



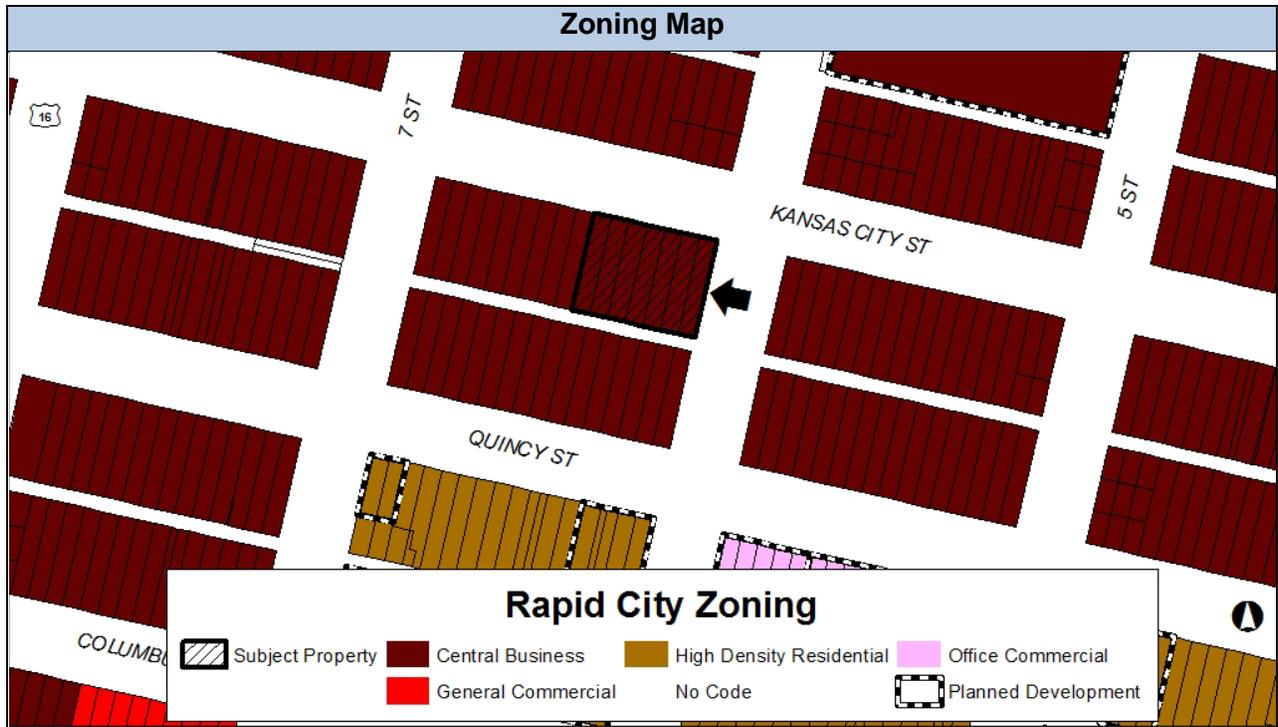
Rapid City Planning Commission

Planned Development Project Report

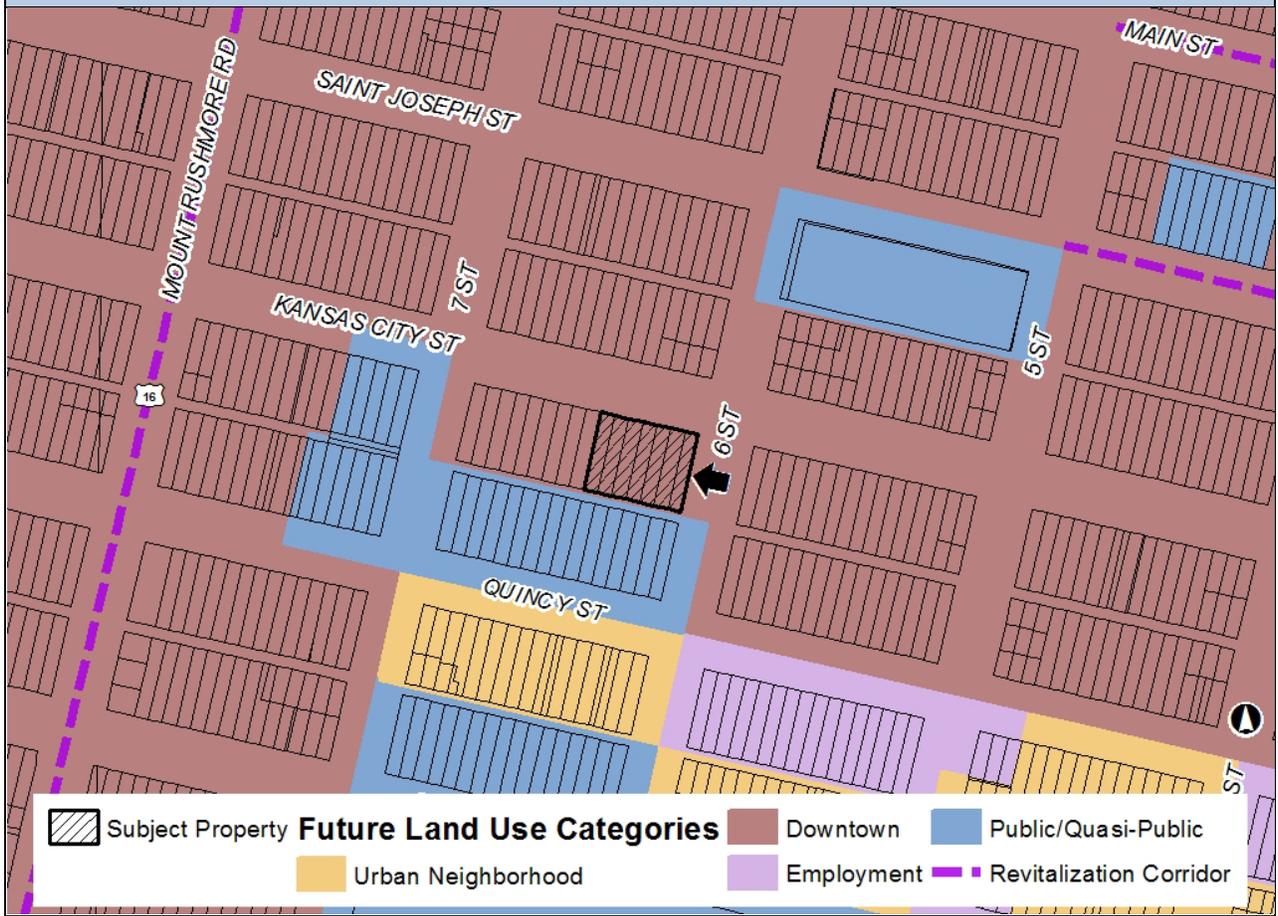
January 25, 2018

Item 10	
Applicant Request(s)	
Case #17UR026, a Conditional Use Permit to allow an Artisan Distillery in the Central Business District	
Companion Case(s) #: N/A	
Development Review Team Recommendation(s)	
The Development Review Team recommends that the requested Conditional Use Permit to allow an Artisan Distillery in the Central Business District be approved with the stipulations noted below.	
Project Summary Brief	
<p>This applicant has submitted this request for a Conditional Use Permit to allow an on-sale liquor establishment in conjunction with an Artisan Distillery. On December 4, 2017, the City Council approved an Ordinance Amendment to allow artisan distillers as a Conditional Use in the Central Business District and the General Commercial District. The applicant is proposing to convert 3,000 square feet of the existing commercial building located at 601 Kansas City Street into an artisan distillery. Additionally, they are proposing to have an outdoor 12 x 20 foot raised patio with a 4 foot railing fence surrounding the patio area to provide separation between the patio and the parking area.</p> <p>The applicant's operational plan identifies that the artisan distillery will include the alcohol processing of distilled spirits for on-sale and off-sale, an area office and associated entertainment venues. Pursuant to the State legal requirements for an artisan distillery, the applicant has indicated that no more than 50,000 gallons will be processed in a calendar year. The business operational business hours will vary at different times of the year but will generally be open Monday thru Saturday from 12 p.m. to 10 p.m. A majority of the distilled products are delivered to a local distributor. The overhead door located in the alley on the south side of the building will be utilized for the deliveries of supplies and equipment and to load the products for distribution.</p> <p>On May 26, 2016, the Planning Commission approved the Haycamp microbrewery to be located in the balance of the building. The Haycamp operational plan also includes a café, an outdoor patio area, a theater, leasable office space, and a microbrewery on the premises.</p>	
Applicant Information	Development Review Team Contacts
Applicant: Randal R. Decker, Contraband LLC	Planner: Javin Weaver
Property Owner: The Mothership LLC	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
Subject Property Information	
Address/Location	601 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	One story commercial building
Topography	Level
Access	Kansas City Street, 6 th 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

