

DEADWOOD PLANNING AND ZONING COMMISSION

Wednesday, April 18, 2018 – 5:00 p.m.

City Hall, 102 Sherman Street, Deadwood, SD

AGENDA

1. Call Meeting to Order
2. Approval of March 21, 2018 Minutes
3. Sign Review Commission
250 US Hwy 14A – Gary Schmaltz (Canyon View Amish Furniture/Canyon 14A Soda Shop) Repaint Sign with New Design
 - a. Install New Wall Sign
Action Required:
 - b. Approval/ Denial by Sign Review Commission
4. Planning and Zoning Commission and Board of Adjustments
Findings of Fact and Conclusions – 7 Fillmore Street - Christine Mikla
PT of Lots 1-2 & 3 Block 63, Original Town, City of Deadwood, Lawrence County, South Dakota
Action Required:
 - a. Approval/Denial by Planning and Zoning
Project Plan Amendment #2 – Tax Increment District Nine
Recommend Amendment to Project Plan
Action Required:
 - a. Approval/Denial by Planning and Zoning
Recommend Amendment to Contract
Action Required:
 - a. Approval/Denial by Planning and Zoning
5. Items from Staff
 - a. Cadillac Jacks
 - b. City Pavilion
 - c. CPAW
6. Adjourn

CITY OF DEADWOOD
PLANNING AND ZONING COMMISSION
Wednesday, March 21, 2018

The meeting of the Deadwood Planning and Zoning was called to order by Chairperson Tony Biesiot on Wednesday, March 21, 2018, at 5:00 p.m. in the Deadwood City Hall Meeting Room, located at 102 Sherman Street, Deadwood, SD 57732.

Planning and Zoning Commission Present: Tony Biesiot, Jim Shedd, John Martinisko, Bill Rich and Brett Runge

Absent:

Board of Adjustments Present: Dave Ruth Jr., Mayor Chuck Turbiville

Staff Present:

Bob Nelson Jr. and Bonny Anfinson

Approval of March 7, 2018 Minutes:

It was moved by Mr. Shedd and seconded by Mrs. Runge to approve the March 7, 2018 meeting minutes. Aye - All. Motion carried.

Planning and Zoning Commission and Board of Adjustments:

Request for a Conditional Use Permit - 7 Fillmore Street - Christine Mikla

Mr. Nelson Jr. stated the applicant is requesting a Conditional Use Permit to convert a single-family home to a duplex providing additional needed rentals. The applicant is Christine Mikla. The address is 7 Fillmore Street and the legal is PT of Lots 1-2 & 3 Block 63, Original Town, City of Deadwood, Lawrence County, South Dakota. It is zoned R-1 Residential. The applicant does not plan to change the exterior of the structure. Changes will occur in the interior of the structure. The structure is located in a residential parking zone which is assigned parking. Parking and Transportation has discussed parking on this street and this summer the street will be striped just as Adams Street and will have assigned parking. This property has two parking spots in front of the structure. The police department has verified the spots. The code is one spot per dwelling unit. Mr. Nelson Jr. stated he has received four enquires by phone and one in writing from Natasha Fuller who is here tonight. Jan Bloom, owner of 17 Fillmore, stated the street is very tight with parking. This house is currently being rented and has one parking spot. There is an issue of this spot being taken by the neighbor already. We want to make sure there will be a guaranteed spot for our tenant. Mr. Martinisko stated they will put lines on the street designating parking so how will the owners know which spots will be assigned to them. Will there be a sign? Mr. Nelson Jr. stated the city will sign it but will try to meet with each owner to inform them of their parking spot. Mr. Martinisko stated the property in question has two spots which meets the requirements for a duplex right. Mr. Nelson Jr. stated yes one spot per dwelling. Mr. Martinisko asked if a duplex has to pay commercial water, sewer and garbage. Mr. Nelson Jr. stated yes. Jan Bloom stated there is a hydrant right at the corner in front of her house so when assigning the parking spaces do not block the hydrant. Natasha Fuller stated a duplex on this little street is not a good fit. This should be a planning issue not just a logistical parking issue. Christine Mikla, (owner) stated the units are only one bedroom and the tenants will be told there is only one parking spot and this will also be in their signed lease agreement so they will never infringe on a neighbors parking. Mrs. Runge stated she does have a concern about the parking. This is a special street and it is a narrow street. Mr. Martinisko stated with the housing in Deadwood this would provide additional housing for another family. This request does meet the requirements for a Conditional Use Permit. *It was moved by Mr. Shedd and seconded by Mr. Rich to approve the Conditional Use Permit for Christine Mikla, 7 Fillmore Street. Aye-All. Motion Carried.*

