analysis. Assumptions may include facts and figures identified by the District and educated guesses that are sometimes necessary when not all of the information is available. Assumptions are often used to extrapolate an estimate. Assumptions may include an estimate of tax levies of each taxing entity, the school aid formula contribution, the value of the real property, etc.

"Base Revenues" means the taxes collected on the base value.

"Fiscal Impact" means the increase or decrease in revenues and generally refers to an impact to revenues caused by the district.

"Revenue" means ad valorem taxes.

"Tax Increment District" means City of Deadwood Tax Increment District Number 14.

"Taxing Districts" means all political subdivisions of the state which have ad valorem taxing power over property within the boundaries of the Tax Increment District.

"Tax Increment Revenues" means all revenues above the Base Revenues.

Assumptions

1. The property will have improvements, which at completion, are estimated at taxable purposes up to \$61,300,000
2. The average tax levy of all taxing districts will be \$20.714 per thousand dollars of taxable valuation.
3. Tax increment will start to be collected in 2024 and end prior to 2041.
4. The discretionary formula will be waived by Developer.

SCHEDULE 5

ESTIMATED CAPTURED TAXABLE VALUES

For purposes of this Project Plan, **Developer will elect not to use the real property tax discretionary formula** currently utilized in the City of Deadwood, South Dakota, pertaining to payment of real property taxes (i.e., 20% Year 1; 40% Year 2; 60% Year 3; 80% Year 4; and 100% Year 5).

* Actual valuation shall depend upon the value determined by the Lawrence County Director of Equalization when assessed, with the application of dollars-per-thousand from local taxes. All tax increment revenues shall be from Generally Applicable Taxes attributable to the improvements to be constructed in the TID. The potential for total increment collections are estimated to be at the maximum range of \$12,500,000 covering a span of captured tax years not to exceed 20. Collection is anticipated to begin in 2021, and the schedule carries out the tax captured 20 years from the date of Plan adoption.

The following dollars-per-thousand rates are the current taxing rates of the local taxing jurisdictions for Non-AG Other property types:

2021 Property Tax Rate

2020 Payable in 2021	\$ per \$1,000 assessed
Lawrence County	\$ 3.966
City of Deadwood	\$ 5.033
Sanitary District	\$ 0.816
<u>School District "OO"</u>	<u>\$ 10.899</u>
Total Tax Levy	\$ 20.714

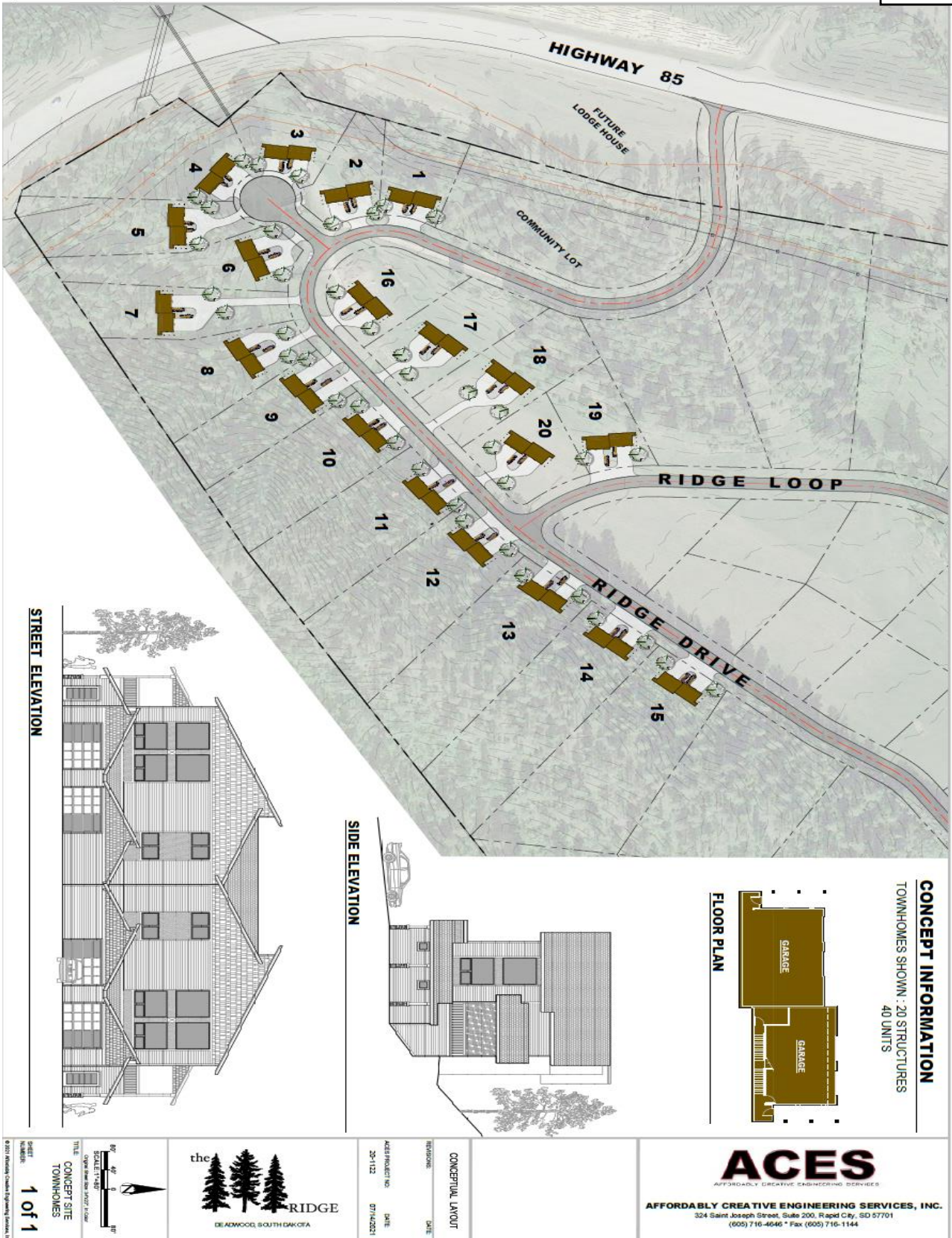
Utilizing the information regarding expected increment valuation and tax generation, it is possible to generate an expected revenue stream that can be utilized to retire debt that will be created as a result of implementing the Project Plan.

NOTE AMORTIZATION						
Date	Principal	Interest	P & I	Semi-Annual Net Revenue	Accrued Interest	Loan Balance Outstanding
						12,500,000.00
12/01/21	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/22	0.00	0.00	0.00	0.00	0.00	12,500,000.00
12/01/22	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/23	0.00	0.00	0.00	0.00	0.00	12,500,000.00
12/01/23	0.00	0.00	0.00	0.00	0.00	12,500,000.00
06/01/24	153,801.45	0.00	153,801.45	153,801.45	0.00	12,346,198.55
12/01/24	153,801.45	0.00	153,801.45	153,801.45	0.00	12,192,397.10
06/01/25	316,924.20	0.00	316,924.20	316,924.20	0.00	11,875,472.90
12/01/25	316,924.20	0.00	316,924.20	316,924.20	0.00	11,558,548.70
06/01/26	410,137.20	0.00	410,137.20	410,137.20	0.00	11,148,411.50
12/01/26	410,137.20	0.00	410,137.20	410,137.20	0.00	10,738,274.30
06/01/27	503,350.20	0.00	503,350.20	503,350.20	0.00	10,234,924.10
12/01/27	596,563.20	0.00	596,563.20	596,563.20	0.00	9,638,360.90
06/01/28	596,563.20	0.00	596,563.20	596,563.20	0.00	9,041,797.70
12/01/28	596,563.20	0.00	596,563.20	596,563.20	0.00	8,445,234.50
06/01/29	596,563.20	0.00	596,563.20	596,563.20	0.00	7,848,671.30
12/01/29	596,563.20	0.00	596,563.20	596,563.20	0.00	7,252,108.10
06/01/30	596,563.20	0.00	596,563.20	596,563.20	0.00	6,655,544.90
12/01/30	596,563.20	0.00	596,563.20	596,563.20	0.00	6,058,981.70
06/01/31	596,563.20	0.00	596,563.20	596,563.20	0.00	5,462,418.50
12/01/31	596,563.20	0.00	596,563.20	596,563.20	0.00	4,865,855.30
06/01/32	596,563.20	0.00	596,563.20	596,563.20	0.00	4,269,292.10
12/01/32	596,563.20	0.00	596,563.20	596,563.20	0.00	3,672,728.90
06/01/33	596,563.20	0.00	596,563.20	596,563.20	0.00	3,076,165.70
12/01/33	596,563.20	0.00	596,563.20	596,563.20	0.00	2,479,602.50
06/01/34	596,563.20	0.00	596,563.20	596,563.20	0.00	1,883,039.30
12/01/34	596,563.20	0.00	596,563.20	596,563.20	0.00	1,286,476.10
06/01/35	596,563.20	0.00	596,563.20	596,563.20	0.00	689,912.90
12/01/35	596,563.20	0.00	596,563.20	596,563.20	0.00	93,349.70
06/01/36	93,349.70	0.00	93,349.70	93,349.70	0.00	0.00
12/01/36	0.00	0.00	0.00	0.00	0.00	0.00
06/01/37	0.00	0.00	0.00	0.00	0.00	0.00
12/01/37	0.00	0.00	0.00	0.00	0.00	0.00
06/01/38	0.00	0.00	0.00	0.00	0.00	0.00
	12,500,000.00	0.00	12,500,000.00	12,500,000.00	0.00	

- * Note is based on 0% interest
- * Revenue for the District is projected by the Developers buildout schedule
- * Maximum TIF amount will be \$12,500,000.



