



# Rapid City Planning Commission Planned Development Project Report

May 26, 2016

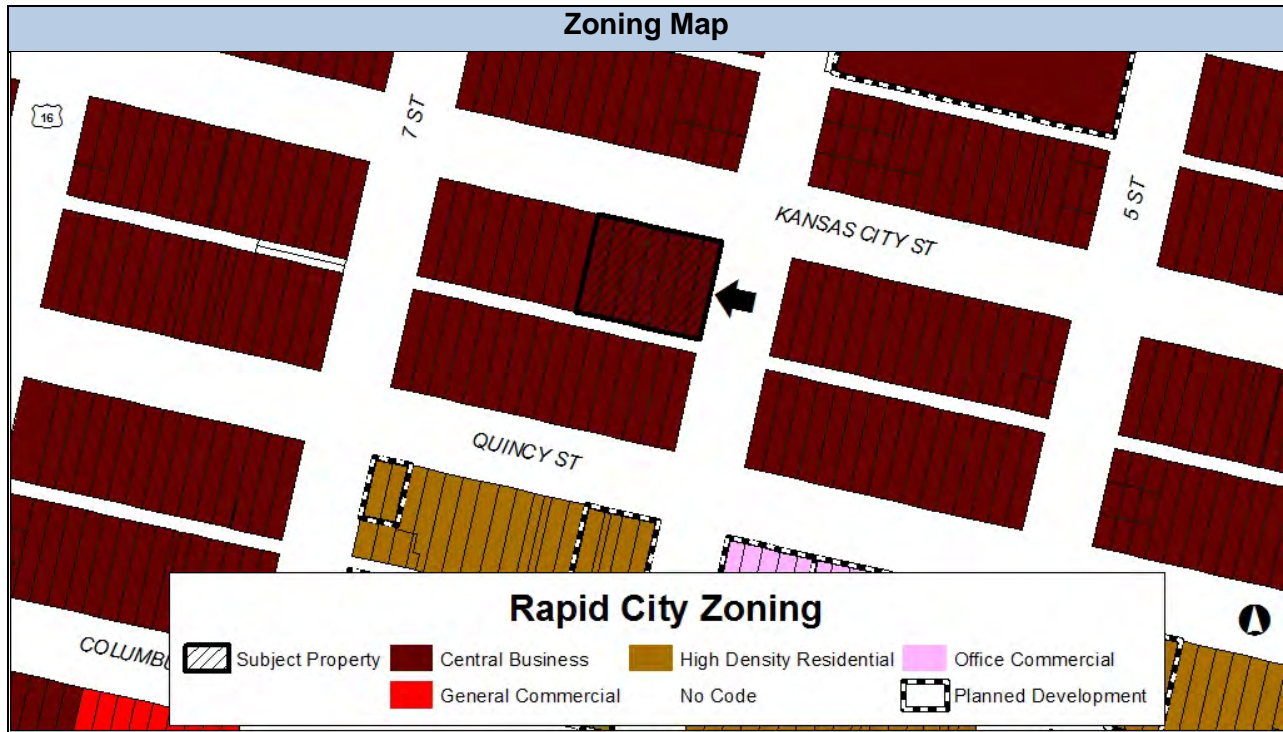
<b>Item 12</b>
<b>Applicant Request(s)</b>
Case #16UR013, a Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery
Companion Case(s) #: N/A

<b>Development Review Team Recommendation(s)</b>
The Development Review Team recommends that the requested Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery be approved with the stipulations noted below.

<b>Project Summary Brief</b>	
The applicant has submitted this request for a Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery. In February of 2016, City staff submitted an Ordinance Amendment to allow microbreweries as a conditional use in the Central Business District (File #16OA001). The City Council approved the Ordinance Amendment and it became effective on April 29, 2016. The existing Hay Camp Brewing Company has outgrown their existing facility and is proposing to relocate to a new, larger location. The applicant is proposing to convert the existing vacant building located at 601 Kansas City Street into a mixed use facility which includes a café, a theater, leasable office space, and a microbrewery on the premises. As a part of this requested Conditional Use Permit, the applicant is requesting to allow the existing parking lot to occasionally be used for outdoor events. In addition, the applicant has noted their intent to include a sidewalk café on the sidewalk abutting the Kansas City Street right-of-way.	
<b>Applicant Information</b>	<b>Development Review Team Contacts</b>
Applicant: Samuel Papendick, Hay Camp Brewing Company	Planner: Robert Laroco
Property Owner: Rapid City Regional Hospital, Inc.	Engineer: Dan Kools
Architect: N/A	Fire District: Tim Behlings
Engineer: N/A	School District: Kumar Veluswamy
Surveyor: N/A	Water/Sewer: Dan Kools
Other:	DOT: Stacy Bartlett