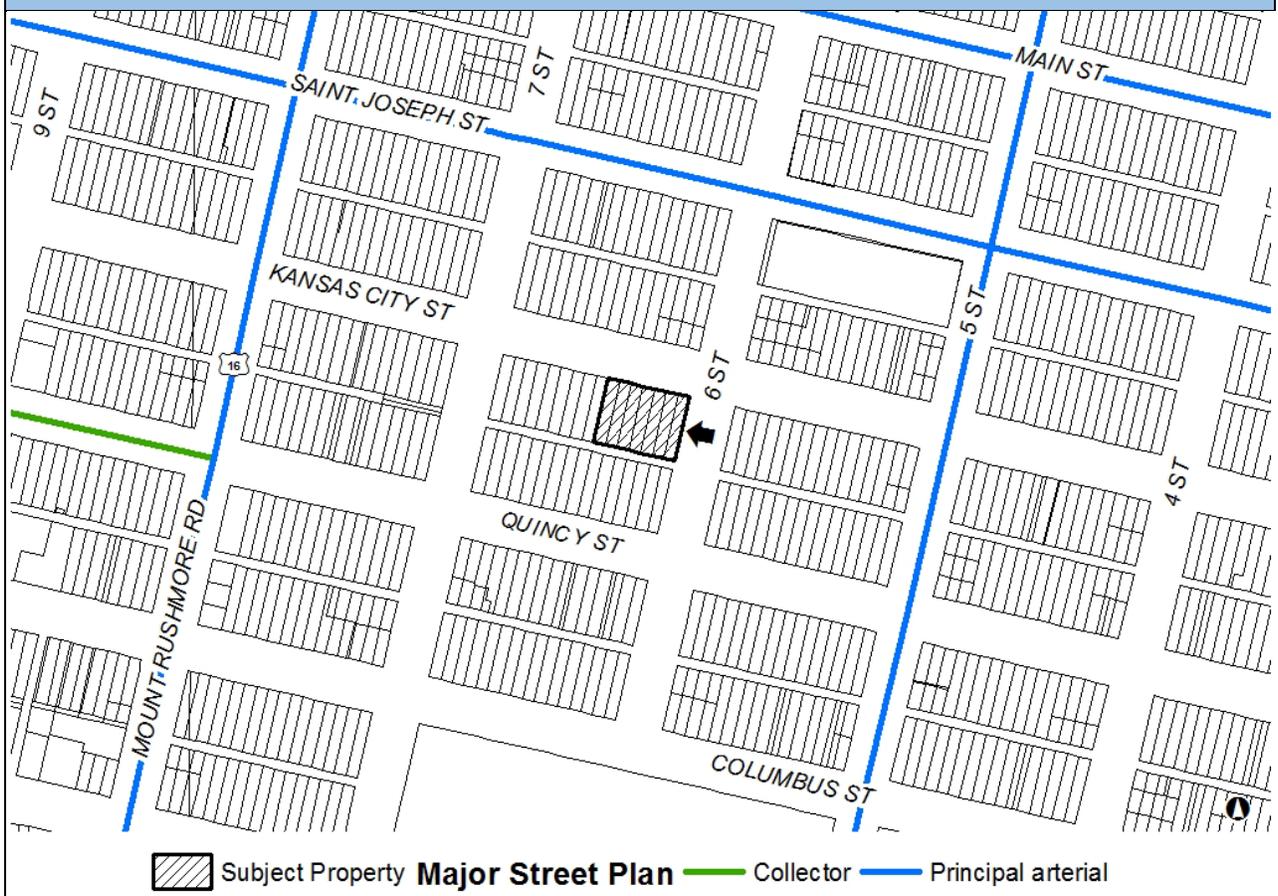
Subject Property and Adjacent Property Designations			
	Existing Zoning	Comprehensive Plan	Existing Land Use(s)
Subject Property	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
Adjacent North	CBD	Downtown, Regional Activity Center	Existing commercial retail and services
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	1 story	
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>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:</p>	
	Findings
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;	An outdoor raised deck area measuring 12 feet by 20 feet with a four foot railing separating it from the parking area is being proposed. The design of the deck with the rail will provide separation between the patio and the adjacent parking area.
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;	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 th Street. Minimum 10-foot-wide sidewalks abut the property along 6 th Street and Kansas City

