Case No. 16UR013

Legal Description:

Lot 1 thru 7 of Block 104 of Original Town of Rapid City, located in Section 1, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota
From: The Mothership, LLC
To: Rapid City Community Planning Services
Subject: Intended Use
4/26/16

Project Summary

Currently, 601 Kansas City Street operates as storage space and contributes little to the culture and interest of downtown Rapid City. The Mothership, LLC is proposing to remodel the building into a convenient, appealing, and efficient multi-use workspace. Totaling around 37,000 square feet, the building could be a unique platform for retail sales, cafe dining, office space, arts, entertainment, and light manufacturing. This remodel project will center on the Hay Camp Brewing Company tavern and high-end pilot brewery, while also featuring a performance theatre, a cafe, leasable office spaces, and temperature controlled storage. Nearly 18,000 square feet of underground storage is available, which will supplement the growing downtown residential and business developments. By taking a minimalist approach to renovation, an industrial up-cycled feel will create a vibrant and appealing space to attract strong tenants and enhance the reach of each participating business.

The Mothership, LLC was formed in February 2016 by Karl Koth and Sam Papendick, acting as K & P, LLC, with the intention of creating a new and expanded location for Hay Camp Brewing Company. Karl and Sam were raised in Rapid City and have close ties to family and friends throughout the community. They wish to see downtown Rapid City thriving and energetic with businesses that entice other young entrepreneurs to start or relocate their businesses to the area. The ideas presented for renovation of 601 Kansas City St are a product of thoughtful discussions on the positive business atmosphere that they want to share with the community. Sam and Karl have been running Hay Camp Brewing Company together since 2012. Within that time, they have completely renovated their leased space at the Fairmont Creamery Mall, increased brewing production capacity over three-fold, and hired two part time employees. Their business experience has prepared them for expansion, which ultimately led to the designs for 601 Kansas City St present in this letter.

The New 601 Kansas City St.

The following section outlines the current and future intended business uses. The street level floor plan will be configured for several businesses initially (Figure 1). The basement will be used for storage to service downtown residents or businesses (Figure 2).
**Brewery:** The building will center on a brewery, which will hold approximately 3,200 ft² for tavern sales (Figure 1 - TAVERN) and 1,250 ft² for brewing operations (Figure 1 – BREWERY and BREW STO). The tavern will be the serving hub for beer and/or wine sales, but consumption will occur throughout the entire building and patio (totaling 10,000 ft²). Nearly 1900 ft² in patio will surround the north and northeast corner of the building and will conform to city patio code with a permanent railing. The parking lot area on the northwest corner of the property (3,780 ft²) will be used for beer festivals or similar events up to twice a month, which will include live music and beer/wine consumption. Off-premises beer sales will include growler sales and occasional keg sales. Brewing operations entail craft beer production with a 3 barrel brewhouse, which may reach 500 barrels annually, and grain handling. Grain handling will be away from the serving space and isolated with proper ventilation. Future plans include a high-end barrel-aging project in the basement. Future plans may also include the installation and operation of a larger production facility in the space called REGIONAL. This larger production brewery would keep production below the allowable 5,000 bbls annually.

**Office Space:** Office space is currently allocated (1,100 ft² OFFICE and LEASE SPACE). The office will be administrative. Future plans may turn additional space into offices for unknown businesses (1,202 ft² labeled LEASE SPACE on the southern side of the building and 1,250 ft² labeled MECH). Parking space will be allocated within the property for the office users.
Theatre: A performing group will lease the EVENT SPACE in June, July, August, November, and December, and during the weeks of Valentine's Day in February. Their use will include live music, plays, and catered dinner events. They intend to book individual ticketed events and bus tours. The space will include a 20x38 foot stage and 2,200 ft² space to hold up to 200 people. The space will be used in the off months for additional music, movies, art shows, festivals, and catered parties.

Hospital Use: Regional Health will initially use 3,371 ft² on the street level for storage and staging space. As discussed, this space may become future brewery operation space. 2,000 ft² in the basement will be used for additional storage. As previously mentioned, this space may be leased to the brewery or an unknown business in the future.

Café: A café is planned for future use and may include a kitchen and serving area. Food will be served in the commons area, patio, and tavern space.

Figure 2. Approximate basement setup.
**Basement Storage:** The basement will be used for drive up, heated, configurable storage. A tentative drawing is given in Figure 2. Spaces will be available from 150 ft\(^2\) to 1,500 ft\(^2\). The basement may eventually be used for high-end barrel aging by the brewery.

**Parking:** To supply the working members of the building with parking, 3 parking spaces will be placed on the southern side of the building, accessed from the alley. The northwest corner of the building will also have 5-6 regular spaces and 2 ADA accessible spaces.
To: Robert Laroco, Planning and Development, and Captain Dan Rud, RCPD
From: Hay Camp Brewing Co.
Subject: Operations Plan for 601 Kansas City Street CUP
Date: 5/11/16

This letter is in response to an email sent from Mr. Laroco on 5/10/16 showing concerns from Captain Rud. It is Hay Camp Brewing Company’s intention to responsibly start and remodel the cooperative business space planned at 601 Kansas City Street. As this is a new planned use, unknown concerns will inevitably arise and must be handled so all city and neighboring business concerns can be addressed. This letter will elaborate on crowd control during normal business times and during outdoor festivals/events and should be considered an amendment and/or elaboration to the original CUP. Regardless of whether this letter satisfies the Captain’s concerns, Hay Camp Brewing Co would like to setup a meeting with Captain Rud and Mr. Laroco to discuss our solution and any other ideas.

Figure 1. Outline of proposed area for alcohol consumption. Outdoor event space is outlined in black and shaded.
Hay Camp Brewing Company does not support the service of alcohol to person's underage. All serving staff will be TAM certified before they begin employment. Alcohol will only be accessed and served from tavern staff.

The business concept of this building centers around Hay Camp Brewing Company. Both the café/restaurant and theater space will benefit from the access to Hay Camp Brewing Company beers. During normal business days, beer will only be sold and served by Hay Camp Brewing Company staff from the bar, located in the tavern. Legal patrons of the building will be able to enjoy that beverage whether they are in the tavern, the commons space, the café, or on the patio (outlined in Figure 1, not shaded). Persons under the legal drinking age will be permitted in the Commons space and Café when the café is open, or the tavern and theater when the theatre is open for shows. If only the tavern is open, they will need to be accompanied by a legal, of-age guardian to enter the tavern. The patio will have physical/permanent barriers, so the area of service will be isolated from unwanted or illegal patrons. Strategic points of entry or barrier design can be discussed for the best isolation method.

Alcohol will be served and consumed in the outdoor Event Space (Figure 1 shaded) during special events only. If these events are occurring, the entire space will be physically gated off and event attendees will be identified with wristbands or stamps. These events may have live music performances, which will draw both underage and of-age patrons. Special wristbands will be issued for legal alcohol drinkers and underage attendees will not be served alcohol. During these special events, additional staff will be employed for security and crowd control.

Future tenants in space not outlined in Figure 1 may want to include themselves in the on-premises alcohol consumption. They will be required to obtain their own use permit separately.

Kind Regards,
Sam Papendick
Hay Camp Brewing Co
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