

STAFF REPORT
August 21, 2008

No. 07PD102 - Planned Commercial Development - Initial Development Plan **ITEM 40**

GENERAL INFORMATION:

APPLICANT/AGENT	Michael Derby
PROPERTY OWNER	Derby Advertising, Inc.
REQUEST	No. 07PD102 - Planned Commercial Development - Initial Development Plan
EXISTING LEGAL DESCRIPTION	Lots B thru M and W of Kashmir Subdivision, located in the NE1/4 SE1/4, Section 8, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 2.81 acres
LOCATION	2720 Chapel Lane
EXISTING ZONING	General Commercial District (Planned Commercial Development)
SURROUNDING ZONING	
North:	Flood Hazard District
South:	General Commercial District
East:	Flood Hazard District
West:	Park Forest District
PUBLIC UTILITIES	City Water and Rapid Canyon Sanitary District
DATE OF APPLICATION	12/14/2007
REVIEWED BY	Jonathan Smith / Mary Bosworth / Karen Bulman

RECOMMENDATION: **Staff recommends that the Planned Commercial Development - Initial Development Plan be approved with the following stipulations:**

- 1. Prior to issuance of a building permit, a Final Commercial Development Plan shall be reviewed and approved;**
- 2. Prior to submittal of a Final Commercial Development Plan application, all necessary changes shall be made to the site plan(s) as identified on the red lined drawings. In addition, the red lined drawings shall be returned to the Growth Management Department;**
- 3. Upon submittal of a Final Commercial Development Plan application, a sewer plan prepared by a Professional Engineer shall be submitted for review and approval. In addition, approval by the Rapid Canyon Sanitary District demonstrating that adequate sewer flow capacity is available for the development shall be submitted**

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- for review and approval;
4. Upon submittal of a Final Commercial Development Plan application, a water plan prepared by a Professional Engineer shall be submitted for review and approval;
 5. Upon submittal of a Final Commercial Development Plan application, a grading plan shall be submitted for review and approval;
 6. Upon submittal of a Final Commercial Development Plan application, a complete parking plan shall be submitted for review and approval identifying a minimum of 233 parking spaces. Seven of the spaces shall be handicap accessible with one of the handicap spaces being "Van" accessible. In addition, all provisions of the Off-Street Parking Ordinance shall be continually met;
 7. Upon submittal of a Final Commercial Development Plan application, a complete landscaping plan shall be submitted for review and approval identifying specific plant material. In particular, the landscaping plan shall comply with all requirements of the Zoning Ordinance and be continually maintained in a live vegetative state and replaced as necessary;
 8. Upon submittal of a Final Commercial Development Plan application, a complete lighting package identifying the design of the proposed lighting shall be submitted for review and approval. In addition, the lighting shall be designed to be reflected within the property boundaries so as not to shine onto adjoining properties and rights-of-way and to not be a hazard to the passing motorist or constitute a nuisance of any kind;
 9. Upon submittal of a Final Commercial Development Plan application, elevations of the screening fence for the dumpster shall be submitted for review and approval and shall include building material(s) and the proposed color palette;
 10. Upon submittal of a Final Commercial Development Plan application, the location, size and noise rating of all exterior air handling equipment shall be submitted for review and approval. In addition, the equipment shall be screened from all adjacent properties, including rooftop facilities;
 11. Upon submittal of a Final Commercial Development Plan application, a sign package indicating the revised entrance sign and the sales office sign shall be submitted for review and approval;
 12. Upon submittal of a Final Commercial Development Plan application, complete elevations showing all sides of the existing and proposed structures shall be submitted for review and approval. In addition, a complete list of building materials and color palette shall be submitted for review and approval;
 13. All provisions of the General Commercial Zoning District shall be met unless an exception is specifically authorized as a stipulation of this Initial Commercial Development Plan, the Final Commercial Development Plan application or a subsequent Major Amendment;
 14. A building permit shall be obtained prior to any construction and a Certificate of Occupancy shall be obtained prior to occupancy;
 15. All plans shall be stamped by a Registered Professional Engineer and/or Architect per SDCL 36-18A;
 16. The currently adopted International Fire Code shall be continually met. In particular, fire hydrants shall be installed and operational prior to the issuance of a building permit and/or any construction on the site using combustible

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- material(s). In addition, the proposed structures shall also have fire sprinkler systems and be fire alarmed as per the current adopted International Fire Code;
17. The occupancy by unit owners or their designees shall be limited to no more than 30 days per calendar year per unit; and,
 18. The Planned Commercial Development – Initial Development Plan shall expire if the uses has not commenced within eighteen months of the date of approval by the Planning Commission. A time extension may be granted if identified and requested as a part of a phasing schedule submitted with the Final Commercial Development Plan application.