Temporary Vending Application - Michael Snyder - Leather Headquarters - Rally Vending

Mr. Nelson Jr. stated this is a rally vending permit request for temporary vending at 555 Main Street Tin Lizzies parking lot. Payment has been received. They have been a vendor in Deadwood before. There has never been a problem with the vendor. *It was moved by Mrs. Runge and seconded by Mr. Shedd to approve the Temporary Vending Application for Michael Snyder at 555 Main Street parking lot. Aye-All. Motion Carried.*

Items From Staff (no action taken)

- Cadillac Jacks: Mr. Nelson Jr. stated the original building 3rd and 4th floor remodeling is done. The TIF is 95% complete and the street will be going in soon.
- City Pavilion: Mr. Nelson Jr. stated the pre bid meeting was today with twelve contractors in attendance.
- Comprehensive Plan Community Visioning Meetings: Mr. Nelson Jr. stated there will be visioning meetings

on March 27th or March 29th at 1:00 – 2:00 p.m. or 5:30 – 6:30 p.m. at the Days of 76 Museum Mary Adams Room. If you are signed up for code red you would have gotten an alert.

- Vacation Rentals: Mr. Nelson Jr. stated he received numerous complaints on two vacation rentals that have been noncompliant since the very first round of violation letters. He will be meeting with the police department to take the next step.

Adjournment:

It was moved by Mr. Shedd and seconded by Mrs. Runge to adjourn the Regular Meeting of the Planning and Zoning Commission. Aye – All. Motion carried.

There being no further business, the Planning and Zoning Commission adjourned at 5:17p.m.

ATTEST:

Chairman, Planning & Zoning Commission

Secretary, Planning & Zoning Commission

Bonny Anfinson, Planning & Zoning Office/Recording Secretary

SIGN PERMIT STAFF REPORT

Sign Review Commission
April 18, 2018

Applicant: Gary Schmaltz

Address: PO Box 61, Deadwood, SD 57732

Site Address of Proposed Signage: 250 US HWY 14A (Canyon View Amish Furniture / Canyon 14A Soda Shop)

Computation of Sign Area

Building Frontage: 167 Feet

Total Available Signage: 334 Square Feet

Existing Signage: One freestanding sign – Canyon View Amish Furniture (32 Square Feet)
One freestanding sign – Shade Winery (45 Square Feet)

Remaining Available Signage Area: 257 Square Feet

Proposed Sign Project: Repaint the Shade Winery sign for the new Canyon 14A Soda Shop.

Proposed Building Materials: Wood. (see attached rendering).

Proposed Lighting of the Signs: None.

Location of Proposed Sign: Attached is a photograph showing the where the Shade Winery sign was located. New sign will be in this same location.

Discussion

The sign permit application in review is proposed at a location outside the locally-designated historic district and outside the national historic landmark district which is regulated by chapter 15.32.315 of the sign ordinance. The current signage at the subject property is compliant with the sign ordinance. The sign proposed in the current application is regulated by 15.32.090 of the Sign Ordinance, reference below.

- A. *Before any sign can be erected or altered in any way, a valid permit must be issued. Any further alteration of the sign shall require an amendment of the existing permit or the issuance of a new permit. Such changes, as well as original permits, shall be issued pursuant to review by the sign review commission. It is unlawful to display, construct, erect, locate or alter any sign without first obtaining a sign permit for such sign.*

The applicant is opening a soda shop in the location formerly occupied by Shade Winery tasting room. The sign for Shade Winery has been repainted to advertise this new business.

The proposed sign and its location are compliant with the sign ordinance.

Variances

The sign permit application in review as proposed requires no variances from the sign ordinance. Signage variances may be obtained if the sign review commission is able to find *"special circumstances or conditions such as the existence of buildings, topography, vegetation, sign structures, distance or other matters on adjacent lots or within the adjacent public right-of-way that would substantially restrict the effectiveness of the sign in question and such special circumstances or conditions are peculiar to the business or enterprise to which the applicant desires to draw attention and do not apply generally to all businesses or enterprises in the area."* However, it is the responsibility of the applicant to provide adequate evidence of such special circumstances or conditions.

Sign Review Commission Action

Motion to approve sign permit to alter the existing freestanding sign at 250 US HWY 14A for the Canyon View Soda Shop.

OR

Motion to deny proposed sign permit application as submitted.



605-342-0481
Fax: 605-342-9474
1650 Samco Road
Rapid City, SD 57702

ROSENBAUM'S
SIGNS
Commercial Advertising, Inc.

