

**AN ORDINANCE TO CLARIFY THE RETAIL SALES COMPONENT  
FOR MICROBREWERIES AS CONDITIONAL USES  
IN THE LIGHT INDUSTRIAL DISTRICT BY AMENDING  
SUBSECTION 17.22.030N OF THE RAPID CITY MUNICIPAL CODE**

WHEREAS, the City's zoning code includes microbreweries as a conditional use in the Light Industrial District; and

WHEREAS, state law changes have included retail on- and off-sale of malt beverages with microbrewery licenses; and

WHEREAS, the City's zoning code requires a conditional use permit for on-sale alcoholic beverage sales; and

WHEREAS, the City desires to clarify when microbreweries may engage in on-sale alcoholic beverage sales.

NOW THEREFORE, BE IT ORDAINED by the City of Rapid City that Subsection 17.22.030N of the Rapid City Municipal Code be and is hereby amended to read in its entirety as follows:

N. Microbreweries subject to the following regulations:

1. A microbrewery is defined as ~~an establishment which manufactures less than 5,000 barrels of malt beverages a year~~ a manufacturer of malt beverages as defined in SDCL 35-15-1;
2. ~~In addition to the~~ The operator of a microbrewery must obtain the malt beverage manufacturer's microbrewery license required by SDCL 35-15-2, 4-2-(11), the operator of a microbrewery must obtain the appropriate city issued retail liquor license if it intends to sell its product directly to the public;
3. Accessory uses to a microbrewery specifically include, but are not necessarily limited to, the selling of products associated with the microbrewery or manufacture of ~~beer~~ malt beverages and/or the selling of food or food products but specifically exclude the operation of a restaurant;
4. An on-sale liquor establishment may be permitted as part of the Conditional Use Permit not to exceed 20% of the floor area and shall be accessory to the microbrewery. No sales for on premises consumption shall be allowed unless an on-sale liquor establishment CUP is approved;
5. Any sales of alcoholic beverages other than the malt beverages manufactured under the microbrewery license shall require appropriate licenses and a Conditional Use Permit (or major amendment to a CUP as appropriate).

CITY OF RAPID CITY

Attest

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Mayor

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Finance Officer

(seal)