	Street.
6. Existing traffic and traffic to be generated by the proposed use;	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 require as a part of this request.
7. Proposed signs and lighting;	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.
8. The availability of public utilities and services;	The site is serviced by Rapid City water and sewer. Public Works staff has not identified any utility capacity issues for the proposed artisan distillery use.
9. The objectives of the adopted comprehensive plan and the purpose of the ordinance codified herein;	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 artisan distillery is in compliance with the adopted Comprehensive Plan and the purpose of the Ordinance.
10. The overall density, yard, height, and other requirements of the zone in which it is located;	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.
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;	Submitted plans show that the applicant is proposing to provide an outdoor patio area with railings. This area is adjacent to on-site parking. The Rapid City Police Department has noted that access to areas serving alcohol must be restricted to patrons 21 years of age or older. The railing around the patio creates a restricted area. In addition, it provides a physical separation to the existing parking area. The facility is located in close proximity to a variety of public uses and social services, including facilities specializing in rehabilitative services. The production of distilled spirits with limited on-sale of the products shall have a limited impact on other uses within the area.
12. The degree to which conditions imposed will mitigate any probable adverse impacts of the proposed use on existing adjacent uses.	The property is located in the Central Business District, which is considered the appropriate zoning district for on-sale liquor establishments. While the primary function of the business will be the production of distilled spirits, on-sale of the product is being proposed. 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.
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:	
	Findings
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:	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 artisan distillery establishment. 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.
2. The requested use is sufficiently buffered with regard to residential areas so as not to adversely affect the areas:	Property located approximately 250 feet south of the subject property is zoned High Density Residential District and is developed with a mix of commercial and residential uses. The property is located on the fringes of the Central Business District. 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. Based on the applicant's operated plan, the requested use should not adversely impact residential development in the area.
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:	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. In addition, the proposed use will result in the adaptive reuse of an existing commercial building, which may encourage additional reinvestment and revitalization of the neighborhood. The proposed use does not create an undue concentration of similar uses and will not cause blight, deterioration, or diminish and impair property values.
4. The proposed use complies with the standards of Chapters 5.12 and 17.54.030 of the Rapid City Municipal Code:	As noted above, the requested artisan distillery complies with all the requirements for a conditional use.
Pursuant to Section 17.16.030.S of the Rapid City Municipal Code the Planning Commission shall consider the following criteria in a request for an artisan distillery:	
	Findings
1. Artisan distillers operated in compliance with South Dakota law, including SDCL Chapter 35-13:	The applicant identifies a maximum of 50,000 thousand gallons or less of distilled spirits will be processed annually.

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	
 A Balanced Pattern of Growth	
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.
 A Vibrant, Livable Community	
LC-4.1B	<u>Diverse Mix of Uses</u> : The proposed artisan distillery will add to the mix of commercial, retail, service, and residential uses desirable in the downtown and in surrounding neighborhoods.
 A Safe, Healthy, Inclusive, and Skilled Community	
N/A	N/A
 Efficient Transportation and Infrastructure Systems	
N/A	N/A
 Economic Stability and Growth	
EC-1.3A	<u>Local Business Support</u> : The requested Conditional Use Permit will continue to encourage the creation and expansion of local businesses. Contraband LLC is a locally owned business which now has the opportunity to expand within the City.
 Outstanding Recreational and Cultural Opportunities	
N/A	N/A
 Responsive, Accessible, and Effective Governance	
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	
Future Land Use Plan Designation(s):	Downtown, Regional Activity Center
Design Standards:	
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.

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

The Development Review Team Recommends that the request for a Conditional Use Permit to allow an Artisan Distillery in the Central Business District be approved for the following reasons:

•	The requested Conditional Use Permit is to allow a proposed artisan distillery in the Central Business District. The owner is looking for an opportunity to expand their business. The Central Business District is considered the appropriate location for an artisan distillery with on-sale liquor.
•	No additions or expansions to the existing structure are being considered as a part of this request. The proposed measured 12 foot by 20 foot patio with a 4 foot separation rail surrounding it 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 artisan distillery use will encourage more of these types of high-intensity commercial activities in the area.

Staff recommends that the requested Conditional Use Permit be approved with the following stipulations:

1.	Prior to issuance of a certificate of completion, all necessary municipal and state licensing for operation of an artisan distillery and an on-sale liquor establishment shall be obtained;
2.	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;
3.	The requested Conditional Use Permit shall allow an on-sale liquor establishment to be operated in conjunction with an artisan distillery. 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)	
Case #16UR013	Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a microbrewery
Companion Case(s)	N/A
ADVISORIES: Please read carefully!	
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.	ADA accessibility shall be maintained as necessary;
8.	Compliance with the City's Noise Ordinance shall be complied with at all times; and,
9.	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.