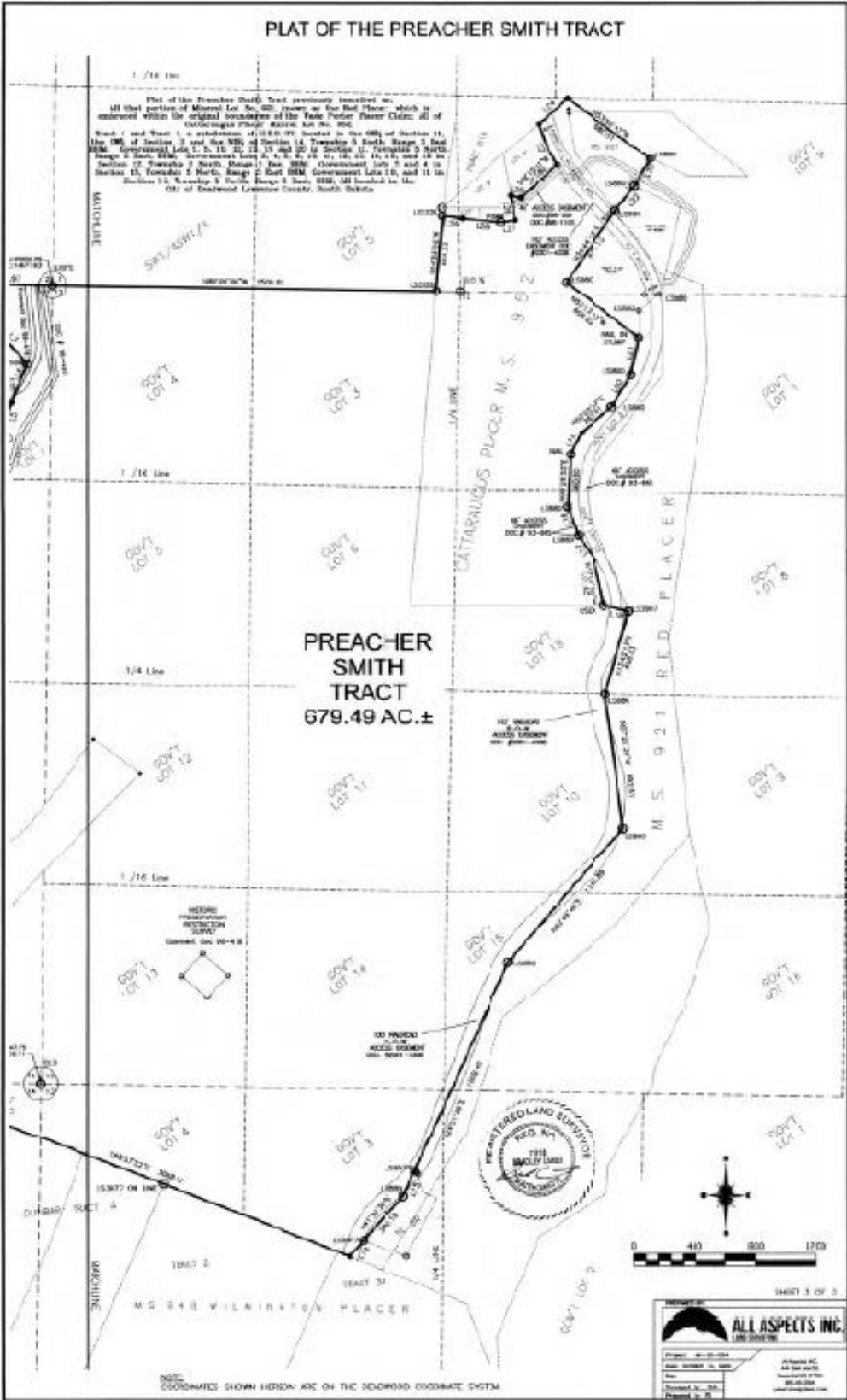
Proposed layout of multi-family units.



Proposed town home layout and design.

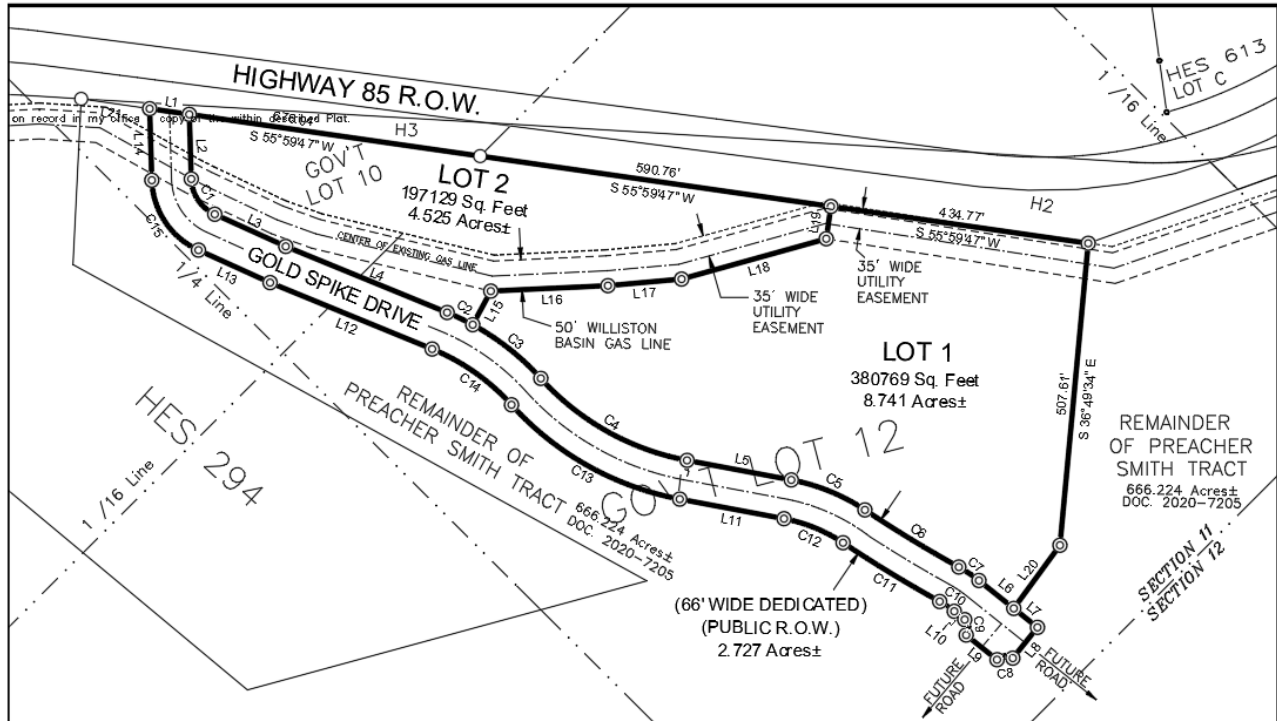
Preacher Smith Tract, in the City of Deadwood, Lawrence County, SD as depicted on the following Plat below (2 pages)





Lot 1 & 2, Block 1B of The Ridge Development as depicted below

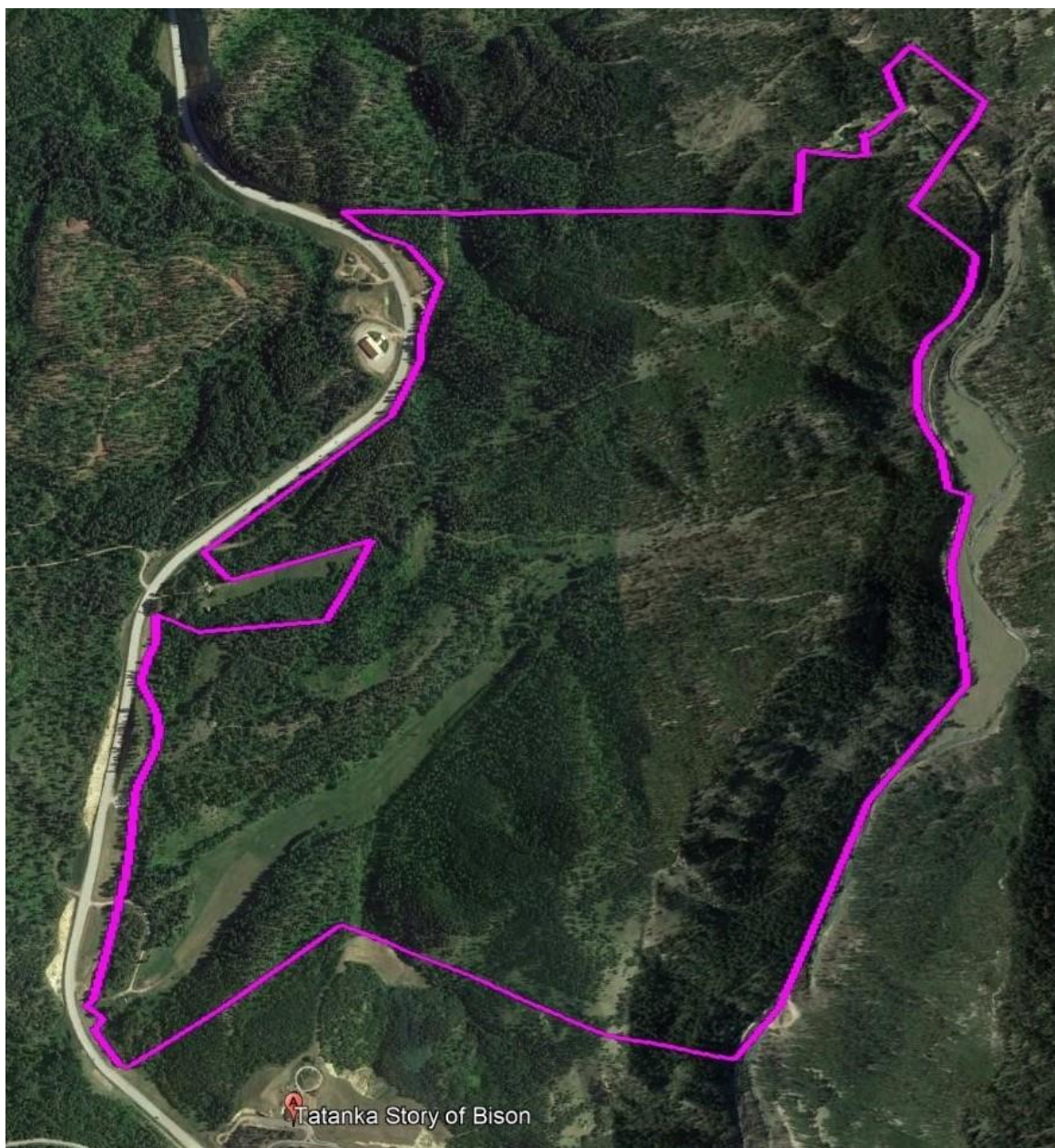
Lots 1 & 2, Block 1B of The Ridge Development.
Formerly A Portion of Preacher Smith Tract Located in Gov't Lots 10 and 12 of Section 11, Township 5 North, Range 3 East, Black Hills Meridian, City of Deadwood, Lawrence County, South Dakota.