*Serving Rapid City
With Pride
Since 1928*
(Or) Later

Customer:
**Canyon View
Amish Furniture**

Drawn
Jon
Date

Date

location



**FINDINGS OF FACT AND CONCLUSIONS
FOR CONDITIONAL USE PERMIT FOR A DUPLEX**

NAME: Christine Mikla

PURPOSE: Request a Duplex in R1-Residential Zoning

ADDRESS: 7 Fillmore Street

LEGAL DESCRIPTION: PT of LOTS 1-2 & 3 BLK 63, Original Town, City of Deadwood, Lawrence County, South Dakota.

ASSESSORS NO.: 30025-06300-030-00

RE: Request for Conditional Use Permit for a Duplex within R-1 Residential Zoning

WHEREAS, the above application for a Conditional Use Permit for a duplex in a R1 - Residential District came on review before the Deadwood Planning and Zoning Commission regular meeting held on Wednesday, March 21, 2018. The application was recommended for approval by the Deadwood Planning and Zoning Commission. The Deadwood Board of Adjustment approved the request for the duplex at 7 Fillmore Street as recommended by the Planning and Zoning Commission on April 2, 2018.

WHEREAS, all present members of the Deadwood Planning and Zoning Commission and the Deadwood Board of Adjustment having reviewed the Conditional Use Permit request and having considered all comments offered and all of the evidence and testimony presented for the application; and, after discussion and consideration of the application and being fully advised in the premises, the Deadwood Planning and Zoning Commission and Deadwood Board of Adjustment hereby enter their:

FINDINGS OF FACT AND CONCLUSIONS

1. Staff provided public notice identifying the applicant, describing the project and its location, and giving the scheduled date of the public hearing in accordance with Section 17.76.020. Notice was placed in the designated newspaper of the City of Deadwood, ten (10) days in advance of the hearing as required by Section 17.76.060.J
2. An official sign was posted on the property for which the Conditional Use Permit was filed as required by Section 17.76.060.J
3. Property owners within three hundred (300) feet of the boundaries of the subject land were notified by first class mail as required by Section 17.76.060.J.
4. The subject property is located within a very low density land use classification on the adopted Land Use Map.
5. The subject area is zoned R1 - Residential District. The area near the subject property consists of a mixture of single family and multi-family dwellings.

Christine Mikla
Conditional Use Permit
Duplex
2018

6. The use, as proposed would 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 area. The structure is not being enlarged or altered on the exterior.
7. The granting of the conditional use permit would not increase the proliferation of non-conforming uses. The use is expressly allowed in the R1 - Residential District under certain conditions and the conditions were met.
8. The use would not cause significant adverse impacts on water supply, fire protection, waste disposal, schools, traffic and circulation or other services. This type of use does not demand a high degree of services, however parking will be monitored closely. The proposed location is within a Residential Parking Zone and permits must be issued for vehicles parking on Fillmore. In addition, parking stripes will be painted on Fillmore identifying parking spaces.
11. Based on these findings, the Deadwood Planning and Zoning Commission recommended approval of the request for a duplex. The Deadwood Board of Adjustment approved the request as recommended by the Planning and Zoning Commission.

ATTEST:

Ms. Mary Jo Nelson, Finance Officer
City of Deadwood
/ / /18

Mr. Charles Turbiville, Mayor
City of Deadwood
/ / /18

Mr. Tony Biesiot, Chairman
Planning and Zoning
/ / /18

Mr. John Martinisko, Secretary
Planning and Zoning
/ / /18

PROJECT PLAN
AMENDMENT #2

TAX INCREMENT DISTRICT NINE
CITY OF DEADWOOD

Prepared by the
City of Deadwood
April , 2018

OVERVIEW

This Amendment only applies to the time length of the Tax Increment Nine Project Plan as amended and all authorized costs of \$1,645,710 will not be affected. This Amendment is due to some variations that were not anticipated in the Project Plan and Project Plan Amendment #1.

It was originally projected that the Springhill Suites by Marriot would be completed in 2012. However due to delays with permits and other issues, the project was not completed until 2013. These delays caused an extra year of interest accrual that was not originally projected in addition to a delay in principal payments.

The second variant which has a bigger impact on the Project Plan is the final assessed value of the project. Based on estimated project costs, an estimated assessed value of \$11,520,000 was used in the Project Plan. However, the 2017 assessed value which is payable in 2018 was \$6,581,551. This is only 57% of the value as estimated in the Project Plan. This lower assessed value amounts to approximately \$112,000 less in annual payments than what was originally projected.

This Amendment changes the Project Plan time frame from 8 years to 20 years due to the delay in the project and lower assessed value. The amount of funds going toward the project does not change.