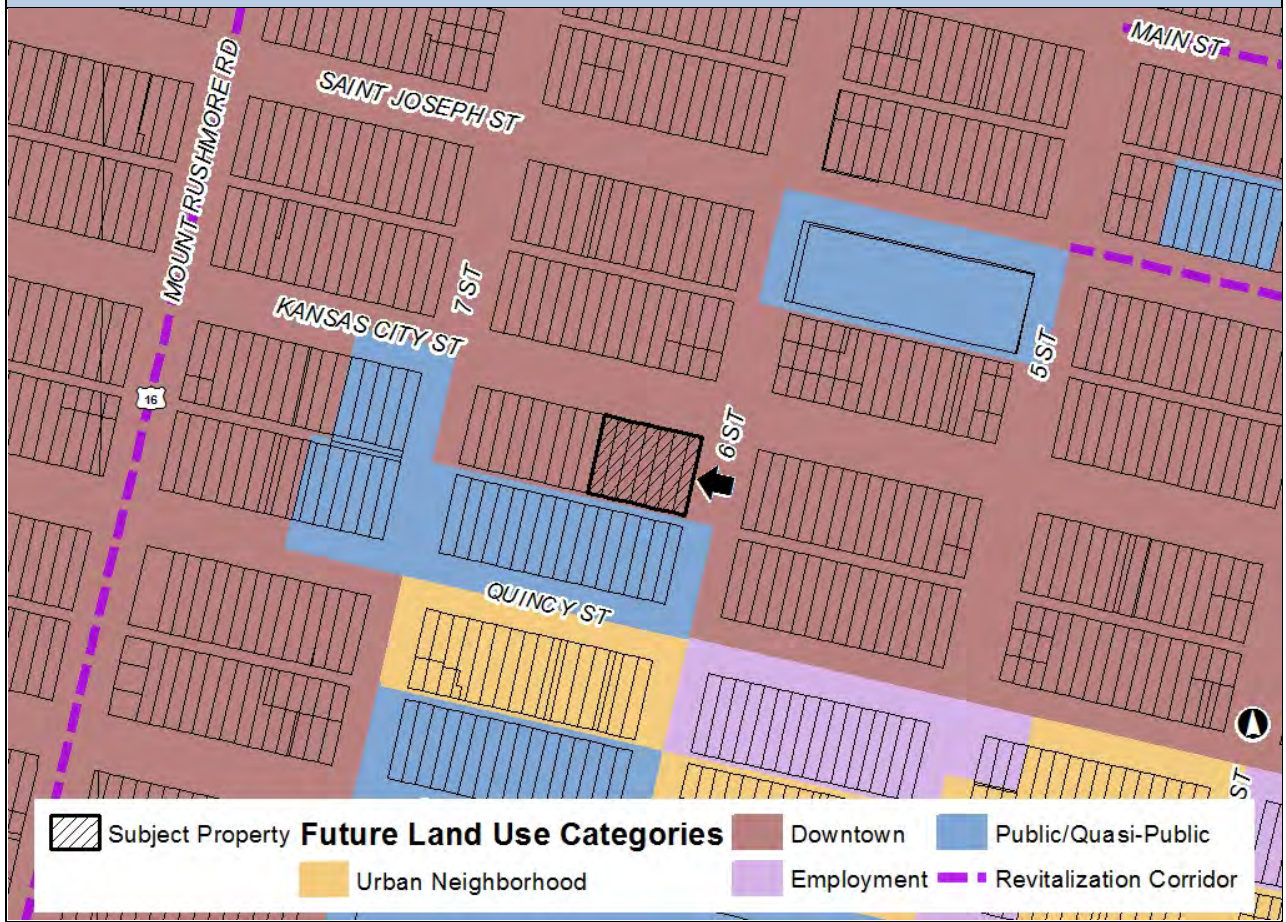
<b>Subject Property Information</b>	
Address/Location	601 Kansas City Street, southwest of the intersection of 6 <sup>th</sup> Street and Kansas City Street
Neighborhood	Downtown/Skyline Drive Neighborhood
Subdivision	Original Township of Rapid City
Land Area	0.56 acres, approximately 24,394 sq ft
Existing Buildings	Vacant industrial building, previous hospital laundry facility
Topography	Level
Access	Kansas City Street, 6 <sup>th</sup> Street
Water Provider	Rapid City
Sewer Provider	Rapid City
Electric/Gas Provider	Black Hills Power/ Montana Dakota Utilities
Floodplain	None identified
Other	Non-contributing structure located in the Historic Environs