ATTACHMENT 2

Conditions picture for City of Deadwood Tax Incremental District #14, SDCL § 11-9-16(1)

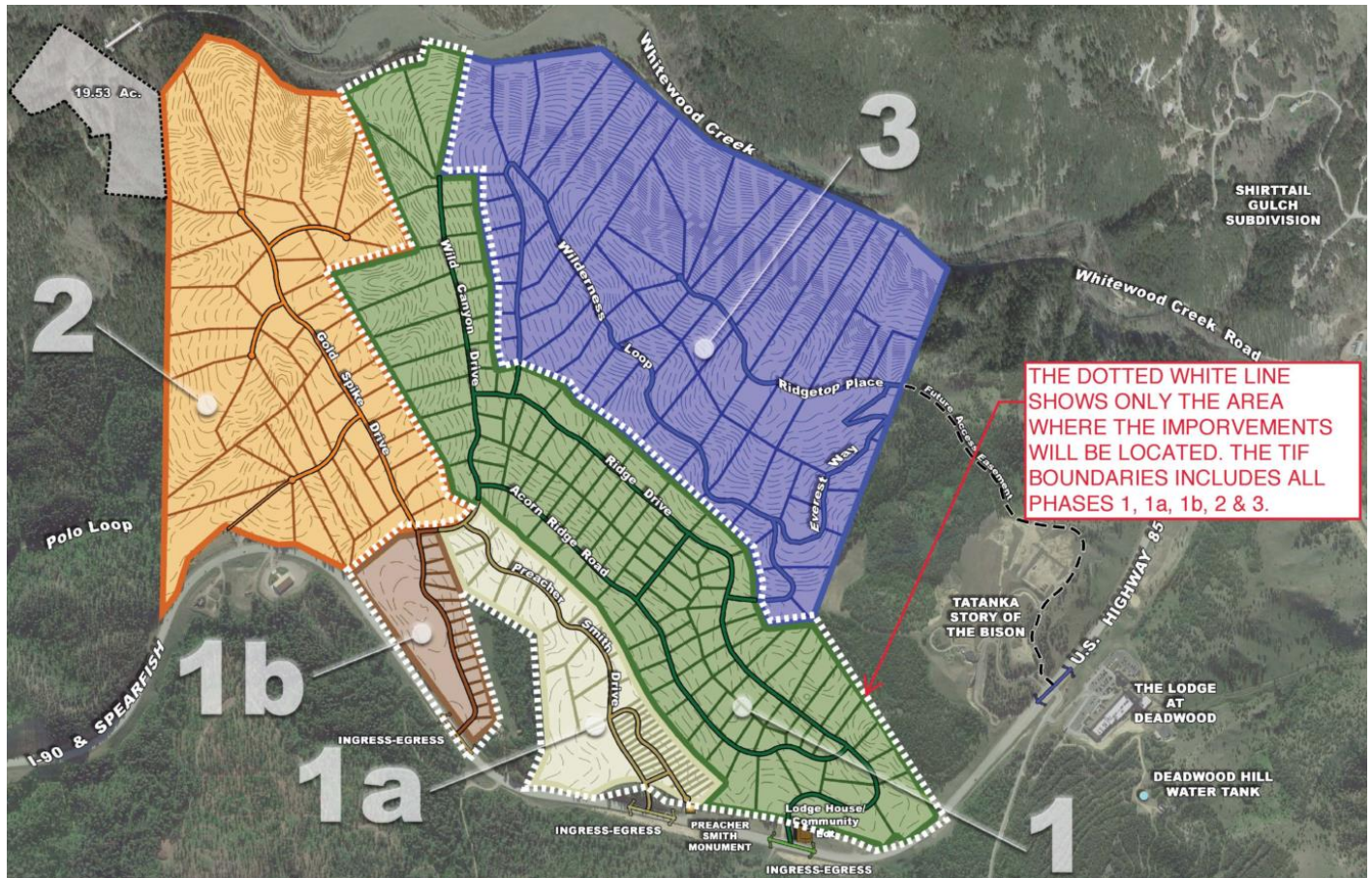
The following is a picture showing the current conditions of the proposed location of TIF #14



ATTACHMENT 3

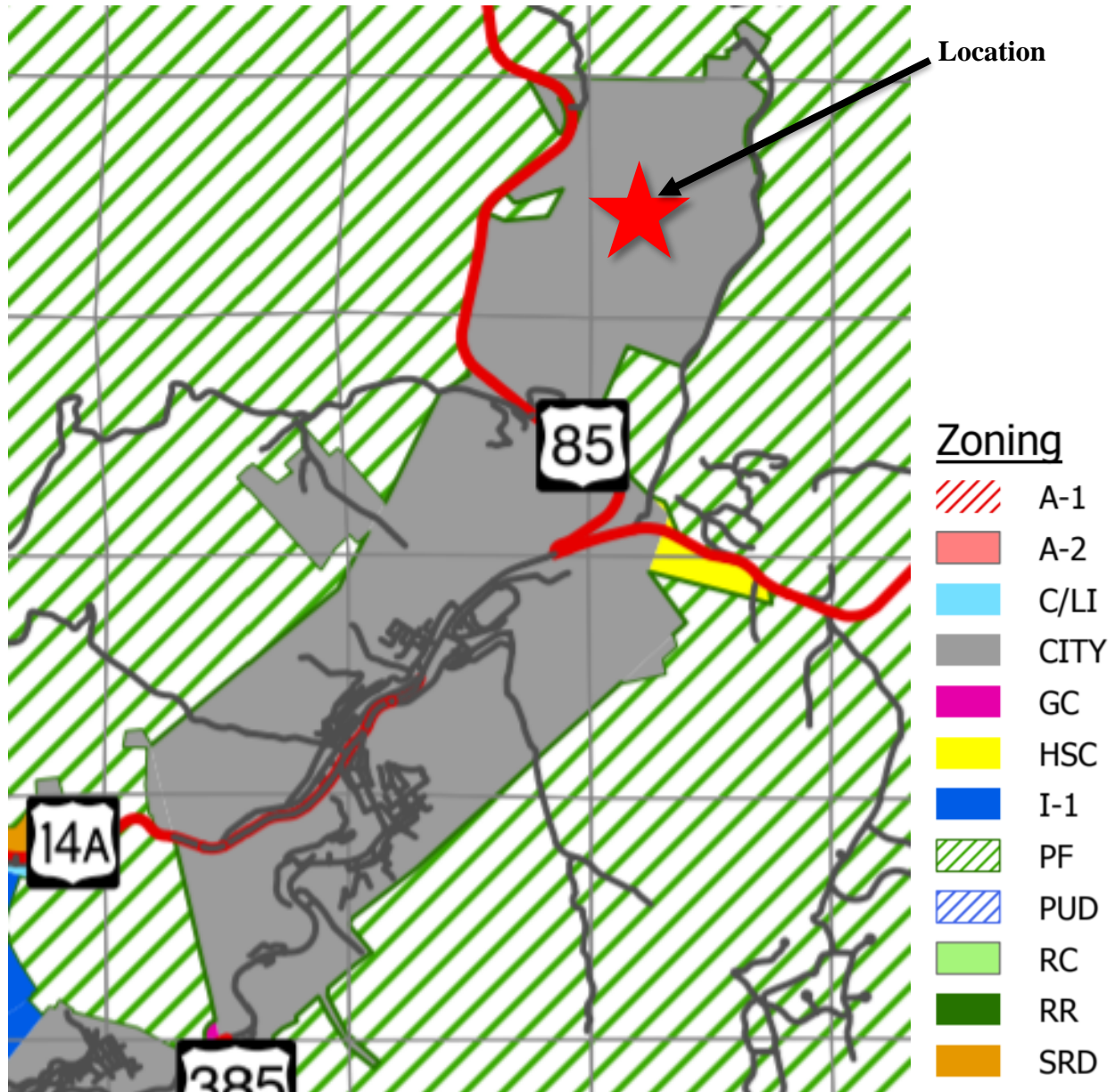
Improvements map for City of Deadwood Tax Incremental District #14, SDCL § 11-9-16(2).

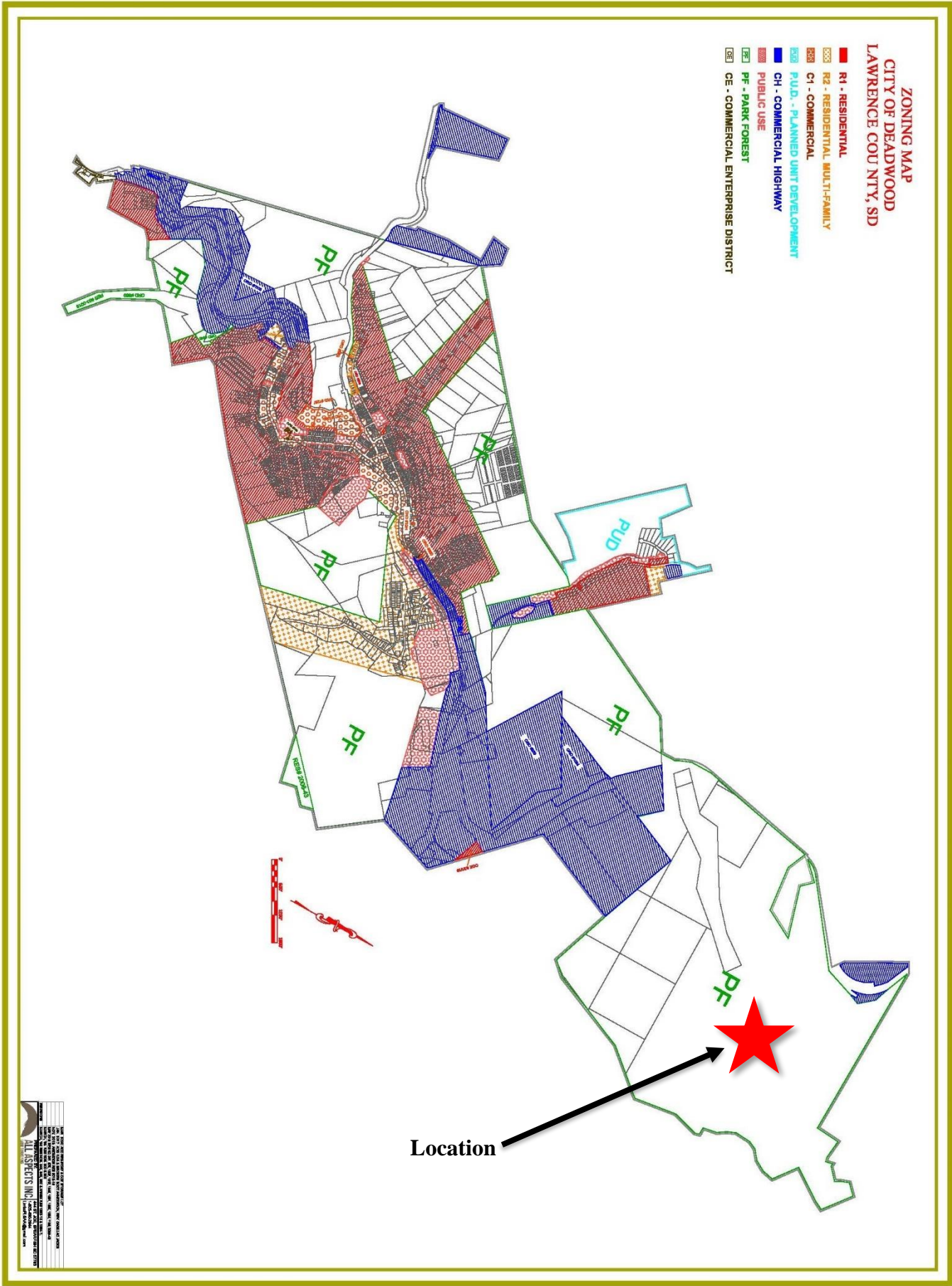
The following is a plat map of the Tax Increment District, specifically areas 1, 1a, and 1b of where the improvements will be located. The dotted white line is to represent where the improvements will be constructed. The entire parcel of Preacher Smith is depicted below show the various phases that will be developed over time.



