

STAFF REPORT
January 8, 2015

No. 14PD037 - Final Planned Development Overlay to allow a Commercial Development with On-Sale Liquor Establishments **ITEM 12**

GENERAL INFORMATION:

APPLICANT	Destination Pointe LLC
AGENT	Upper Deck Architects
PROPERTY OWNER	Mollers Limited Partnership
REQUEST	No. 14PD037- Final Planned Development Overlay to allow a Commercial Development with On-Sale Liquor Establishments
EXISTING LEGAL DESCRIPTION	Lot 3 of Eastbrook Subdivision located in the SE1/4 of the SW1/4 of Section 31, T2N, R8E and the NE1/4 of the NW1/4 of Section 6, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota
PARCEL ACREAGE	Approximately 5.4 acres
LOCATION	Northeast corner of the intersection of Lacrosse Street and Omaha Street
EXISTING ZONING	General Commercial District - General Commercial District (Planned Development Designation)
FUTURE LAND USE DESIGNATION	Mixed Use Commercial
SURROUNDING ZONING	
North:	Medium Density Residential District - Medium Density Residential District (Planned Development)
South:	General Commercial District - Light Industrial District
East:	General Commercial District (Planned Development) - Medium Density Residential District
West:	Office Commercial District (Planned Development Designation) - General Commercial District
PUBLIC UTILITIES	Rapid City water and sewer
DATE OF APPLICATION	October 10, 2014
REVIEWED BY	Robert Laroco / Ted Johnson

RECOMMENDATION:

Staff recommends that the Final Planned Development Overlay to allow a commercial development with on-sale liquor establishments be approved with the following stipulations:

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1. An Exception is hereby granted to reduce the required amount of off-street parking from 364 to 327 spaces. A minimum of 7 of the provided spaces shall be stacked parking spaces for the proposed drive through restaurant. A minimum of 8 of the proposed parking spaces shall be handicap accessible. Of the 8 required handicap parking spaces, one of the spaces shall be "van accessible". All parking shall comply with the requirements of the Rapid City Parking Ordinance;
2. An Exception is hereby granted to reduce the required setback for a ground sign from 10 feet to 8 feet. All signage shall comply with the requirements of the Rapid City Sign Code. No electronic or Light Emitting Diode (LED) signage is being approved as a part of this Final Planned Development. The addition of LED signage shall require a Major Amendment to the Planned Development. A sign permit shall be obtained for each sign;
3. An Exception to waive the requirement to provide a screening fence along the northern property line is hereby granted. All landscaping shall comply with the landscaping plan date-stamped on December 12, 2014. Changes to the landscaping which meet the standards for buffering and screening established in the submitted landscaping plans may be approved as a Minimal Amendment to the Planned Development;
4. The proposed on-sale liquor establishments shall be operated in the locations and as accessory to the uses specified in the approved site plans. Changes in the operation of the facilities which result in an increase in the total square footage of on-sale liquor establishments permitted within this Final Planned Development shall require a Major Amendment to the Planned Development;
5. Prior to issuance of a building permit, all redline comments shall be addressed and returned to Community Planning and Development Services;
6. A building permit shall be obtained prior to construction. A Certificate of Occupancy shall be obtained prior to occupancy;
7. An air quality permit shall be obtained prior to disturbances of earth greater than one acre;
8. Prior to issuance of a building permit, all redline comments shall be addressed and returned to Community Planning and Development Services;
9. Prior to issuance of a building permit, final plans signed and sealed by a registered professional pursuant to SDCL 36-18A shall be submitted. In particular, final construction plans shall show that all existing utility services from the former mobile home park are being abandoned and all utility work for the proposed development is in compliance with the requirements of the Infrastructure Design Criteria Manual.
10. Prior to issuance of a Certificate of Occupancy, all required erosion and sediment control measures shall be installed as necessary;
11. All lighting shall be designed to preclude shining on adjacent properties or rights-of-way so as not to create a nuisance to neighbors or passing traffic;
12. All requirements of the International Fire Code shall be continually maintained;
13. All requirements of the General Commercial District shall be continually maintained unless specifically authorized as a stipulation of this Final Planned Development or a subsequent Major Amendment to the Planned Development, and;
14. This Final Planned Development shall allow for the construction of a commercial development with on-sale liquor establishments. Permitted uses in the General Commercial District shall be permitted, contingent upon an approved building permit and that sufficient parking is provided. All conditional uses shall require the review and approval of a Major Amendment to the Planned Development.

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GENERAL COMMENTS: The applicant has submitted a request for a Final Planned Development to allow a commercial development with a number of on-sale liquor establishments, including one in conjunction with a casino, on approximately 5.39 acres of property zoned General Commercial District. The proposed commercial development is comprised of two separate commercial strip malls to be developed in a phased project. The first phase will include a total of 32,911 square feet of commercial space including space for a fast food restaurant with a drive through, two restaurants with alcohol sales and service, a liquor store, a beauty salon, and a casino with alcohol sales and service. Construction on Phase 1 is anticipated to commence as soon as possible. The second phase is anticipated to commence construction within 12 months of Planning Commission action. Phase 2 is comprised of 21,910 square feet of commercial space. Submitted plans show that one additional restaurant with alcohol sales and service is proposed as a part of Phase 2.