Subject Property and Adjacent Property Designations			
	Existing Zoning	Comprehensive Plan	Existing Land Use(s)
Subject Property	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
Adjacent North	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
Adjacent South	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
Adjacent East	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
Adjacent West	CBD	Downtown, Regional Activity Center	Existing commercial retail and services





### Comprehensive Plan Future Land Use



### Parks or Transportation Plan



Relevant Case History			
Case/File#	Date	Request	Action
N/A	N/A	N/A	N/A
Relevant Zoning District Regulations			
Central Business District	Required	Proposed	
Lot Area	No minimum required	0.56 acres, approximately 24,394 sq ft	
Lot Frontage	No minimum required	315 feet	
Maximum Building Heights	No maximum required	2 stories	
Maximum Density	100%		
Minimum Building Setback:			
• Front	0 ft	0 ft	
• Rear	0 ft	0 ft	
• Side	0 ft	0 ft	
• Street Side	0 ft	0 ft	
Minimum Landscape Requirements:			
• # of landscape points	N/A	N/A	
• # of landscape islands	N/A	N/A	
Minimum Parking Requirements:			
• # of parking spaces	N/A	N/A	
• # of ADA spaces	N/A	N/A	
Signage	Per RCMC	Per RCMC	
Fencing	Per RCMC	None proposed.	

Planning Commission Criteria and Findings for Approval or Denial	
<p><b>Pursuant to Section 17.52.030.E of the Rapid City Municipal Code the Planning Commission shall consider the following criteria in a request for a Conditional Use Permit:</b></p>	
	<b>Findings</b>
1. The location, character, and natural features of the property;	The property is comprised of 0.56 acres located in a densely developed, commercially zoned neighborhood. The property is level.
2. The location, character, and design of adjacent buildings;	Property in all directions is densely developed with a variety of commercial, retail, and services, including a number of religious institutions, social services, and public uses
3. Proposed fencing, screening, and landscaping;	No additional or altered fencing, screening, and landscaping is proposed.
4. Proposed vegetation, topography, and natural drainage;	No additional vegetation or alteration of topography or natural drainage is proposed.
5. Proposed pedestrian and vehicular access, circulation and parking, including that related to bicycles and other unpowered vehicles and provisions for handicapped persons;	<p>Off-street parking is not required within the Central Business District. However, the site does include a number of off-street parking spaces located on the western side of the building, accessed from Kansas City Street. It appears that 8 parking spaces are being provided. If off-street parking is being provided, at least one of the provided parking spaces must be a van accessible handicap parking spaces. On-street parking is located adjacent to the building along both Kansas City Street and 6<sup>th</sup> Street. Minimum 10-foot-wide sidewalks abut the property along 6<sup>th</sup> Street and Kansas City Street.</p> <p>The applicant has identified areas for a sidewalk café to be located along Kansas City Street and potentially along 6<sup>th</sup></p>