2. ECONOMIC FEASIBILITY STUDY

Current Valuation – Tax Increment District Number Nine is proposed for creation in accordance with SDCL 11-9-2 to 11-9-11. A vicinity map as well as a boundary map is attached. As of this date, the assessed valuation for the proposed district is projected as \$9,913,710. In accordance with SDCL 11-9-20, certification of the base value will be requested from the South Dakota Department of Revenue following creation and approval of the district by the City Council.

ANTICIPATED CERTIFIED BASE VALUATION OF PROPERTY IN TID NINE - \$ 9,913,710

EXPECTED INCREASE IN VALUATION

ESTIMATED FUTURE VALUATION OF PROPOSED DISTRICT

Estimated Assessed Value of District	\$ 9,913,710
Estimated Assessed Value of project includes land	\$ 6,581,551
Other Anticipated Increases in Assessed Value	\$ 0

Estimated Total Increment Valuation

\$ 16,495,261

REVENUE ESTIMATES FROM TAX INCREMENTS

The Plan allows for 40 semi-annual payments over 20 years. The potential negative short-term impact on the various taxing entities will be offset by the increase in the tax base in future years.

Non-Agricultural 2017 Tax Levies and Percentage of Total Levy

<u>Taxing Entity</u>	<u>Tax Levy</u>	<u>% of Total Levy</u>
Lead-Deadwood School District 40-1	11.377	53.80%
City of Deadwood	4.882	23.09%
Lawrence County	4.109	19.43%
Lead/Deadwood Sanitary District	.777	3.67%
Total Mill Levy	21.145	100.00%

2017 Non-Agricultural Tax Rate: **0.021145**

The estimated tax increment available to pay for project costs in the Plan can be calculated by multiplying the anticipated tax rate by the increment in valuation. This calculation results in the following tax increments, which become available as taxes are paid for the applicable periods. This plan does not anticipate any additional increment other than those identified in the plan. The plan identifies 6,581,551 of real improvements constructed in 2013.

PROJECTED TAX INCREMENT INCOME

<u>Assessment</u>	<u>Taxes</u>	<u>Tax</u>
<u>Date</u>	<u>Paid</u>	<u>Increment</u>
2012	2013	\$0
2013	2014	\$30,355*
2014	2015	\$133,473*
2015	2016	\$134,266*
2016	2017	\$137,096*
2017	2018	\$139,166*
2018	2019	\$139,166
2019	2020	\$139,166
2020	2021	\$139,166
2021	2022	\$139,166
2022	2023	\$139,166

2023	2024	\$139,166
2024	2025	\$139,166
2025	2026	\$97,192

* Actual Tax Payments

4. FISCAL IMPACT STATEMENT

The impact on taxing entities can be derived from determining the tax increment anticipated during the life of the district. The true impact on taxing entities of the Plan is the increase in valuation of the property within the Tax Increment District. The taxing entities are only foregoing that income during the life of the district and will realize that income as soon as the debt from the project costs in the Plan is retired. The purpose of this Plan is to encourage that increase in valuation.

At first glance it may appear that the negative impact on the various entities is notable. But when it is considered that without the use of the Tax Increment Finance proposed in this plan it is very likely that there would be no increase in the taxable value of the property within this district or, at least, any increase would be significantly delayed, the impact can be considered truly positive.

The impact on the various taxing entities after the TID is dissolved is again influenced by the entity's relative share of the total tax levy burden within the District. A specific entity would receive its relative proportion of the estimated annual taxes of \$139,166 that would become available to all taxing entities after the TID debt is retired or the District is dissolved, whichever occurs first.

NET IMPACT ON TAXING ENTITIES

Value Increase	School	City	County	Sanitary District	Total
\$6,581,551	\$74,878	\$32,131	\$27,043	\$5,113	\$139,166

5. FINANCING METHOD

The financing method to be used in the funding of this Plan is to be obtained by the applicants. The applicants will be responsible for any principle and interest payments due for their costs that are not available from Tax Increment District Nine. If the tax increment revenues exceed the anticipated loan payments, the debt will be retired early. Deposits made in the Tax Increment District as taxes are paid on the property in succeeding years will retire the debt on the Tax Increment District Project Costs covered in the Plan. The City of Deadwood Finance Officer will make the disbursements from

that fund in accordance with this Plan. According to SDCL 11-9-25, positive tax increments will be allocated to that fund until the debt from the project costs is retired or 20 years from the creation of the district whichever comes first.