The submitted letter of intent has noted a number of Exceptions requested as a part of this Final Planned Development. They are as follows:

- An Exception to reduce the required setback for a ground sign from 10 feet to 8 feet;
- An Exception to reduce the required amount of parking from 364 parking spaces to 327 parking spaces;
- An Exception to provide an alternative landscaping design as shown in the most recently submitted landscaping plan, and;
- An Exception waiving the requirement to provide a screening fence along the northern property line.

The property is located northwest of the intersection of La Crosse Street and Omaha Street and is currently undeveloped.

STAFF REVIEW: Staff has reviewed the application according to the requirements of Rapid City Municipal Code Chapter 17.50.185 regarding on-sale liquor establishments. The requirements are as follows:

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 in the General Commercial District adjacent to two principal arterial streets on the City's Major Street Plan. Property located approximately 580 feet to the west as well as property located approximately 260 feet to the south of the subject property is zoned Flood Hazard District and are both a part of the Rapid City Greenway Tracts. The proposed development is located at the intersection of two principal arterial streets on the City's Major Street Plan in an area developed with a variety of commercial and light industrial uses. The General Commercial District is seen as the appropriate zoning designation for on-sale liquor establishments, specifically when approved as an accessory use to a primary use. The stipulations of approval will serve to mitigate potential impacts.

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2. *The requested use is sufficiently buffered with respect to residential areas so as not to adversely affect the areas:*

Property to the north and east is zoned Medium Density Residential District. The property north of the subject property is located within a Planned Development and is developed with an apartment complex. The applicant has requested an Exception to waive the requirement to provide a screening fence along the northern lot line. Due to the topographical characteristics between the subject property and the adjacent property to the north, the required screening fence would not provide the screening between residential and commercial districts as intended by the Zoning Ordinance. In addition, the provided landscaping plan shows a vegetative buffer is being provided to the north of the proposed commercial development. The proposed landscaping buffer should ensure that the commercial uses on the subject property, including the proposed on-sale liquor establishments, will be sufficiently buffered from the neighboring residential uses. Submitted plans show that the on-sale liquor establishments proposed as a part of this development are accessory to other primary uses, including restaurants and a casino. Changes in the operational plan which increase the number or size of on-sale liquor establishments in the development will require a Major Amendment to the Planned Development.

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:*

No additional on-sale liquor establishments are located within 500 feet of the subject property. The proposed commercial development is proposing a total of five on-sale liquor establishments to be operated as accessory to a variety of other permitted uses. The General Commercial District is seen as the appropriate zoning designation for on-sale liquor establishments, specifically when operated as an accessory use to a primary use. It does not appear that the proposed uses will create an undue concentration of similar uses, so as to cause blight, deterioration, or substantially diminish or impair property values.

4. *The proposed use complies with the standards of 5.12.140 and 17.54.030 of this code:*

The criteria for review of a Conditional Use Permit per Chapter 17.54.030 of the Rapid City Municipal Code are included below. The proposed use complies with the standards of the Code.

Criteria for Review: Rapid City Municipal Code Chapter 17.54.030.E sets the criteria required in reviewing a Conditional Use Permit. In reviewing applications for a Conditional Use Permit, due consideration shall be given to the following:

1. *The location, character, and natural features of the property:*

The property is located northwest of the intersection of La Crosse Street and Omaha Street. The property is generally level and grass covered.

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2. *The location, character, and design of adjacent buildings:*

Property in the area is zoned and developed with a mix of commercial, residential, and light industrial uses. Property to the west is developed with a car dealership. Property to south is developed with a hotel. Property to the east is developed with a tire dealership and the Black Hills Workshop training center. Property to the north is developed with an apartment complex.

3. *Proposed fencing, screening, and landscaping:*

No additional fencing, screening, or landscaping is being proposed as a part of this request. As previously discussed, the applicant has requested an Exception to waive the required screening fence on the north property line and submitted an alternative request to provide landscape screening due to the steep topography located on the north side of the property. Based on submitted plans, the proposed landscaping plan will create a landscape buffer around the perimeter of the entire property, as well as create landscaping islands to break up expanses of asphalt in the parking lots. It appears that the proposed landscaping plans will provide an alternative design which will buffer the commercial development from the busy roadways and adjacent residential development. All landscaping must comply with the landscaping plan date-stamped on December 12, 2014. Changes to the landscaping which meet the standards for buffering and screening established in the submitted landscaping plans may be approved as a Minimal Amendment to the Planned Development.

4. *Proposed vegetation, topography, and natural drainage:*

As previously noted, the elevation on the north side of the property increases sharply a total of approximately 25 feet. The balance of the property has been graded as a part of previous development of the property. The Public Works Department has not noted any concerns with the existing grading and drainage improvements on the property. All proposed and future development of the property must comply with the requirements of the Rapid City Infrastructure Design Criteria Manual.