	<p>Street. However, the Conditional Use Permit does not include those portions of the request located within the public right-of-way. Any proposed sidewalk café must be secured through a Sidewalk Café Permit. The applicant should note that prior to initiating the sidewalk café use, a Sidewalk Café Permit must be obtained prior to the sale and/or service of alcohol in the identified café seating. The applicant should also note that the proposed events to be held in the existing off-street parking are not considered a part of the café, and are being considered as a part of the Conditional Use Permit.</p>
6. Existing traffic and traffic to be generated by the proposed use;	<p>Transportation Planning staff has noted that while the redevelopment of the property will likely impact the area street network and traffic patterns, it is unlikely that a Traffic Impact Study will indicate additional improvements can be required or installed which will mitigate any potential impacts of redeveloping the site. Public Works has indicated that a Traffic Impact analysis is not required as a part of this request.</p>
7. Proposed signs and lighting;	<p>The applicant has indicated that all signage will comply with the requirements of the Rapid City Municipal Code. Portions of the property are located within the Historic District Environs. As such, all signage located within the Historic Environs must obtain review and approval through an 11.1 Historic Review.</p>
8. The availability of public utilities and services;	<p>The site is serviced by Rapid City water and sewer. Public Works staff has not identified any utility capacity issues for the proposed on-sale liquor use.</p>
9. The objectives of the adopted comprehensive plan and the purpose of the ordinance codified herein;	<p>The Rapid City Comprehensive Plan notes that the property is designated for downtown development and is located within a Regional Activity Center and in proximity to revitalization corridors located on Main Street and Saint Joseph Street. The downtown and Regional Activity Centers are seen as appropriate for activity-generating, pedestrian-oriented uses including on-sale liquor establishments. The proposed on-sale liquor establishment is in compliance with the adopted Comprehensive Plan and the purpose of the Ordinance.</p>
10. The overall density, yard, height, and other requirements of the zone in which it is located;	<p>The location of the property in the Central Business District means that there is no setback, building height, landscaping, or parking requirements on the property. The downtown is seen as the appropriate location for high density, mixed-use development, including on-sale liquor establishments.</p>
11. The effects of noise, odor, smoke, dust, air, and water pollution and the degree of control through the use of clarifiers, screening, setbacks, and orientation;	<p>Submitted plans show that the applicant is proposing to hold outdoor events in a fenced area located where existing parking is currently proposed. The proposed events will include the sale and service of alcohol and could include live music events or other outdoor entertainment. The Rapid City Police Department has noted that access to areas serving alcohol must be restricted to patrons 21 years of age or older and that access to any alcohol service areas associated with outdoor event must be from the interior of the building only. The facility is located in close proximity to a variety of public uses and social services, including facilities specializing in rehabilitative services. It is possible that the</p>

	<p>proposed microbrewery could impact these neighboring uses. However, the Central Business District is considered the appropriate location for on-sale liquor establishments. In addition, while the proposed microbrewery will function as a bar, the accessory uses proposed in the facility include a theater and a café, which will serve to create an atmosphere that does not solely function as a bar. The operations plan submitted by the applicant shows that access among the various areas within the building will be able to be opened and closed in order to ensure control of patron movement is maintained and underage patrons of the theater or the café do not have access to alcohol. It should be noted that if tenants beyond the theater, microbrewery, and café wish to sell or serve alcohol in the future, then a separate Conditional Use Permit will be required for each separate use.</p>
<p>12. The degree to which conditions imposed will mitigate any probable adverse impacts of the proposed use on existing adjacent uses.</p>	<p>Based on the applicant's submitted operations plan, it appears that access to areas of the facility which sell and service beer and wine will be controlled to ensure underage drinking does not occur. Although occasional outdoor events are being proposed on the property, access to any areas selling or serving alcohol will be restricted to patrons 21 years of age or older and accessed from the interior of the building only. The applicant should note that all standard Rapid City Noise Ordinance requirements must be maintained at all times.</p> <p>The property is located in the Central Business District, which is considered the appropriate zoning district for on-sale liquor establishments, including those operating as accessory to another primary use, such as a theater or café. Based on the operations plans submitted by the applicant, as well as the location of the property within the Downtown core, it appears that potential adverse impacts of the proposed development are being mitigated to the greatest extent possible.</p>
<p><b>Pursuant to Section 17.50.185 of the Rapid City Municipal Code the Planning Commission shall consider the following criteria in a request for an on-sale liquor establishment:</b></p>	
	<p style="text-align: center;"><b>Findings</b></p>
<p>1. The requested use will not adversely affect the use of any place used for religious worship, school, park, playground, or similar use within a 500-foot radius:</p>	<p>The property is located within 500 feet of several churches, public uses, and social service buildings, including Catholic Social Services and the Hope Center. The property is located within the Central Business District and is a part of the downtown core, an identified Regional Activity Center on the City's Future Land Use Plan. The Central Business District is viewed as the appropriate zoning district for an on-sale liquor establishment, especially ones operating in conjunction with other uses. In addition, the Regional Activity Center is intended to encourage a wide variety of pedestrian-friendly, activity-generating, high intensity uses. The adaptive reuse of this existing building located within a Regional Activity Center will provide a desirable mix of uses at an appropriate scale and location in the neighborhood.</p>
<p>2. The requested use is sufficiently buffered with regard to</p>	<p>Property located approximately 250 feet south of the subject property is zoned High Density Residential District</p>