GENERAL COMMENTS: (Update August 12, 2008. All revised and/or added text is shown in bold.) On July 1, 2008, additional information was submitted for review and approval. On August 7, 2008, additional information, including elevations of the proposed building, was submitted for review and approval.

(Update July 1, 2008. All revised and/or added text is shown in bold.) On July 1, 2008, additional information was submitted for review and approval. Staff recommends that this item be continued to the August 7, 2008 Planning Commission meeting to allow the staff time to review the requested information.

(Update June 16, 2008. All revised and/or added text is shown in bold.) As of this writing, the required information has not been submitted for review and approval. On June 16, 2008, the applicant requested that this item be continued to the July 10, 2008 meeting to allow the applicant time to submit additional information.

(Update June 16, 2008. All revised and/or added text is shown in bold.) On May 12, 2008, the applicant met with staff to review the proposed project. The proposed use and the proposed layout of the property were discussed. The applicant requested that this item be continued to the June 26, 2008 meeting to allow the applicant time to submit additional information.

(Update May 14, 2008. All revised and/or added text is shown in bold.) On May 12, 2008, the applicant met with staff to review the proposed project. The proposed use and the proposed layout of the property were discussed. The applicant requested that this item be continued to the June 26, 2008 meeting to allow the applicant time to submit additional information.

(Update April 11, 2008. All revised and/or added text is shown in bold.) As of this writing, the applicant has not submitted a revised site plan or a revised floor plan. Staff recommends that this item be continued to the May 22, 2008 Planning Commission meeting, at the applicant's request, to allow the applicant time to submit additional information.

(Update March 16, 2008. All revised and/or added text is shown in bold.) As of this writing, the applicant has not submitted a revised site plan or a revised floor plan. Staff recommends that this item be continued to the April 10, 2008 Planning Commission meeting

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to allow the applicant time to submit additional information.

(Update February 20, 2008. All revised text is shown in bold.) On February 19, 2008, the applicant met with staff to discuss the proposed project. Off-street parking requirements and potential platting alternatives were discussed.

The applicant indicated that a revised site plan and floor plan of the proposed resort will be submitted. As of this writing, that information has not been submitted for review and approval. Staff recommends that this item be continued to the March 27, 2008 Planning Commission meeting to allow the applicant time to submit the revised information.

(Update February 13, 2008. All revised text is shown in bold). On February 12, 2008, staff met with the applicant to discuss the off-street parking requirements. The applicant has requested an additional meeting with Growth Management staff to discuss potential platting, and engineering issues. The applicant has requested that this item be continued to the March 6, 2008 Planning Commission meeting.

(Update January 29, 2008, All revised text is shown in bold.) This item was continued at the January 24, 2008 Planning Commission meeting at the applicant's request. The applicant has indicated that additional on-site parking is available that was not identified on the previously submitted site plan. As of this writing an updated site plan has not been submitted for review and approval. The applicant has requested that this item be continued to the February 21, 2008 Planning Commission meeting. Staff recommends that this item be continued to the February 21, 2008 Planning Commission meeting at the applicant's request.

The applicant has submitted a Planned Commercial Development- Initial Development Plan. The property is located at 2720 Chapel Lane. Currently a restaurant, motel, and a series of rental cabins are located on the property. The applicant is proposing to redevelop the 2.81 acre property and construct a full service upscale resort. The applicant has indicated that the existing restaurant located on the property will remain.