ATTACHMENT 4

Lawrence County Zoning Map for City of Deadwood Tax Incremental District #14, SDCL § 11-9-16(2).







SOUTH DAKOTA DEPARTMENT OF REVENUE
445 East Capitol Avenue • Pierre, SD 57501
(605) 773-3311 • dor.sd.gov

August 23, 2021

City Finance Officer
108 Sherman St
Deadwood SD 57732

RE: Preliminary Classification of City of Deadwood # 14

Dear Jessica McKeown:

The Department of Revenue hereby acknowledges receipt of your request for Preliminary Classification of Tax Increment Financing District submitted on 08/23/2021.

Upon review of the provided information the Department has determined the preliminary classification for the TIF District "City of Deadwood # 14" to be Economic Development for the purposes of the State Aid to Education formula.

If you have any questions or concerns, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read 'WJS', is written over a light blue circular stamp.

Wendy Semmler, Director
Property Tax Division

RESOLUTION 2021 - 23

RESOLUTION PROVIDING FOR THE ADOPTION OF TAX INCREMENT PLAN FOR TAX INCREMENTAL DISTRICT NUMBER FOURTEEN, CITY OF DEADWOOD, SOUTH DAKOTA

WHEREAS, the Planning Commission for the City of Deadwood, South Dakota has recommended and adopted the creation of the District Boundaries for Tax Incremental District Number Fourteen, City of Deadwood, South Dakota, on October 6th , 2021; and

WHEREAS, the City of Deadwood Planning Commission has recommended the adoption of the Tax Increment Plan for Tax Incremental District Number Fourteen its adoption on October 6th, 2021 ; and

WHEREAS, the City of Deadwood, South Dakota (the “City”), has the powers, pursuant to SDCL 11-9-2, to create Tax Incremental District Number Fourteen, City of Deadwood, South Dakota, and passed a resolution on October 18th, 2021 to create the boundaries and establish the base value.

NOW THEREFORE, IT IS HEREBY RESOLVED:

1. **Authority and Declaration of Necessity.** The City of Deadwood, South Dakota, declares the necessity for the adoption of Tax Increment Plan for Tax Incremental District Number Fourteen and Developer’s Agreement in the City of Deadwood (hereinafter sometimes referred to as the “District”), pursuant to SDCL Chapter 11-9. Further, the City finds that the improvement of the area within the District is likely to enhance significantly the value of substantially all of the other real property in the District and is necessary for multi-family housing and commercial development within the City of Deadwood.
2. **Findings.** The City makes the following findings with regard to economic development:
 - a. More than 50% of the property in the District by area will stimulate and develop the general economic welfare and prosperity of the City;
 - b. Improvements to the District will significantly and substantially enhance the value of all property within the District;
 - c. The creation of the District will lead to multi-family housing designated at workforce housing
 - d. The State of South Dakota, Department of Revenue, has designated the proposed Tax Increment District #14, as Economic Development
3. **Findings of Maximum Percentage of Tax Incremental Districts.** The aggregate assessed value of the taxable property in the District, plus all other tax incremental districts does not exceed ten (10%) percent of the total assessed valuation of the City.

4. **Findings of Annual Appropriation TID.** Tax Increment District #14 will be designated as an Annual Appropriations TIF to ensure that it does NOT count against constitutional debt.
5. **Creation of District.** There is hereby created, pursuant to SDCL Chapter 11-9, Tax Incremental District Number Fourteen, City of Deadwood, South Dakota was created on the 6th, day of October, 2021 to establish the base value.
6. **Designation of District Boundaries.** The District shall be located with the northern, southern, western, and eastern boundaries of the following described real property.

The real property to be located within the Tax Increment District is described as follows:

Preacher Smith Tract to the City of Deadwood, Lot 1 &2, Block 1B of the Ridge Development, Lawrence County, South Dakota.

6. **Creation of Tax Incremental Fund.** There is hereby created, pursuant to SDCL 11-9-31, a Tax Incremental District Number Fourteen Fund, which shall be a segregated asset account. All tax increments collected pursuant to Tax Incremental District Number Fourteen shall be deposited into the Tax Incremental District Number Fourteen Fund. All funds in the Tax Incremental District Number Fourteen Fund shall be used solely for those purposes expressly stated and reasonably inferred in SDCL Chapter 11-9.
7. **Adoption of Project Plan.** The City does hereby adopt the Tax Increment Plan for Tax Increment District Number Fourteen.

Adopted this 15th day of November, 2021

ATTEST:

Jessica McKeown, Finance Officer



David Ruth Jr., Mayor



SOUTH DAKOTA DEPARTMENT OF REVENUE
445 East Capitol Avenue • Pierre, SD 57501
(605) 773-3311 • dor.sd.gov

November 19, 2021

City of Deadwood
108 Sherman St
Deadwood, SD 57732

RE: Certification of Base Value of City of Deadwood Tax Increment District # 14

Dear Jessica:

This letter is to certify the aggregate assessed value of Tax Increment District (14) in City of Deadwood pursuant to SDCL 11-9. The District was created November 15, 2021.

The Department of Revenue has established the aggregate assessed value to be a total value of \$125,050.00.

Information concerning the value determination is on file in this office and will be made available upon request.

If you have any questions concerning this matter, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Semmler".

Wendy Semmler, Director
Property Tax Division

cc: Lawrence County Director of Equalization
Lawrence County Auditor

TO: Jessica McKeown

FROM: Wendy Semmler, Program Director
Property Tax Division

RE: Tax Increment Financing District Purpose

DATE: November 19, 2021

To properly implement SDCL 13-13-10.2. "Determination of assessed value for tax incremental district-- Districts created for industrial or economic development purposes", the Department requests you certify the purpose and classification of the tax increment district stated below.

For the purposes of this chapter, industrial includes only those activities generally recognized as industrial by zoning authorities within the state, including any factory or any business engaged primarily in the manufacturing or assembly of goods, the processing of raw materials, and the wholesale distribution of products for resale.

For the purposes of this chapter, economic development includes any area where there is or will be one or more businesses engaged in any activity defined as commercial or industrial by the governing body that has zoning authority over the land contained within the tax incremental district.

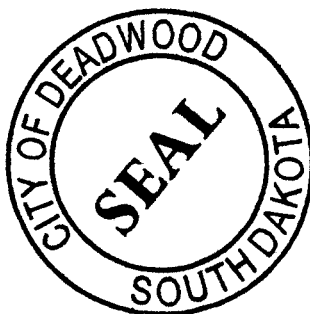
Affordable Housing classification includes an area where: 1. The original selling price of any house in the district will be at or below the first-time homebuyer purchase price limit being used by the South Dakota Housing Development Authority as of the date the house is sold; OR 2. The monthly rental rate of all multifamily housing units in the district will be at or below the calculated rent for the state's eighty percent area median income as of the date the district is created, for a minimum of five years following the date of first occupancy.

Please fully complete and return this to me as soon as you can, any incomplete form will be sent back.

City of Deadwood

14 Created November 15, 2021 with a base value of \$125,050.00.

This district would be considered Economic.



Printed: Jessica McKeown

Title: Finance Officer

Signature: [Signature]

Date: 11/21/2021

DEVELOPMENT AGREEMENT
(ANNUAL APPROPRIATION GRANT)

BETWEEN
THE CITY OF DEADWOOD, SOUTH DAKOTA
AND TRD, LLC
CONCERNING
TAX INCREMENT DISTRICT NUMBER 14
CITY OF DEADWOOD, SOUTH DAKOTA

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THIS DEVELOPMENT AGREEMENT, pursuant to Resolution No. 2021-23, passed and approved on November 15th, 2021, is entered into by and between the **CITY OF DEADWOOD** a South Dakota, a municipal corporation (hereinafter called "CITY"); and TRD LLC, _____ (hereinafter referred to as "DEVELOPER");

WITNESSETH:

WHEREAS, CITY recognizes the importance of its continued role in economic development through the creation of single family, multi-family housing and commercial property;

WHEREAS, by Resolution No. 2021-23, dated November 15th, 2021, pursuant to Chapter 11-9 of the South Dakota Codified Laws (as amended), (hereinafter called the "Act"), CITY created Tax Increment District Number 14 (the "District") in accordance with the Act, to promote development of the TID Property, which development would not otherwise occur solely through private investment in the reasonably foreseeable future ("TID"); and

WHEREAS, the Act authorizes the expenditure of funds derived within a TID for the payment of expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the CITY establishing TID, for grants, costs of public works or public improvements in the TID, plus other costs incidental to those expenditures and obligations, consistent with the project plan of the TID, which expenditures and monetary obligations constitute project costs, as defined in Section 11-9-14 of the Act ("Project Costs"); and

WHEREAS, on November 15th, 2021 by a CITY Resolution, the City adopted and approved the Tax Increment Project Plan providing for development of TID Property.

NOW, THEREFORE, in consideration of the mutual promises, covenants, obligations, and benefits contained in this Agreement, CITY and DEVELOPER hereby agree as follows:

Article I. DEFINITIONS

Unless the context otherwise requires, the terms defined in this Article I shall, for all purposes of this Agreement and of any amendment, have the meanings herein specified:

"CITY" and "DEVELOPER" shall have the meanings specified above.

"Act" shall mean the Chapter 11-9 of the South Dakota Codified Laws, as defined above and as may be amended from time to time.

"Agreement" shall mean this document by and among CITY and DEVELOPER, which may be amended from time to time, pursuant to the provisions contained herein and which and a grant under Section 11-9-1(3) of the Act.

"Available Tax Increment Funds" shall mean the positive tax increments of the District;

“Construction Schedule” shall mean the timetable for constructing the improvements specified in the Project Plan and this Agreement, which timetable is more particularly set forth in Exhibit C, attached hereto and incorporated herein for all purposes and which timetable may be amended from time to time pursuant to the provisions of this Agreement.

“District” means Tax Increment District Number 14 of the City.

“Effective Date” shall mean the twentieth (20th) day after publication by the CITY’s City Council of the Resolution authorizing the execution of this Agreement by CITY.

“Grant” shall have the meaning set forth in the Act.

“Phase” shall mean a portion of the Project that is being constructed by DEVELOPER normally being a set number of units or acres out of the TID Property being constructed together during a specific timeline.

“Project” shall have the meaning specified in paragraph 3.1 of this Agreement, and as more specifically detailed in the Project Plan as (either or both) may be amended from time to time.

“Project Costs” shall have the meaning specified above.

“Project Plan” shall mean the final Project Plan as defined in the Act, as approved and as may be amended from time to time by the CITY.

“Public Infrastructure Improvements” shall have the meaning specified in Paragraph 3.02 of this Agreement, and as more specifically detailed in Exhibit B, the Project Plan as (either or both) may be amended from time to time.

“TID” shall have the meaning specified above.

“TID Property ” shall mean the real property subject to the Project Plan, which is more particularly described in Exhibit A.

Singular and Plural: Words used herein in the singular, where the context so permits, also includes the plural and vice versa, unless otherwise specified.

