



CITY OF RAPID CITY

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MEMORANDUM

TO: Rapid City Planning Commission

FROM: Vicki L. Fisher, Current Planning Division Manager

DATE: November 1, 2017

RE: 17OA002-Ordinance Amendment to allow Artisan Distillers as a Conditional Use in the Central Business District and the General Commercial District by Amending Title 17 of the Rapid City Municipal Code

An Ordinance Amendment to allow artisan distillers as a Conditional Use in the Central Business District and the General Commercial District has been submitted by Randal Decker. Staff has reviewed the request and has noted the following considerations:

- The Central Business District is intended to form the metropolitan center for commercial, financial, professional, governmental, and cultural activities in the City. In addition, the General Commercial District is for personal and business services and the general retail business of the City.
- Permitted uses in the Central Business District and the General Commercial District include drinking and eating establishments as well as amusement and recreation establishments. On-sale liquor establishments are a conditional use in the General Commercial District and the Central Business District. A microbrewery and wineries are currently conditional uses in the Central Business District. In addition, a microbrewery and farm wineries are a conditional use in the General Commercial District. An artisan distillery is similar in operation and use to these existing conditional use(s).
- The Planning Commission and City Council have previously determined that the Central Business District and the General Commercial district is the appropriate location for on-sale liquor establishments and breweries/wineries.



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- Artisan distilleries continue to increase in popularity, both nationally and locally. South Dakota currently has 6 existing artisan distilleries in the State. Randal Decker, the applicant for this request, is currently operating an artisan distillery in Box Elder. It is his intent to relocate to Rapid City once the City's Zoning Ordinance supports the use.

South Dakota Codified Law 35-13 regulates the use and licensing for an artisan distiller. Under these provisions, the State issues the license. A license issued authorizes the sale on the distillery premises of distilled spirits produced by the artisan distillery, both on-sale and/or off-sale, in total quantities not in excess of 50,000 gallons in a calendar year and the dispensing of free samples of distilled spirits offered for sale. Since the State's license allows both on-sale and off-sale, during the review of the Conditional Use Permit, the City will review the criteria for an On-Sale Liquor Establishment and a Conditional Use Permit as noted below.

Review Criteria for an On-Sale Liquor Establishment:

- 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.
- The requested use is sufficiently buffered with respect to residential areas so as not to adversely affect the areas.
- 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.
- The proposed use complies with the standards of Chapters 5.12.140 and 17.54.030 of this Code.

Review Criteria for a Conditional Use Permit:

- The location, character, and natural features of the property.
- The location, character, and design of adjacent buildings.
- Proposed vegetation, topography, and natural drainage.
- Proposed pedestrian and vehicular access, circulation and parking, including that related to bicycles and other unpowered vehicles and provisions of handicapped persons.
- Existing traffic and traffic to be generated by the proposed use.
- Proposed signs and lighting.
- The availability of public utilities and services.
- The objectives of the adopted comprehensive plan.
- The overall density, yard, height, and other requirements of the zone in which it is located.
- 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.
- The degree to which conditions imposed will mitigate any probable adverse impacts of the proposed use on existing adjacent uses.

The Ordinance Amendment will add the following language as a conditional use in the General Commercial District and the Central Business District: Artisan distillers operated in compliance with South Dakota law, including SDCL Chapter 35-13.

Recommendation: The Development Review Team recommends that the Ordinance Amendment to allow Artisan Distillers as a Conditional Use in the Central Business District and the General Commercial District by Amending Title 17 of the Rapid City Municipal Code be approved.