On May 16, 1994 the City Council approved a Planned Commercial Development (#1296) for a restaurant on the property. On August 18, 1997, the City Council approved a Major Amendment to a Planned Commercial Development (#1609) to allow an 11,000 square foot restaurant and an on-sale liquor establishment on the property. On April 4, 2002, the Planning Commission approved a Major Amendment to the Planned Commercial Development (#02PD010) to allow the expansion for outdoor seating. On April 4, 2002, the Planning Commission approved a Conditional Use Permit (#02UR007) for the property to allow a temporary structure in the Flood Hazard Zoning District for 15 event days per year. On February 9, 2006, the Planning Commission approved a Major Amendment to the Planned Commercial Development (#05PD088) to allow utilizing a house and motel on the property for private catering functions and overnight accommodations, convert a storage area into a micro winery and remodel the garage of the house into a jacuzzi suite. On October 2, 2006 the Planning Commission approved a Major Amendment to a Planned Commercial Development (#06PD069) to allow the applicant a time extension until June 15,

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2007 to pave the street and parking lots on the property as required by the Major Amendment to the Planned Commercial Development (#05PD088) approved on February 9, 2006. **On September 6, 2007, the Planning Commission approved a Major Amendment to a Planned Commercial Development (#07PD035) to extend the Letter of Credit to November 15, 2008 to pave the street and parking lots as required by the Major Amendment to a Planned Commercial Development (#05PD088) approved February 9, 2006. (Revised 8-12-08)**

STAFF REVIEW:

Staff has reviewed the applicant's request for a Planned Commercial Development-Initial Development Plan and noted the following considerations:

ELEVATIONS

The applicant has submitted photographs of a similar resort to what is being proposed. However in order for a thorough review by staff a materials list with all proposed elevation, building materials and a color pallet is needed. Upon submittal of a Planned Commercial Development Final Development Plan staff recommends that the applicant submit elevation drawings, as well as, a material sample list of all proposed building material for the elevations, and a color pallet.

The applicant has submitted floor plans identifying the structure as four stories in height, which meets the height requirement in a General Commercial Zoning District.

The applicant has submitted revised floor plans and elevations identifying the structure as a four story structure that is 45 feet in height, meeting the height requirements. The fourth story will have seven rooms, including dormers, located under the roofline. The building materials and colors will need to be submitted prior to the Final Development Plan to include neutral roofing materials and colors that will complement the surrounding area. It should be noted that white roofing material will not be acceptable. Upon submittal of a Planned Commercial Development Final Development Plan staff recommends that the applicant submit elevation drawings, as well as, a material sample list of all proposed building material for the elevations, and a color pallet.

A decision on whether the air handling equipment will be on the ground or roof mounted has not been determined. However, a ground location on the site plan has been identified and the equipment will be screened. Upon submittal of a Final Commercial Development Plan application, the location, size and noise rating of all exterior air handling equipment shall be submitted for review and approval. In addition, the equipment shall be screened from all adjacent properties, including rooftop facilities.

The dumpster is located on the site plan at the southwest portion of the property and will be screened. Upon submittal of a Final Commercial Development Plan application, elevations of the screening fence for the dumpster shall be submitted for review and approval and shall include building material(s) and the proposed color

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palette. (Revised 8-12-08)

USE:

The existing use on the property is a full service restaurant, a motel and cabins that offer 25 rooms collectively. The applicant is proposing a resort use for the property. The applicant's site plan identifies a four story building with 67 units. In addition the existing restaurant on-site is to remain in place, and the applicant plans to construct an additional 3250 square feet of restaurant space. The applicant has not stated if the additional restaurant space is to be open to the public or to be used by the resort patrons only.

The revised plans indicate that a four story building with a total of 75 units will be constructed to replace the 24 units currently on site. The existing restaurant will remain in place for use by the public. In addition, a 3,246 square foot space is identified for wedding receptions.

The applicant has indicated that the resort facility will be sold as condominium units to be used by the owner or their designee for a portion of the year. During the balance of the year, the units will be rented as motel units. The units will have microwaves, and will not include a full kitchen. Staff is recommending that a time limit be placed on the number of days the units can be used as condominiums so the units do not become year round apartments. Some communities use a time limit of no more than 30 days. Staff recommends that the occupancy by unit owners or their designees be limited to no more than 30 days per calendar year per unit. (Revised 8-12-08)

PARKING:

The applicant's site plan identifies 130 off-street parking spaces. None of the parking spaces on the site plan are designated as handicap spaces. Staff has noted that five (5) handicap spaces are required, two of which are to be van accessible. The existing restaurant use requires 121 parking spaces, the proposed restaurant use requires 35 parking spaces (11 off-street parking spaces per 1,000 square feet of gross floor area), and the proposed resort use (based on units) requires 67 parking spaces. Staff has noted that a total of 223 off-street parking spaces are required. Upon submittal of a Planned Commercial Development - Final Development Plan the applicant shall submit a parking plan to identify 223 off-street parking spaces. **The revised site plan identifies a total of 233 off-street parking spaces for all uses, reception area, restaurant, winery and hotel. Seven (7) spaces are handicap spaces of which one is van accessible. The reception area requires 81 spaces, the hotel requires 75 spaces, the restaurant use requires 75 spaces and the winery and storage areas each require one space. (Revised 8-12-08)**

LANDSCAPING:

A landscaping plan was not submitted as part of this review. Upon submittal of a Planned Commercial Development - Final Development Plan the applicant shall submit a landscaping plan that meets the minimum requirements of Section 17.50.300 of the Rapid City Municipal Code.

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The applicant has indicated the areas of landscaping that will be provided on the revised site plan. Upon submittal of a Planned Commercial Development – Final Development Plan, the applicant must submit a landscaping plan that meets the minimum requirements of Section 17.50.30 of the Rapid City Municipal Code. (Revised 8-12-08)

LIGHTING:

The area in which the property is located is in close proximity to both residences and a City park. Staff has concerns that site lighting could potentially cause adverse effects on these surrounding properties. Upon submittal of a Planned Commercial Development - Final Commercial Plan staff recommends the applicant submit for review and approval a site lighting plan identifying foot candle strength of all proposed lights all directed away from adjacent property.

FLOODPLAIN:

A small portion of the property is located within the Federally designated 100 year flood plain. Prior to the issuance of a Building Permit the applicant is required to obtain a Flood Plain Development permit. In addition base flood elevation information shall be submitted for review and approval upon submittal of a Planned Commercial Development - Final Development Plan.

There are no buildings currently located within the 100 year flood plain. Upon review of the revised site plan, it appears that no portion of the proposed new structure will be located in the 100 year Federally designated flood plain. The majority of the property is located within the 500 year flood plain. The Floodplain Policy Resolution states that properties in the 500 year floodplain, downstream from the Chapel Lane Bridge, are not required to obtain a Floodplain Development permit. As such, a Floodplain Development permit is not required and additional base flood elevation information will not be needed for the portion of the property in the 500 year floodplain. (Revised 8-12-08)

WATER & SEWER:

Staff has noted that this development is part of the City of Rapid City Water System. Upon submittal of a Planned Commercial Development - Final Development Plan the applicant is required to submit data demonstrating that adequate fire and domestic water flows are available for such development. **The Rapid City Fire Department has indicated that adequate fire flows are available for this development. (Revised 8-12-08)**

Sewer service to the site is provided by Rapid Canyon Sanitary District. Upon submittal of a Planned Commercial Development - Final Commercial Plan staff recommends the applicant submit for review and approval data demonstrating that adequate sewer flow capacity is available for such development, and that the District has reviewed and approved the data.

SHORE LANE:

Staff has noted that Shore Lane currently does not meet the standards of a Lane/Place Street. Shore Drive currently has a right-of-way width of 30 feet and a pavement width of 20

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feet. A Commercial Street requires a minimum right-of-way width of 59 feet and a minimum pavement width of 26 feet. Any future subdivision of the property will require the street to be built to City standards including the dedication of 29 feet of right-of-way, and the installation of sidewalk, curb, gutter and street light conduit.

Staff has noted that the applicant's driveway width as identified measures 78 feet in width. Per the Street Design Criteria Manual a 28 foot driveway width is allow for a commercial use. Upon submittal of a Planned Commercial Development - Final Commercial Plan the applicant shall submit a revised site plan showing a 28 foot wide driveway or submit an Exception request to have a driveway width of 78 feet in lieu of 28 feet as per the Street Design Criteria Manual.

Shore Drive is currently paved to the parking lots adjacent to the motel. According to the plat for Kashmir Subdivision Revised, Shore Drive is a private drive. However, the 25 foot lane extending from Chapel Lane to the parking lot entrance on the south side of the property will need to be built to City standards as per the Rapid City Street Design Criteria Manual. (Revised 8-12-08)

TRAFFIC IMPACTS:

The sole access to this development is from Chapel Lane. Chapel Lane is the sole point of access to the entire Chapel Valley area and serves the 543 existing dwelling units.