Article II. OBLIGATION AND REPRESENTATIONS

Section 2.01 Annual Appropriation Grant. Subject to annual appropriation, CITY agrees to pay to DEVELOPER Available Tax Increment Funds revenues it receives from the District for the then current fiscal year. It is understood that the total Tax Increment District is set at a maximum amount of \$12,500,000, of which an amount not to exceed of \$11,250,000 will be passed on to the Developer, and the City will retain an amount up to \$1,250,000. Together with a computed interest at a rate of not to exceed 0% until the time set forth in Article XXII. Should the City not appropriate the Grant to the Developer, the TIF will terminate.

THIS AGREEMENT DOES NOT CONSTITUTE A DEBT WITHIN THE MEANING OF ARTICLE 13 SECTION 4 OF THE SOUTH DAKOTA CONSTITUTION. NO OBLIGATION IS CREATED BEYOND A FISCAL YEAR IN WHICH AN ANNUAL APPROPRIATION HAS BEEN MADE.

Section 2.02 Grant. The right to receive the Available Tax Increment Funds referred to in Section 2.01 is a grant under the Act and is subject to annual appropriation by the CITY. The Grant is a personal property right vested with DEVELOPER on the date of execution of this Agreement. The Grant shall constitute a specific project cost under the Act and is deemed made on the date of the execution of this Agreement. Nothing in this Agreement obligates the City to mandatorily annually appropriate. Each Grant is at the discretion of the City Council on an annual appropriation basis.

Section 2.03 No Certificated Tax Increment Revenue Bonds. CITY and DEVELOPER represent that they understand and agree that the CITY shall not issue any certificated tax increment revenue bonds to cover any costs directly or indirectly related to DEVELOPER's improvement of the TID under this Agreement. This agreement shall constitute the only obligation.

Section 2.04 Tax Increment District Number 14. CITY represents to DEVELOPER that as of the date hereof that the TID is a Tax Increment District established by CITY pursuant to Resolution Number 2021-23, passed and approved on November 15th, and has authority to carry on the functions and operations contemplated by this Agreement.

Section 2.05 Developer's Representations. DEVELOPER represents to CITY:

- (a) that DEVELOPER is an entity organized in the State of South Dakota;
- (b) that DEVELOPER has the authority to enter into this Agreement and to perform the requirements of this Agreement;
- (c) that DEVELOPER's performance under this Agreement shall not violate any applicable judgment, order, law or regulation;
- (d) that DEVELOPER's performance under this Agreement shall not result in the creation of any claim against CITY for money or performance, any lien, charge, encumbrance or security interest upon any asset of CITY; and
- (d) that DEVELOPER shall have sufficient capital to perform all of its obligations under this Agreement when it needs to have said capital; and that DEVELOPER owns the TID Property.

Section 2.06 Approvals. CITY and DEVELOPER represent each to the others that the execution, delivery, and performance of this Agreement on its part does not require consent or approval of any person that has not been obtained.

Section 2.07 Assignment of Payments. The CITY represents that DEVELOPER may rely upon the payments to be made to it out of the Available Tax Increment Funds as specified in this Agreement and that DEVELOPER may assign its rights to such payments, either in full or in trust, for the purposes of financing its obligations related to this Agreement, but DEVELOPER's right to such payments is subject to the other limitations of this Agreement. The CITY will issue a check or other form of payment made payable to the DEVELOPER or its assigns.

Section 2.09 Continued Cooperation. CITY and DEVELOPER represent each to the others that it shall make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires its continued cooperation.

Section 2.10 Completion of Improvements. CITY and DEVELOPER represent that they understand and agree that DEVELOPER shall diligently work to successfully complete any and all required improvements in accordance with the Construction Schedule attached as Exhibit C. This Exhibit is put forth in good faith by the Developer but it is understood that the timeline is subject to multiple variables that may impact the overall timing of the project.

Section 2.11 No General Obligation of the CITY. DEVELOPER represents that it understands that any contributions made by DEVELOPER in anticipation of reimbursement from Available Tax Increment Funds shall not be, nor construed to be, a general obligation of the CITY. The Agreement is payable only out of the special fund created under § 11-9-31 of the Act. **THIS AGREEMENT SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE CITY NOR A CHARGE AGAINST ITS GENERAL TAXING POWER.** DEVELOPER shall bear all risks associated with reimbursement, including, but not limited to: incorrect estimates of tax increment, changes in tax rates or tax collections, changes in state law or interpretations thereof, changes in market or economic conditions impacting the project, changes in interest rates or capital markets, changes in building code requirements, changes in the governing body of the City, default by third parties, unanticipated effects covered under legal doctrine of force majeure, the decision by the Deadwood City Commission not to fund the annual appropriation, and/or other unanticipated factors.

Section 2.12 Pledge of the State. The State of South Dakota pursuant to Section 11-9-39.1 of the Act has pledged not to alter any of the rights vested in this Agreement until they are fully met and discharged.

Article III. THE PROJECT

Section 3.01 The Project. The Project shall constitute and include the design, construction, assembly, installation and implementation of project described on Exhibit A

Section 3.02 The Public Infrastructure Improvements. The Public Infrastructure Improvements shall constitute and include the design, construction, assembly, installation and implementation of the project costs described on Exhibit B. The Costs are estimates only and actual costs may be higher or lower than the estimates.

Section 3.03 Construction of the Public Infrastructure Improvements. Public Infrastructure Improvements shall be constructed by the DEVELOPER through private contract. The CITY shall not bid nor contract any improvement described in this Agreement. The Developer shall submit all contracts, which is to include quantities and unit pricing, to the City to ensure that all infrastructure meets CITY's specification and for record keeping.

Section 3.04 Financing of the Project. The cost of the Project and Public Infrastructure Improvements and all other improvement expenses associated with the Project shall be through the use of DEVELOPER's own capital or through commercial or private construction loans/lines of credit secured solely by DEVELOPER. DEVELOPER may use any or part of the TID Property as collateral for the construction loan or loans as required for the financing of the Project. THESE AVAILABLE TAX INCREMENT FUND PAYMENTS MADE TO DEVELOPER ARE NOT INTENDED TO REIMBURSE DEVELOPER FOR ALL OF ITS COSTS INCURRED IN CONNECTION WITH PERFORMING ITS OBLIGATIONS UNDER THIS AGREEMENT.

Section 3.05 CITY Costs. There shall be no CITY costs financed with the Tax Increment District. The CITY shall reimburse itself from Available Tax Increment Funds for imputed administrative costs in the amount of \$1,250,000 which shall occur on or before the twentieth anniversary of the creation of the Tax Increment District. This cost will be in the amount of 10% of the total Tax Increment Revenue received on a yearly basis. Once the full amount of \$1,250,000 has been received by the City, the City will forward the remaining amount to the Developer, not to exceed \$1,250,000 or 20 years from the year of creation.

DUTIES AND OBLIGATIONS OF DEVELOPER

(a) DEVELOPER agrees to complete, or cause to be completed, the improvements described in the Project Plan and this Agreement. DEVELOPER agrees to provide, or cause to be provided, all materials, labor, and services for completing the Project. DEVELOPER also agrees to obtain or cause to be obtained, all necessary permits and approvals from CITY and/or all other governmental agencies having jurisdiction over the construction of improvements to the TID Property.

(b) DEVELOPER shall prepare, or cause to be prepared plans and specifications for the Public Infrastructure Improvements in each Phase prior to starting any construction in said Phase. DEVELOPER shall not commence any construction on the Project until the plans and specifications for each Phase have been approved in writing by the appropriate department of CITY and State of South Dakota when applicable.

(c) DEVELOPER agrees to supervise the construction of the Project and cause the construction to be performed substantially in accordance with the Project Plan and the plans and specifications approved by the appropriate department of CITY. DEVELOPER also agrees to provide periodic reports of such construction and expenditures to CITY upon reasonable request.

(d) DEVELOPER shall be responsible for paying, or causing to be paid, to CITY and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project.

(e) DEVELOPER agrees to commence and complete the Project in accordance with the Construction Schedule. If substantial completion of the Project is delayed by reason of war, civil commotion, acts of God, inclement weather, governmental restrictions, regulations, fire or other casualty, court injunction, necessary condemnation proceedings, interference by third parties, or any circumstances reasonably beyond DEVELOPER's control, then at CITY's reasonable discretion, the deadlines set forth in the Construction Schedule shall be extended by the period of each such delay.

(f) DEVELOPER shall pay monthly rates and charges for all utilities (such as water, electricity, and sewer services) used by DEVELOPER in regard to the development of the TID Property for all areas owned by DEVELOPER during construction of the Project, and for so long as DEVELOPER owns those areas.

(g) DEVELOPER shall cooperate with the CITY in providing all necessary information to CITY in order to assist the CITY in complying with this Agreement.

(h) DEVELOPER shall submit written annual reports, starting no later than thirty (30) days following the end of the fiscal year in which the TID was created detailing the amount of Available Tax Increment Funds received and the amounts thereof applied to pay DEVELOPER'S principal and interest on its private financing.

(i) DEVELOPER acknowledges that an amount not to exceed \$2,000,000 of the total Tax Increment Revenue will be designated towards the construction of the turning lanes. It is understood that the Turning Lanes will require final approval by the South Dakota Department of Transportation.

(j) DEVELOPER will comply with all City of Deadwood Ordinances. Developer will show proof of Financial Guarantees as it is stated in section 17.04.120 of the City's Ordinances, to demonstrate financial solvency to ensure that the project will be completed.

Article IV. DUTIES AND OBLIGATIONS OF THE CITY.

The CITY hereby pledges all Available Tax Increment Funds as full reimbursement to DEVELOPER, up to the maximum total amount specified in this Agreement. This is also subject to Article II, Section 2.01.

The City retains the right to defend the validity of the Tax Increment District should it be challenged.

The City will work with the Developer and South Dakota Department of Transportation, and any other agency that may be involved, to assist in a technical manner for the construction of the Turning Lanes.

Article V. INSURANCE

DEVELOPER shall maintain a policy of liability insurance, acceptable to the CITY, with liability limits of at least two million dollars \$2,000,000.00 that names the City of Deadwood as an additional insured. Such a policy shall remain in effect until the CITY accepts the improvements.

Article VI. DEFAULT AND TERMINATION

In the event that DEVELOPER fails to commence construction of the Project, fails to complete construction of the Project, or fails to perform any other obligation pursuant to the terms of this Agreement, CITY may terminate this Agreement if DEVELOPER does not take adequate steps to cure its failure within ninety (90) calendar days after receiving written notice from CITY requesting the failure be cured.