<p>residential areas so as not to adversely affect the areas:</p>	<p>and is developed with a mix of commercial and residential uses. It should be noted that the applicant has proposed sale and service of alcohol within a sidewalk café proposed on plans. However, a sidewalk café permit cannot be granted as a part of a Conditional Use Permit and must be obtained through a separate Sidewalk Café Permit. As such, this request does not include outdoor seating as a part of a sidewalk café located in the public right-of-way. Use of the existing parking lot located on-site for occasional outdoor events is included as a part of this request.</p> <p>The property is located on the fringes on the Central Business District, in an area anticipated to become a part of the Central Business District in the near-term future. As previously noted, the Central Business District is viewed as the appropriate zoning district for a broad mix of commercial and residential uses, including on-sale liquor establishments. The requested use will not adversely impact residential development in the area.</p>
<p>3. The proposed use will not create an undue concentration of similar uses, so as to cause blight, deterioration, or substantially diminish or impair property values:</p>	<p>There are a number of on-sale liquor establishments located within proximity to the subject property. The Central Business District is viewed as the appropriate location for these types of uses, especially when incorporated into other uses such as a theater or a café. In addition, the proposed use will result in the adaptive reuse of an existing vacant building, which may encourage additional reinvestment and revitalization of the neighborhood. The proposed uses does not create an undue concentration of similar uses and will not cause blight, deterioration, or diminish and impair property values.</p>
<p>4. The proposed use complies with the standards of Chapters 5.12 and 17.54.030 of the Rapid City Municipal Code:</p>	<p>As noted above, the requested on-sale liquor establishment complies with all the requirements for a conditional use. A liquor license must be obtained for the operator of the establishment prior to commencement of the use on the property.</p>
<p><b>Pursuant to Section 17.16.030.R of the Rapid City Municipal Code the Planning Commission shall consider the following criteria in a request for a microbrewery:</b></p>	
<p><b>Findings</b></p>	
<p>1. A microbrewery is defined as an establishment which manufactures less than 5,000 barrels of malt beverage a year:</p>	<p>The applicant identifies a maximum 500 barrels of malt beverage to be brewed per year at the proposed facility.</p>
<p>2. In addition to the malt beverage, manufacturer's license required by SDCL 35-4-2(14), the operator of the microbrewery must obtain the appropriate city-issued retail liquor license if it intends to sell its product directly to the public:</p>	<p>The applicant has obtained all necessary licensing for its current location and intends to obtain all necessary licensing for the proposed location once this Conditional Use Permit has been approved for the property. Prior to issuance of a certificate of completion for the site, all required State and City licensing must be obtained.</p>
<p>3. Accessory uses to a microbrewery specifically include, but are not necessarily limited to, the selling of food, operation of a restaurant, and/or selling of</p>	<p>As previously noted, the applicant is proposing to operate the microbrewery in conjunction with a theater and a café. While the applicant has indicated that a tenant for the theater has been secured, at this time, a tenant for the proposed café space has not been secured. It is</p>

products associated with the microbrewery or the manufacture of beer.	anticipated that the microbrewery will sell products associated with the facility, including growlers for off-site consumption and other merchandise related to the brewery.
---	--

**Planning Commission Comprehensive Plan Policy Guidance for Approval or Denial**

**In considering an application for approval or denial the Planning Commission finds that the application either complies or does not comply with the following values, principles, goals, and policies within the Rapid City Comprehensive Plan:**

**Comprehensive Plan Conformance – Core Values Chapters**

	<b>A Balanced Pattern of Growth</b>
BPG-1.2B	<u>Priority Activity Centers for Reinvestment</u> : A primary Downtown Regional Activity Center objective is to expand the variety of uses within the Center while retaining the character of the buildings.
	<b>A Vibrant, Livable Community</b>
LC-4.1B	<u>Diverse Mix of Uses</u> : The proposed on-sale liquor establishment in conjunction with the proposed theater and café will add to the mix of commercial, retail, service, and residential uses desirable in the downtown and in surrounding neighborhoods.
	<b>A Safe, Healthy, Inclusive, and Skilled Community</b>
N/A	N/A
	<b>Efficient Transportation and Infrastructure Systems</b>
N/A	N/A
	<b>Economic Stability and Growth</b>
EC-1.3A	<u>Local Business Support</u> : The requested Conditional Use Permit will continue to encourage the creation and expansion of local businesses. Hay Camp Brewing Company is an emerging locally owned business which now has the opportunity to expand.
	<b>Outstanding Recreational and Cultural Opportunities</b>
N/A	N/A
	<b>Responsive, Accessible, and Effective Governance</b>
GOV-2.1A	<u>Public Input Opportunities</u> : The Conditional Use Permit requires notification of surrounding property owners within 250 feet of the subject property and posting of a sign on the property. These notification requirements allow public input into the proposed development. As of this writing, there have been no inquiries into the requested Conditional Use Permit.