CONTRACT FOR PRIVATE DEVELOPMENT AMENDMENT TWO

THIS AMEMNDED AGREEMENT, made and entered into as of this __day of , 2018, between OPTIMA L.L.C. (herein referred to as "Developer"), a South Dakota limited liability company, and the City of Deadwood, a municipal Corporation and political subdivision of the State of South Dakota supersedes the original agreement date April 25, 2011 and Amendment #1 dated June 6, 2012. This Amendment shall only apply to Section 5, Section 7 and Section 10 of the Agreement.

SECTION 5. Total estimated project costs, as set forth in the approved Project Plan, are as follows. As these costs are estimates and future conditions may vary, there is no limit on variation between line items. However, the total expenditure shall not exceed \$1,645,709.94.

Capital Costs:

Mobilization	\$32,401.00
Demolition	\$53,983.00
Traffic Control & Stripping	\$21,375.00
Landscaping	\$51,927.00
Asphalt	\$42,430.00
Utilities	\$84,743.00
Concrete Sidewalk	\$61,771.00
Concrete Paving	\$59,391.00
Curb & Gutter	78,791.00
Concrete Walls	\$78,971.00
Erosion Controls	\$25,982.00
Common Utility Ditches	\$162,307.00
Mason & Plumbing	\$78,386.00
Black Hills Power	\$66,722.20
Knology Fees	\$7,892.34
Midcontinent Fees	\$11,137.28
MDU Fees	\$2,550.00
Williams Street Sidewalk	\$43,248.00
Williams Street Electrical	\$20,500.00
Williams Street Utilities	\$775.00
Williams Street Wall Modification	\$15,000.00
Hey85/Driveway Storm Sewer and Inlets	\$10,500.00

Financing Costs:

Financing interest	\$ 525,477.00
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Contingency Costs: \$ 15,000.00

Professional Service Cost:

Design Fees \$89,000.00

Project Plan Documents Preparation \$8,500.00

Organizational Costs: \$ 0.00

Necessary and Convenient Costs: \$ 0.00

TOTAL \$ 1,645,709.94

SECTION 7. All positive tax increments received from TID Number Nine shall, upon receipt by the City, be deposited in a special fund to be known as the "Tax Incremental District Number Nine Fund." The City shall, within thirty (30) days after receipt of each tax increment payment from the Lawrence County Treasurer, disburse all amounts in the fund to the Developer, or its designee, subject to the following limitation: At no time shall the cumulative total payments from the fund exceed the ~~smaller of:~~ (a) the total amount of Project Costs of ~~\$1,120,232.82~~ \$1,645,709.94 as specified in Section 4 5 of this Agreement; ~~plus all associated financing costs, in an amount not to exceed the interest rate limitation specified in Section 4; or (b) disbursements in the amount certified pursuant to Section 6 of this Agreement; plus all associated financing costs, in an amount not to exceed the interest rate limitation specified in Section 4.~~

SECTION 10. It is specifically a condition of this Agreement and a condition of the City's obligation to pay, that all sums payable shall be limited to the proceeds of the positive tax increment from Tax Incremental District Number Nine receipted into the special fund specified in Section 7 hereof. The obligation of the City to pay pursuant to this 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 herein by reference. It is also specifically agreed that the City has made no representation that the proceeds from such fund shall be sufficient to retire the indebtedness incurred by the Developer under Section 4 hereof. In addition, the Developer specifically agrees to hold the City harmless and indemnify the City regarding any indebtedness incurred herein.

The parties further agree that in addition to provisions of SDCL 11-9-25 defining maximum limits of the duration of the allocability of positive tax increment payments to the fund created by Section 7 hereof, this Agreement further restricts the life of TID Number Nine to the earlier of the following:

1. The retirement of all outstanding authorized Amended TID Number Nine debt, as specified in Section 7 of this Agreement; or
2. Payment of the final positive tax increment payment authorized in the Project Plan specified in Section 2 of this Agreement, with such payment defined as a portion of the total amount being assessed in the year ~~2019~~ 2031, and payable in the second one-half of the year ~~2020~~ 2032.

Further, the parties to this Agreement recognize and acknowledge that projected tax increment revenue payments derived in the Project Plan specified in Section 2 of this Agreement utilized estimated property valuations based upon project components and cost estimates provided by the Developer for estimating future tax payments based upon the real property tax structure and taxation rates currently existing in Lawrence County and the City of Deadwood. However, both parties acknowledge that there can be no certainty that future tax rates will be at or above the rates utilized in the Project Plan.

Dated at Deadwood, Lawrence County, South Dakota, this ____th day of _____ 2018.

City of Deadwood

OPTIMA L.L.C.

Charles Tuberville
Mayor

Paul Bradsky,

ATTEST:

Mary Jo Nelson
Finance Officer