Article VII. INDEMNIFICATION

DEVELOPER covenants and agrees to FULLY INDEMNIFY and HOLD HARMLESS, CITY (and the elected officials, employees, officers, directors, and representatives of CITY) from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal injury or death and property damage, made upon CITY directly or indirectly arising out of, resulting from or related to DEVELOPER's negligence, willful misconduct or criminal conduct in its activities under this Agreement, including any such acts or omissions of DEVELOPER, any agent, officer, director, representative, employee, consultant or subconsultants of DEVELOPER, and their respective officers, agents, employees, directors and representatives while in the exercise or performance of the rights or duties under this Agreement, all without, however, waiving any governmental immunity available to CITY under South Dakota Law and without waiving any defenses of the parties under South Dakota Law. The provisions of this INDEMNIFICATION are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. DEVELOPER shall promptly advise CITY in writing of any claim or demand against CITY related to or arising out of DEVELOPER's activities under this Agreement and shall see to the investigation and defense of such claim or demand at DEVELOPER's cost to the extent required under the Indemnity in this paragraph. CITY shall have the right, at their option and at their own expense, to participate in such defense without relieving DEVELOPER of any of its obligations under this paragraph.

Article VIII. SITE INSPECTION

DEVELOPER shall allow CITY reasonable access to the TID Property owned or controlled by DEVELOPER for inspections during and upon completion of construction of the Project and to documents and records necessary for CITY to assess DEVELOPER's compliance with this Agreement.

Article IX. LIABILITY

As between CITY and DEVELOPER, DEVELOPER shall be solely responsible for compensation payable to any employee or contractor of DEVELOPER, and none of DEVELOPER's employees or contractors will be deemed to be employees or contractors of CITY as a result of the Agreement. To the extent permitted by South Dakota law, no director, officer, employee or agent of CITY shall be personally responsible for any liability arising under or growing out of this Agreement.

Developer agrees to fully indemnify and hold harmless, City (and the elected officials, employees, officers, directors, and representatives of City) from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, cases of action, liability and suits of any kind and nature by brought by any employees or contractors of Developer.

Article X. EXAMINATION OF RECORDS

CITY reserves the right to conduct examinations, during regular business hours and following notice to DEVELOPER by CITY, of the books and records related to this Agreement no matter where books and records are located.

Article XI. NON-WAIVER

Any provision of this Agreement may be amended or waived if done in writing and is signed by CITY, through a Resolution passed and approved by its City Council and DEVELOPER. No course of dealing on the part of CITY, or DEVELOPER nor any failure or delay by CITY or DEVELOPER in exercising any right, power, or privilege under this Agreement shall operate as a waiver of any right, power or privilege owing under this Agreement.

Article XII. ASSIGNMENT

(a) All covenants and agreements contained herein by CITY shall bind their successors and assigns and shall inure to the benefit of DEVELOPER and their successors and assigns.

(b) CITY may assign their rights and obligations under this Agreement, to any governmental Entity without prior consent of DEVELOPER. If CITY assigns their rights and obligations under this Agreement then CITY will send DEVELOPER written notice of such assignment within fifteen (15) days of such assignment.

(c) Any restrictions herein on the transfer or assignment of DEVELOPER's interest in this Agreement shall not apply to and shall not prevent the assignment of this Agreement to any corporation or other entity with which DEVELOPER may merge or consolidate or that may succeed to a controlling interest in the business of DEVELOPER; nor shall the foregoing apply to or prevent DEVELOPER from assigning the proceeds of this Agreement to a lending institution or other provider of capital in order to obtain financing for the Project. In no event, however, shall CITY be obligated in any way to the aforementioned financial institution or other provider of capital. DEVELOPER shall indemnify the CITY as to any claims by third parties that payments made pursuant to this Agreement should have been made to anyone besides the DEVELOPER.

(d) DEVELOPER may make partial or complete assignment of the Agreement, but only upon written consent of the CITY, which consent shall not be unreasonable withheld. Absent written consent by the CITY to the assignment of the Grant Amount, the DEVELOPER shall indemnify the CITY as to any claims by third parties that payments made pursuant to this Agreement should have been made to anyone besides the DEVELOPER.

Article XIII. CONFLICT OF INTEREST

DEVELOPER acknowledges that the Charter of CITY and its ethics code prohibit a CITY officer or employee from having a financial interest in any contract with the CITY or any CITY agency such as CITY-owned utilities. DEVELOPER warrants and certifies, and this Agreement is made in reliance thereon, that they, their officers, employees and agents are neither officers nor employees of CITY as prohibited above.

Article XIV. ENTIRE AGREEMENT

This written Agreement, embodies the final and entire agreement between the parties hereto and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that if there is a conflict between an exhibit and a provision of this Agreement, the provision of this Agreement shall prevail over the exhibit.

Article XV. CHANGES AND AMENDMENTS

Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be by amendment in writing executed by CITY and DEVELOPER and evidenced by passage of a subsequent CITY Resolution, as to CITY's approval.

It is understood and agreed by the parties hereto that changes in local, state and federal rules, regulations or laws applicable to DEVELOPER's services hereunder may occur during the term of this Agreement and that any such changes shall be automatically incorporated into this Agreement without written amendment hereto and shall become a part hereof as of the effective

date of the rule, regulation or law.

Each annual appropriation which is made more than five years after the District has been created shall constitute an amendment described in SDCL § 11-9-3. Since no additional project costs will be provided for in the amendment, SDCL § 11-9-23 shall not apply and no further action by the City will be required.

Section 15.01 SEVERABILITY

If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the charter, code, or Ordinances of CITY, then and in that event it is the intent of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein. It is also the intent of the parties hereto that in lieu of each clause or provision of this Agreement that is invalid, illegal, or unenforceable, there be added as a part of the Agreement a similar clause or provision as may be possible, legal, valid and enforceable.

Article XVI. LEGAL AUTHORITY

Each persons executing this Agreement on behalf of the CITY and DEVELOPER, represents, warrants, assures and guarantees that he has full legal authority to (i) execute this Agreement on behalf of CITY and/or DEVELOPER, respectively, and (ii) to bind CITY and/or DEVELOPER to all of the terms, conditions, provisions and obligations herein contained.

Article XVII. VENUE AND GOVERNING LAW

THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF SOUTH DAKOTA. Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in State Courts, Lawrence County, South Dakota.

Article XVIII. TAXES & LICENSES

DEVELOPER shall pay, on or before their respective due dates, to the appropriate collecting authority all Federal, State, and local taxes and fees that are now or may hereafter be levied upon the TID Property or upon DEVELOPER or upon the business conducted on the TID Property, or upon any of DEVELOPER's property used in connection therewith, including employment taxes; and DEVELOPER shall maintain in current status all federal State, and local licenses and permits required for the operation of the business conducted by DEVELOPER.

Article XIX. PARTIES' REPRESENTATIONS

This Agreement has been jointly negotiated by the CITY and DEVELOPER and shall not be construed against a party because that party may have primarily assumed responsibility for the

drafting of this Agreement.

Article XX. NOTICE

Any notice sent under this Agreement shall be written and mailed with sufficient postage, sent by certified mail, return receipt requested, documented facsimile or delivered personally to an officer of the receiving party at the following addresses:

CITY

City of Deadwood
102 Sherman Street
Deadwood, SD 57732
Phone: _605-578-2600

DEVELOPER

TRD, LLC
Contact: Leah M. Berg, P.E., Project Manager
16 Peck Street
Deadwood, SD 57732
Phone: (605) 716-4646
Fax: (605) 716-1144
Email: LBerg@proacesinc.com

Each party may change its address by written notice in accordance with this Article. Any communication delivered by facsimile transmission shall be deemed delivered when receipt of such transmission is received if such receipt is during normal business hours or the next business day if such receipt is after normal business hours. Any communication so delivered in person shall be deemed received when receipted for by or actually received by an officer of the party to whom the communication is properly addressed. All notices, requests or consents under this Contract shall be (a) in writing, (b) delivered to a principal officer or managing entity of the recipient in person, by courier or mail or by facsimile, telegram, telex, cablegram or similar transmission, and (c) effective only upon actual receipt by such person's business office during normal business hours. If received after normal business hours, the notice will be considered to have been received on the next business day after such delivery. Whenever any notice is required to be given by applicable law or this Contract, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Each party shall have the right from time to time and at any time to change its address by giving at least 15 days' written notice to the other party.

Article XXI. CAPTIONS

All captions used herein are only for the convenience of reference and shall not be construed to have any effect or meaning as to the agreement between the parties hereto.

Article XXII. TERM

The term of this Agreement shall commence on the Effective Date and end on the date which is the earlier to occur of the following:

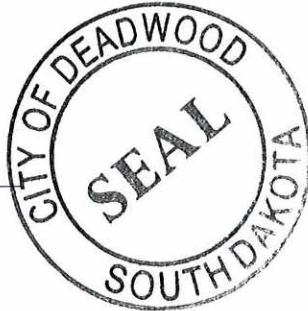
- (i) the date which all monetary obligations under this Agreement have been paid and CITY expenditures reimbursed; or
- (ii) the date this Agreement is terminated as provided in Article VIII; or
- (iii) 20 years from the creation of the District or pursuant to Article II, Section 2.01

IN WITNESS THEREOF, the parties hereto have caused this instrument to be duly executed this 18 day of ~~August~~, 2022.

January

ATTEST:

 City Finance Officer
 SEAL



CITY OF DEADWOOD


 Mayor


 TRD, LLC


 By: Randy Horner
 Its: President

COUNTER SIGNED
 RESIDENT ATTORNEY

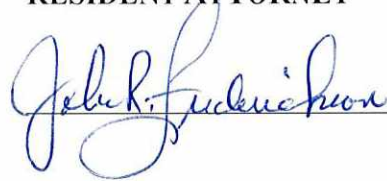


EXHIBIT B

Estimated Public Infrastructure Improvements

Page 1 of 2



CONSTRUCTION ESTIMATED UNIT COSTS

the RIDGE Development
Deadwood, South Dakota

ACES
AFFORDABLY CREATIVE ENGINEERING SERVICES

Item No.	Description of Item Limited to: PHASE 1, 1a, & 1b Ridge Drive, Wild Canyon Drive, Preacher Smith Drive & Gold Spike Dr. Part 1	Estimated Quantity	Unit	Estimate Based on current pricing 12/1/21	
				UNIT PRICE	TOTAL
1	Mobilization	1.0	LS	\$ 250,000.00	\$ 250,000.00
2	Miscellaneous and Incidentals	1.0	LS	\$ 300,000.00	\$ 300,000.00
3	Erosion and Sediment Control	1.0	LS	\$ 200,000.00	\$ 200,000.00
4	Construction Staking	1.0	LS	\$ 150,000.00	\$ 150,000.00
5	Traffic Control	1.0	LS	\$ 75,000.00	\$ 75,000.00
6	Clearing / Grubbing / Mass Grading	229,633.0	CY	\$ 15.00	\$ 3,444,495.00
7	Roadway Construction - Grading, Ditches, Recompect Subgrade	29,237.0	CY	\$ 22.09	\$ 645,845.33
8	Culvert, 60" Dia. CMP, Installed	160.0	LF	\$ 750.00	\$ 120,000.00
9	Cilvert, 48" Dia. CMP, Installed	260.0	LF	\$ 713.46	\$ 185,499.60
10	Cilvert, 36" Dia. CMP, Installed	200.0	LF	\$ 300.00	\$ 60,000.00
11	Asphalt Pavement, 6" thickness, Class G/E, Type 1, PG 64-22	12,771.0	TON	\$ 110.00	\$ 1,404,810.00
12	Aggregate Base Course, 8" thickness	17,028.0	TON	\$ 23.00	\$ 391,644.00
13	Aggregate surfacing, shoulders, 1' wide, 6" thickness, each side of roadway	1,154.3	TON	\$ 23.00	\$ 26,547.75
14	8" Water Main, C-900, DR-18	15,390.0	LF	\$ 63.90	\$ 983,421.00
15	6" Water Main, C-900, DR-18, Fire Hydrant Leads	384.0	LF	\$ 64.31	\$ 24,695.04
16	90° Bend 8" Water Main	15.0	EA	\$ 700.00	\$ 10,500.00
17	45° Bend 8" Water Main	20.0	EA	\$ 675.00	\$ 13,500.00
18	22.5° Bend 8" Water Main	30.0	EA	\$ 650.00	\$ 19,500.00
19	11.25° Bend 8" Water Main	20.0	EA	\$ 650.00	\$ 13,000.00
20	8" Water Main 8" X 6" X 8" Tee	40.0	EA	\$ 850.00	\$ 34,000.00
21	8" Water Main Gate Valve with Box	36.0	EA	\$ 2,585.00	\$ 93,060.00
22	Pipe Trench insulation	60.0	SF	\$ 14.00	\$ 840.00
23	Connect to Existing 10" Water Main within gravel approach	1.0	EA	\$ 1,800.00	\$ 1,800.00
24	Flush Mounted Tracer Wire Access Box	32.0	EA	\$ 350.00	\$ 11,200.00
25	Fire Hydrant with Aux Valve	32.0	EA	\$ 5,611.46	\$ 179,566.72
26	Sanitary Sewer Main - Gravity Collection 8" Dia.	15,390.0	LF	\$ 47.10	\$ 724,869.00
27	48" Sanitary Sewer Manhole, 8'-12' Depth	36.0	EA	\$ 5,254.46	\$ 189,160.56
28	60" Sanitary Sewer Manhole, 8'-14' Depth	2.0	EA	\$ 6,800.00	\$ 13,600.00
29	Sanitary Sewer Force Main, 6" PVC	8,015.0	LF	\$ 60.00	\$ 480,900.00
30	Connect to Existing Sanitary Sewer Manhole	1.0	EA	\$ 1,850.00	\$ 1,850.00
31	Unclassified Excavation	25.0	CY	\$ 12.50	\$ 312.50
32	Rock Excavation (trench style non-blasting)	212,850.0	CY	\$ 10.00	\$ 2,128,500.00
33	Furnish wet well, 84" Dia Manhole, w/precast lid & access hatch	2.0	EA	\$ 22,000.00	\$ 44,000.00
34	Install wet well manhole	2.0	EA	\$ 15,000.00	\$ 30,000.00
35	Furnish valve manhole, 72" Dia w/precast lid & access hatch	2.0	EA	\$ 14,000.00	\$ 28,000.00
36	Install valve manhole	2.0	EA	\$ 10,000.00	\$ 20,000.00
37	Furnish and install submersible pumps, rail system, cables and appurtenances	2.0	EA	\$ 60,000.00	\$ 120,000.00
38	Sanitary Sewer Lift Station Sys., 250' Vertical Lift Mech. Equip & Elec. Controls	2.0	EA	\$ 280,000.00	\$ 560,000.00
39	Lift Station Control Building with fencing and access	2.0	EA	\$ 190,000.00	\$ 380,000.00
40	Common Utility Trench within ROW, Electric, Natural Gas and Communications	18,560.0	LF	\$ 33.90	\$ 629,184.00

CONTINUED:

Page 2 of 2

41	SDDOT ROW Rock Mass Removal, Grading, and Rock Crushing Operation	30,000.0	CY	\$ 20.00	\$ 600,000.00
42	Street Lighting, Timber Posts with Solar Light Fixtures	47.0	EA	\$ 2,000.00	\$ 94,000.00
43	SDDOT PCC Hwy 85 Approach	150.0	SY	\$ 97.00	\$ 14,550.00
44	Concrete Encasement for utility (20 LF)	2.0	EA	\$ 1,800.00	\$ 3,600.00
45	Rip-Rap	250.0	TON	\$ 20.00	\$ 5,000.00
46	Gravel Surfacing	500.0	TON	\$ 23.00	\$ 11,500.00
47	Street Sign installed	8.0	EA	\$ 1,090.00	\$ 8,720.00
48	Topsoil Placement - Source onsite	7,980.0	CY	\$ 6.00	\$ 47,880.00
49	Seed, Fertilize and Cover/Mulch	71,820.0	SY	\$ 1.80	\$ 129,276.00
50	1" Poly Water Service Connection, Corp Stop & Curb Stop (45 LF)	157.0	EA	\$ 2,975.50	\$ 467,153.50
51	4" Sanitary Sewer Service Connection with PVC Cleanout (45 LF)	157.0	EA	\$ 2,153.25	\$ 338,060.25
52	Ditch reconstruction toward Whitewood Creek, check-dams, rip-rap, protection	1,306.0	LF	\$ 12.00	\$ 15,672.00
53	Relocate hazardous overhead 911 emergency cable underground	5,384.0	LF	\$ 27.86	\$ 150,000.00
54	Burning of large slash pile from fire reduction tree harvest operation	15.0	EA	\$ 5,500.00	\$ 82,500.00
55	Material Testing (trench compaction, base course and asphalt)	1.0	LS	\$ 15,000.00	\$ 15,000.00
				Construction Cost Sub-Total : \$ 15,972,212.25	
				Engineering Design, Geotech, survey, platting, Const Docs & Const Admin: \$ 950,000.00	
				TOTAL : \$ 16,922,212.25	

Item No.	Description of Item Limited to SDDOT Double (Right/Left) Turn Lanes Highway (Ridge Drive, Wild Canyon Drive, Preacher Smith Drive & Gold Spike Dr. Part 1	Estimated Quantity	Unit	Estimate Based on current pricing 12/1/21	
				UNIT PRICE	TOTAL
56	Mobilization Each Approach Location will be constructed separately	1.0	LS	\$ 60,000.00	\$ 60,000.00
57	Construction Staking	1.0	LS	\$ 15,000.00	\$ 15,000.00
58	Three Man Survey Crew (SDDOT)	1.0	LS	\$ 5,400.00	\$ 5,400.00
59	Remove and Reset Cable Guard Rail	742.0	LF	\$ 45.00	\$ 33,390.00
60	Remove PCC Pavement	5,905.0	SqYd	\$ 12.00	\$ 70,860.00
61	Remove Asphalt Concrete Surfacing	60.0	SqYd	\$ 20.00	\$ 1,200.00
62	Incidental Work	1.0	LS	\$ 21,000.00	\$ 21,000.00
63	Base Course	2,144.1	TON	\$ 38.00	\$ 81,475.80
64	Striping and Pavment Markings temporary and permanent	1.0	LS	\$ 12,000.00	\$ 12,000.00
65	Construction Barricade	12.0	EA	\$ 500.00	\$ 6,000.00
66	Traffic Control	1.0	LS	\$ 24,000.00	\$ 24,000.00
67	Contractor furnished barrow excavation	31,495.1	CuYd	\$ 13.00	\$ 409,436.30
68	Rock Excavation	10.0	CuYd	\$ 115.00	\$ 1,150.00
69	Grading, material placement and compaction for wighway widening	12,705.6	CuYd	\$ 24.00	\$ 304,934.40
70	Grading within ROW for ditch draiange system	9,842.2	CuYd	\$ 26.00	\$ 255,897.20
71	8" Nonreinforced PCC Pavemnt	6,352.7	SqYd	\$ 85.00	\$ 539,979.50
72	Aggregate surfaced shoulder	664.4	TON	\$ 38.00	\$ 25,247.20
73	Topsoil placement, contractor furnished	820.2	CuYd	\$ 50.00	\$ 41,010.00
74	Erosion Control Blanket for steep slope	8,244.4	SqYd	\$ 5.00	\$ 41,222.00
75	Seeding, fertilizing ans mulching	15,626.1	SqYd	\$ 4.00	\$ 62,504.40
76	Material Testing	1.0	LS	\$ 15,000.00	\$ 15,000.00
78	SDDOT Certified Inspector and Construction Administration	1.0	LS	\$ 40,000.00	\$ 40,000.00
				SDDOT Turn Lanes Construction Cost Sub-Total \$ 2,066,796.80	
				TOTAL : \$ 18,988,919.05	

EXHIBIT C

Preliminary Construction Schedule


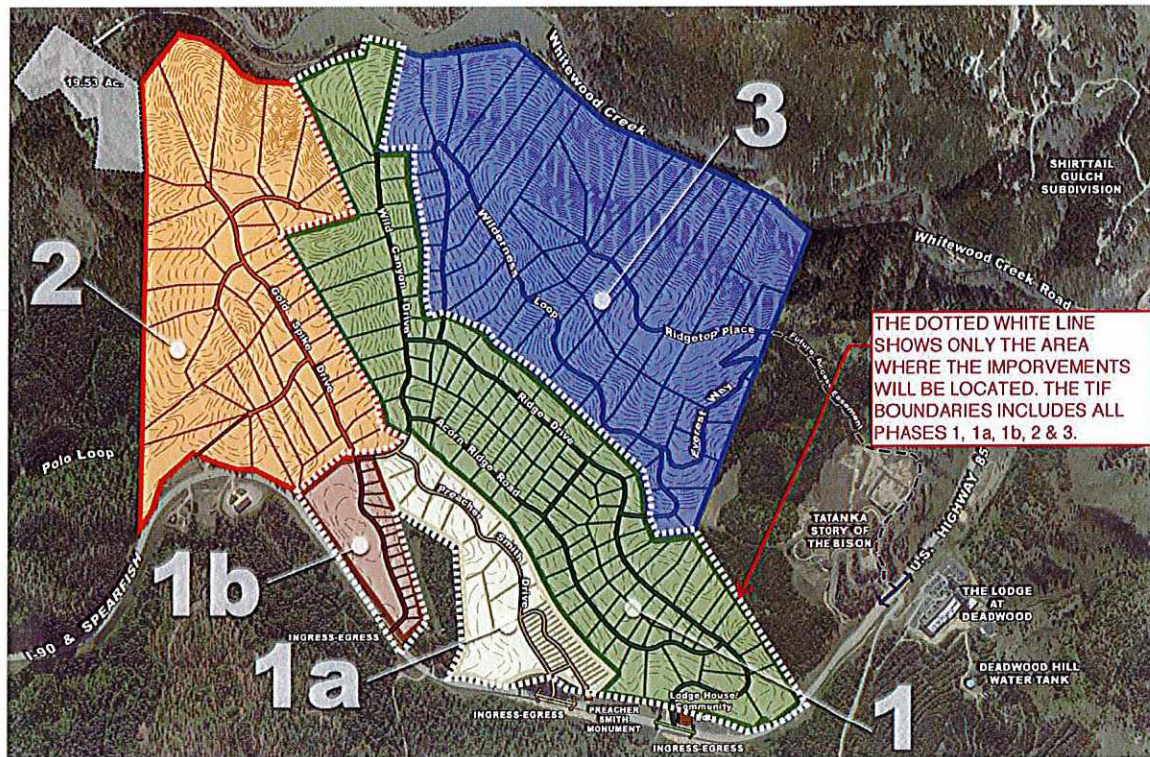
 INITIAL CONSTRUCTION SCHEDULE	
Task	Time Frame
Fire Fuel Reduction Tree Harvest Operations	Spring - Summer 2021
Preliminary Design and planning for infrastructure improvements	Spring - Summer 2021
Clearing Grubbing and Mass Grading	Summer – Fall 2021
SDDOT Right-Of-Way Rock removal and mass grading for ingress/egress to the development	Summer – Fall 2021
Utility coordination and planning: Butte Electric, BH Energy, Lumen, MDU, Midco and Vast	Fall 2021
Final Design and planning for infrastructure improvements	Winter 2021-2022
Drainage features and improvements	Winter 2021-2022
Underground utilities – water and sanitary sewer from City termination through Phase 1, 1a, and 1b	Winter - Spring 2022
Common Utility trench and dry utilities	Winter - Spring 2022
Burning of slash piles	Winter 2022
Sanitary Sewer Lift Stations	Spring 2022
SDDOT Approach location construction	Winter – Spring 2022
Road Construction Phase 1b Gold Spike Drive Part 1 Asphalt Roadway, open ditch drainage, solar street lights	Spring 2022
Road Construction through Phase 1 and 1a Asphalt Roadway, open ditch drainage, solar street lights	Summer – Fall 2022
SDDOT Double Turn Lanes (Right and Left) as required	TBD
Future Phase 2 and 3 will be designed and constructed following Phase 1, 1a and 1b and are not planned for construction at this time	TBD
Note - All time frames included shall be weather and supply dependent	