**Comprehensive Plan Conformance – Growth and Reinvestment Chapter**

<b>Future Land Use Plan Designation(s):</b>	Downtown, Regional Activity Center
<b>Design Standards:</b>	
GDP-MU1	<u>Relationship of Uses</u> : The requested Conditional Use Permit encourages the concentration of activity-generating uses near transit stops such as the Rapid City



	Bus Depot, as well as public spaces, such as Main Street Square, both located approximately two blocks north of the existing structure.
--	---

<b>Comprehensive Plan Conformance – Neighborhood Area Policies Chapter</b>	
<b>Neighborhood:</b>	Downtown/Skyline Drive Neighborhood
<b>Neighborhood Goal/Policy:</b>	
DSD-NA1.1C	<u>Mixed-Use Development</u> : The requested Conditional Use Permit will encourage mixed-uses within the Central Business District.

<b>The Development Review Team Recommends that the request for a Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery be approved for the following reasons:</b>	
•	The requested Conditional Use Permit is to allow an on-sale liquor establishment to be for the sale of beer, wine, as an accessory to the proposed microbrewery. The Hay Camp Brewing Company is looking for an opportunity to expand their existing business. The Central Business District is considered the appropriate location for on-sale liquor establishments, especially in conjunction with other uses.
•	No additions or expansions to the existing structure are being considered as a part of this request. The requested use meets all minimum requirements of the Rapid City Municipal Code.
•	The property is located in an area where a mix of commercial, activity-generating, pedestrian-oriented uses is desirable. The proposed on-sale liquor use will encourage more of these types of high-intensity commercial activities in the area.

<b>Staff recommends that the requested Conditional Use Permit be approved with the following stipulation:</b>	
1.	Prior to issuance of a building permit, revised operation plan shall be submitted showing the location of all access points and fencing for outdoor events to be located in the parking lot. Access to the microbrewery shall be limited to patrons 21 years of age or older. Access to alcohol service area associated with all outdoor events shall be through the interior of the structure only.
2.	Prior to issuance of a certificate of completion, all necessary municipal and state licensing for operation of a microbrewery and an on-sale liquor establishment shall be obtained;
3.	All proposed signage located within the Historic Environs shall obtain 11.1 Historic review and approval. All signage shall comply with the requirements of the Rapid City Municipal Code. No electronic or Light Emitting Diode (LED) signage is being approved as a part of this Conditional Use Permit. The addition of LED signage shall require a Major Amendment to the Conditional Use Permit. A sign permit is required for each sign, and;
4.	The requested Conditional Use Permit shall allow an on-sale liquor establishment to be operated in conjunction with a microbrewery. Any change in use which expands the sale and service of alcohol shall require a Major Amendment to the Conditional Use Permit. Uses permitted in the Central Business District shall be permitted. All conditional uses in the Central Business District shall require the review and approval of a Major Amendment to the Conditional Use Permit.



## Rapid City Community Planning & Development Services

### Development Review Advisories

*Disclosure: The Development Review Team has created this list of Advisories as a courtesy for your specific application. **This is not a complete list.** All City, District, State, and Federal requirements must be continually met.*

Applicant Request(s)	
<b>Case #16UR013</b>	Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery
<b>Companion Case(s)</b>	N/A
<b>ADVISORIES: Please read carefully!</b>	
1.	A building permit shall be obtained prior to any construction. A certificate of completion shall be obtained prior to use;
2.	All construction plans shall be signed and sealed by a registered professional pursuant to CDCL 36-18A;
3.	All requirements of the currently adopted Building Code shall be met;
4.	All requirements of the International Fire Code shall be met;
5.	All requirements of the Rapid City Infrastructure Design Criteria Manual and Rapid City Standard Specifications shall be met;
6.	All erosion and sediment control measures shall be installed and maintained as necessary;
7.	Handicap accessibility shall be maintained as necessary;
8.	All lighting shall be designed to preclude shining on adjacent properties and rights-of-ways, so as not to create a nuisance to neighboring properties and traffic.