5. *Proposed pedestrian and vehicular access, circulation and parking, including that related to bicycles and other unpowered vehicles and provisions for handicapped persons:*

Submitted plans show that a total of 364 parking spaces are required for both phases of the development. A total of 327 parking spaces are being proposed as a part of this Final Planned Development. The applicant has requested an Exception to reduce the required amount of parking from 364 spaces to 327 spaces, for a total of 37 spaces or approximately 10 percent. Based on the anticipated uses within the development and the varying hours of operations for the various businesses, the expected parking demand for the development will be mixed. The applicant has stated in their letter of intent that they do not anticipate that the mix of uses will require additional parking for the site. Based on the unique mix of uses and the varying hours of operation for businesses at the site, staff recommends that the request to reduce the required amount of off-street parking spaces at the site from 364 to 327 spaces be approved. The

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applicant should note that submitted plans show a number of proposed suites to be “vacant” at this time. At the time that these additional suites are developed with tenants, additional parking will be required. Future development of the site will require that the additional off-street parking be provided, or an Amendment to the Planned Development to further reduce the parking must be approved.

Submitted plans show that sidewalk along Omaha Street, Racine Street, and La Crosse Street is being provided.

6. Existing traffic and traffic to be generated by the proposed use:

During initial review of the Traffic Impact Study submitted as a part of this Final Planned Development, Transportation Planning, Public Works, and the South Dakota Department of Transportation noted that the proposed development would result in significant traffic delays and congestion on Omaha Street and La Crosse Street. The applicant has since revised the proposed layout and uses in order to create better separation between intersections and the accesses to the development, as well as reduce trip generation attributable to the site. Based on the revised layout and proposed uses within the development, as well as revisions to the originally submitted Traffic Impact Study, it appears that concerns regarding the level of service of the surrounding road network and accessibility of the site have been addressed.

7. Proposed signs and lighting:

The applicant has requested an Exception to reduce the required setback for a ground sign from 10 feet to 8 feet. Submitted plans show that the sign will advertise the development name of “Destination Pointe” and is located northeast of the intersection of Omaha Street and Racine Street and measures 13 feet wide by 8 feet tall, totaling 104 square feet of signage. Plans show that the proposed sign is located outside of all site triangles. The location of the proposed signage will ensure that the proposed landscaping will continue to provide an uninterrupted buffer around the perimeter of the development. Based on these reasons, staff recommends that the request to reduce the required setback for a ground sign from 10 feet to 8 feet be approved.

Submitted plans show that the balance of signage will be wall signage installed by each tenant and that all signage will comply with the requirements of the Rapid City Sign Code. No Light Emitting Diode (LED) signage is being proposed as a part of this Final Planned Development. The addition of LED signage will require a Major Amendment to the Planned Development.

8. The availability of public utilities and services:

The property is served by Rapid City water and sewer services. Public Works staff has noted that all proposed utility improvements must comply with the requirements of the Infrastructure Design Criteria Manual.

The Rapid City Fire Department has not noted any concerns with the proposed on-sale

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liquor uses or the design and layout of the site. All applicable provisions of the currently adopted International Fire Code must be continually met.

9. *The objectives of the adopted comprehensive plan and the purpose of the ordinance codified herein:*

The Future Land Use designation for this property is mixed use commercial. The property is zoned General Commercial District. The proposed use on the property complies with the Comprehensive Plan and the Zoning Ordinance.

10. *The overall density, yard, height and other requirements of the zone in which it is located:*

Submitted plans show that the proposed development is comprised of 54,821 square feet of mixed use commercial development. With the exception of the requested reduction in setback to the ground sign, all setback requirements are being met. All building height and lot coverage requirements are being met.

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 orientations:*

The stipulations of approval of this Final Planned Development will serve as the tool to ensure that the effects of noise, odor, smoke, dust, and air and water pollution are mitigated to the greatest extent possible. The proposed on-sale liquor use for beer and wine will be located entirely within the structure. It does not appear that the request will create excessive noise, odor, smoke, dust, air, or water pollution.

12. *The degree to which conditions imposed will mitigate any probable adverse impacts of the proposed use on existing adjacent uses:*

The submitted landscaping plan shows that vegetative screening is being provided around the perimeter of the facility. The submitted landscaping plans will ensure that the commercial businesses operating within the development are screened from the public roadway and neighboring properties to the greatest extent possible. The mix of uses and operating hours in the development will help ensure that demand on parking is mitigated to the greatest extent possible. The proposed on-sale alcohol uses are accessory to other primary uses. The applicant's revisions to the site layout and uses will ensure that traffic concerns for the development are addressed to the greatest extent possible. Additional development within the site is contingent upon provisions of sufficient parking or an Amendment to this Final Planned Development. For these reasons, staff recommends that the Final Planned Development to allow a Commercial Development with a number of on-sale liquor establishments be approved with the stipulations outlined above.

Notification Requirements: As of this writing, the letters have not been returned to Community Planning and Development Services for mailing. The sign has been picked up. However, staff has not confirmed that the sign has been posted on the property. Staff will inform the Planning Commission at the January 8, 2015 Planning Commission meeting if these

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requirements have not been met. As of this writing there have been no inquiries into the proposed Final Planned Development.