EXHIBIT A

Project Site



- This map depicts the TIF 14 Boundary as a whole
- The improvements for the TIF will be within the dotted white line
- The turning lanes will be constructed at a later date, when determined by SD Department of Transportation. SD DOT will also determine the exact location of the turning lane(s)

CERTIFICATION BY ARCHITECT: N/A

ENGINEERING CERTIFICATION

Leah M. Berg, P.E. of Affordably Creative Engineering Services, Inc. - ACES
Engineering Company City, State, Zip Rapid City, South Dakota 57701

states that it prepared portions of the

the RIDGE Development

Name of Development

Planned Unit Development Including:

PREACHER SMITH TRACT; LOT A OF GOV'T LOTS 13 AND 19 IN SECTION 11; LOT B OF GOV'T LOTS 19 IN SECTION 11 AND GOV'T LOT 12 OF SECTION 14 AND LOTS 1 AND 2 IN BLOCK 1B OF THE RIDGE DEVELOPMENT, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA. LESS LOT A OF THE RIDGE DEVELOPMENT

Title Sheet Identification: **the RIDGE Development PUD – PLANNED DEVELOPMENT MAP**

and that the same were prepared pursuant to Chapter 17.72 entitled "Planned Unit Development" of the City of Deadwood Code of Ordinances and that the same has been prepared according to normal standard engineering care and practices in the State of South Dakota. Modifications may occur during preparation of construction plan and/or during construction.


Dated this 30th day of December, 2022.

Engineering

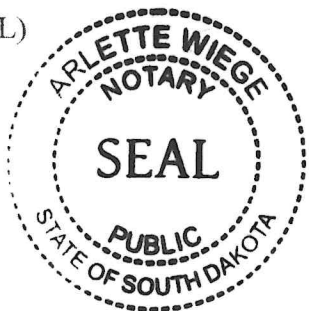
BY: 

ITS: President

SUBSCRIBED AND SWORN BEFORE Me this 30th day of DECEMBER 2022.

 Notary Public

(SEAL)



My Commission Expires
October 23, 2024

My Commission Expires: _____

APPROVAL BY DEADWOOD PLANNING AND ZONING COMMISSION

Approved by the Planning and Zoning Commission of the City of Deadwood, this 18
day of January, 2023.

Signed: _____ Chairperson

Signed: _____ Secretary

APPROVAL BY DEADWOOD CITY COMMISSION

Be it resolved that the Deadwood City Commission having examined the within Planned Unit Development, do hereby give our approval for this instrument to be recorded in the office of the Lawrence County Register of Deeds. Upon the filing of the plan, zoning and subdivision regulations otherwise applicable to the land included in the plan will cease to apply thereto. Should changes on the PUD be approved by the City of Deadwood, a set of as-built plans shall be made available to the Planning and Preservation Office of the City of Deadwood.

Signed: _____ Mayor, City of Deadwood

Attest: _____ City Finance Officer

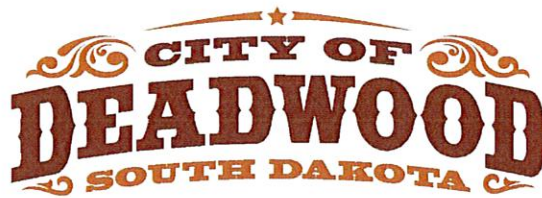
OFFICE OF REGISTER OF DEEDS

State of South Dakota, County of Lawrence

Filed for record this _____ day of _____, 20____, at _____ o'clock, _____.M, and
recorded as Document No. _____.

_____ Register of Deeds

OFFICE OF
CITY ATTORNEY
108 Sherman Street
Telephone (605) 578-2082
Fax (605) 578-2084
griggins@gpnlaw.com



DEADWOOD CITY
HALL
102 Sherman Street
Telephone (605) 578-2600

June 27, 2023

Preacher Smith, LLC
Mr. Randall D. Horner
16 Peck Street
Deadwood, SD 57732

Sent via Certified Mail and Email

Re: The RIDGE at Deadwood
Ordinance Requirements
GPNA File No. 07857.0003

Dear Mr. Horner:

As legal counsel for the City of Deadwood, I have been directed by the Deadwood City Commission to complete a review on the process and approvals obtained by The RIDGE at Deadwood development project to date.

The following items and actions have been on the City Commission agenda.

- Project Plan/October 18, 2021

Jeramy spoke about the public hearing held for creating TIF#14 on Wednesday, October 6 and that Planning and Zoning Commission recommended approval. Tobin Morris, Senior VP Dougherty & Company, spoke about the process. Commissioner Martinisko questioned the amount in the project plan, total going from 10.5 to 15 million. Morris explained it was due to required turn lanes by DOT. Commissioner Todd agrees with Martinisko. Discussion was held concerning costs, itemizations, and cost of turning lane. After discussion, Martinisko moved, Johnson seconded to continue Project Plan for TIF #14. Roll Call: Aye-All. Motion carried.

- Resolution/October 18, 2021

Martinisko moved, Johnson seconded to continue Resolution 2021-23 to create TIF #14. Roll Call: Aye-All. Motion carried.

- Resolution/November 1, 2021

Due to no updated information for Resolution and Project Plan, Martinisko moved, Johnson seconded to continue Resolution 2021-23 to create TIF #14. Roll Call: Aye-All. Motion carried.

- Project Plan/November 1, 2021

Martinisko moved, Johnson seconded to continue Project Plan for TIF #14. Roll Call: Aye-All. Motion carried.

- Project Plan (Continued from November 1, 2021)/November 15, 2021

Discussion continued concerning the turning lane at a cost of two million dollars. Commissioner Martinisko reminded developers that this is an annual appropriation, not guaranteed. Commissioner Todd questioned if the turning lane is going to be required, the cost and the expenditure for turning lane is outside of TIF district so it will not be an asset to the city. Attorney Riggins stated nothing in state statute states that the city could not since it benefits the property located within the TIF. Public Work Director Nelson Jr. stated Dept. of Transportation will require a turning lane once it reaches an occupancy. Tobin Morris, Senior VP Colliers Securities, clarified state statute 11-9-14 states expenditures received or expected to be received by the municipality in connection with the implementation of the plan. He said for example a lift station for development that is a mile away but would have no use without the property located within the plan. After discussion, Martinisko moved, Johnson seconded to approve project plan for Tax Increment Finance District #14. Planning and Zoning Commission recommended approval on October 6, 2021. Roll Call: Aye-Johnson, Martinisko, Struble, Ruth. Nay-Todd. Motion carried.

- Resolution/November 15, 2021

Martinisko moved, Johnson seconded to approve Resolution 2021-23 to Create Tax Increment Finance District #14. Mayor Ruth Jr. thanked developers, engineers and Morris for all their work. Roll Call: Aye-All. Motion carried.

- Agreement/January 18, 2022

McKeown spoke about the agreement. Martinisko moved, Johnson seconded to allow Mayor to sign Development Agreement for The Ridge (TRD LLC) for Tax Increment District #14. Commission thanked Tobin Morris and Leah Berg for the work. Roll Call: Aye-All. Motion carried.

- Certification/February 6, 2023

Historic Preservation Officer Kuchenbecker spoke about the certification. Martinisko moved, Johnson seconded to allow Mayor to sign Planned Unit Development Certification for The Ridge development as required under DCO Chapter 17.72.090. Roll Call: Aye-All. Motion carried.

No formal action has been taken to exempt or grant a variance to the ordinances of the City of Deadwood with regards to this project. The Developers Agreement clearly states the following:

- b) DEVELOPER shall prepare, or cause to be prepared plans and specifications for the Public Infrastructure Improvements in each Phase prior to starting any construction in said Phase. DEVELOPER shall not commence any construction on the Project until the plans and specifications for each Phase have been approved in writing by the appropriate department of CITY and State of South Dakota when applicable
- j) DEVELOPER will comply with all City of Deadwood Ordinances.

June 27, 2023
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GUNDERSON | PALMER | NELSON | ASHMORE LLP

Furthermore, the Developer Agreement and Project Plan is tied to the Tax Increment Financing District. Criteria must be followed to ensure the financing is not in jeopardy as well as the acceptance of the infrastructure by the City of Deadwood upon completion of the project.

We are aware of several items that do not meet the criteria set forth in City of Deadwood ordinances. Any variances must go through the required process prescribed in the ordinance itself. The Master Plan has been referenced but that document was never presented to the City Commission in a public forum and therefore never formally adopted and/or approved. Regardless if it had been, the procedure for variances on any City ordinances would still need to be followed.

The City Commission encourages you and your team to work with City staff on any variance requests on items that deviate from the required City ordinances. We understand timing is critical. Yet, there have been several improvements and actions taken to date within this development that have not been approved. It is extremely important to the City Commission that the appropriate action is taken through the proper channels as outlined in the Development Agreement.

I would be happy to discuss this matter in more detail if you so desire.

Sincerely,



Quentin L. Riggins

QLR:mck

CC: David R. Ruth, Jr., Mayor
Leah Berg, Engineer of Record
Lornie Stalder, Public Works Director
Jessica McKeown, Finance Officer
Kevin Kuchenbecker, City Planner
File