Based on the Highway Capacity Manual, Chapel Lane can maintain a level of service to handle 9,670 average daily trips. Staff has reviewed the proposed use to determine the effect on traffic rates on Chapel Valley Lane. The increase in traffic from the proposed uses will increase the traffic from the Chapel Valley area by 7% or 261 daily trips. Based on the ASHTO road capacity for Chapel Lane, the road will be at 39% of the total projected road capacity.

EMERGENCY EVACUATION PLAN:

Evacuation of the Chapel Valley area during an emergency is a significant concern of the City and the residents of the Chapel Valley area. The applicant has discussed emergency evacuation plans and has given preliminary plans to the Rapid City-Pennington County Emergency Management Office staff. Staff recommends that upon submittal of a Planned Commercial Development – Final Development Plan application, an approved emergency evacuation plan must be submitted for review and approval.

RED LINE COMMENTS:

Staff has identified several building code requirements relating to enclosed stairwells and swimming pool separation, indicated as red lined comments on the site plan. All red lined comments will need to be addressed prior to submittal of a Planned Commercial Development – Final Development Plan. A building permit shall be obtained prior to any construction and a Certificate of Occupancy shall be obtained prior to occupancy.

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SIGN:

Currently, an illuminated double sided pole sign for the Canyon Lake Resort is located on the site. The sign is seven feet one inch by 10 feet one inch in size with a Plexiglas face. The applicant plans to continue using this signage, but will change the face of the sign to reflect the proposed resort. Prior to submitting a Planned Commercial Development – Final Development Plan, a sign package for the revised sign will need to be submitted for review and approval.

SALES OFFICE:

The applicant plans to convert the current laundromat building to the sales office for the resort and this building will remain until the construction of the parking lot begins. Parking for this building will require that three parking spaces remain, one being a van accessible handicapped space. Prior to submitting a Planned Commercial Development – Final Development Plan, a sign package for the sales office will need to be submitted for review and approval.

FIRE:

The currently adopted International Fire Code must be continually met. The Fire Department staff has indicated that the wood constructed hotel will be required to be fully sprinklered and fire alarmed. Two existing fire hydrants are located on site. One additional fire hydrant will be required near the west end of the proposed building addition.

The Rapid City Fire Department conducted a hydrant flow test on July 9, 2008. The Fire Department has identified that the fire flow is acceptable based upon the use of an NFPA-13 fire sprinkler system throughout the proposed resort complex. (Revised 8-12-08)

Staff recommends that the Planned Commercial Development – Initial Development Plan be continued to the May 22, 2008 Planning Commission at the applicant's request. (Revised 4-11-08)

Staff recommends that the Planned Commercial Development – Initial Development Plan be continued to the June 26, 2008 Planning Commission at the applicant's request. (Revised 5-14-08)

Staff recommends that the Planned Commercial Development – Initial Development Plan be continued to the July 10, 2008 Planning Commission at the applicant's request. (Revised 6-16-08)

Staff recommends that the Planned Commercial Development – Initial Development Plan be continued to the August 7, 2008 Planning Commission to allow staff time to review the submitted information. (Revised 7-1-08)

Staff has significant concerns with the single point of access provided to Chapel

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Valley. Upper portions of Chapel Valley are located in a high wild fire hazard area. Additionally, the only point of access to the valley crosses a bridge on Rapid Creek and the Rapid Creek Floodplain. The adopted Fire Code allows no more than 30 dwelling units to take access from a single point. The Street Design Criteria Manual, adopted by the City of Rapid City, specifies that 40 dwelling units may take access from a single point. For this reason, the platting of additional lots in Chapel Valley has previously been denied. It is important to note that the proposed hotel/motel condominium units do not meet the definition of a dwelling unit. As such, the limitations on dwelling units identified above do not apply to the proposed use. While staff has concerns with loading additional trips onto a single point of access, the proposed use complies with the adopted standards.

Based on compliance with the adopted standards, staff recommends that the Planned Commercial Development – Initial Development Plan be approved with the previously stated stipulations. (Revised 8-12-08)