

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

GENERAL INFORMATION:

APPLICANT	OM Properties
PROPERTY OWNER	OM Properties LLC
REQUEST	<b>No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino</b>
EXISTING LEGAL DESCRIPTION	Lots 30 thru 39 of Block 4 of Simmons Addition and the east 30 feet of vacated East Boulevard adjacent to said lots, located in Section 1, T1N, R7E, BHM, Rapid City, Pennington, County, South Dakota
PARCEL ACREAGE	Approximately 0.86 acres
LOCATION	316 East Boulevard
EXISTING ZONING	General Commercial District
FUTURE LAND USE DESIGNATION	Mixed Use Commercial
SURROUNDING ZONING	
North:	General Commercial District
South:	Light Industrial District - General Commercial District
East:	Light Industrial District
West:	General Commercial District
PUBLIC UTILITIES	Rapid City water and sewer
DATE OF APPLICATION	December 4, 2014
REVIEWED BY	Robert Laroco / Bob Reiss

RECOMMENDATION:

Staff recommends that the Conditional Use Permit to allow on-sale liquor in conjunction with a casino be approved with the following stipulations:

1. A building permit shall be obtained prior to construction. A certificate of completion shall be obtained prior to occupancy of the casino;
2. Prior to issuance of a building permit, revised plans shall be submitted showing all proposed revisions to the interior of the suite. In particular, plans shall show that handicap accessibility is being provided as required;
3. The on-sale liquor establishment shall operate in compliance with all requirements of the Rapid City Municipal Code and the submitted operations plan. Changes to the operational plan which expand or alter the on-sale liquor use on the property will require

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

- a Major Amendment to the Conditional Use Permit;
4. All signage shall comply with the requirements of the Rapid City Sign Ordinance. A sign permit is required for each sign;
  5. All parking shall comply with the requirements of the Rapid City Parking Ordinance;
  6. All outdoor lighting shall be designed to reflect within the property boundaries so as to not shine on adjoining properties and rights-of-way and not be a hazard to the passing motorist or constitute a nuisance of any kind;
  7. All applicable provisions of the currently adopted International Fire Code shall be continually maintained;
  8. All provisions of the General Commercial District shall be continually maintained, and;
  9. This Conditional Use Permit shall allow an on-sale liquor establishment to be operated in conjunction with a casino. All permitted uses in the General Commercial District shall be permitted contingent upon an approved building permit and provision of sufficient parking. All conditional uses shall require a Major Amendment to the Conditional Use Permit;

**GENERAL COMMENTS:** The applicant has submitted a request for a Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a casino. On April 20, 1992, a Conditional Use Permit to allow an on-sale liquor establishment (File #UR1100) was approved to allow an on-sale liquor establishment in conjunction with the Queen of Hearts casino, located in Suite 100 of the existing structure. The proposed casino will be adjacent to the Queen of Hearts casino in Suite 110.

The applicant is proposing an approximately 811 square foot casino to be located within Suite 110 of the subject property. No expansions to the existing structures on the property are being proposed as a part of this Conditional Use Permit request.

The property is located at 316 East Boulevard, approximately 200 feet south of the intersection of East Boulevard and Omaha Street. A portion of the existing structure is occupied by a casino. The balance of the structure is currently vacant and is being used for storage.

**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 in a fully developed portion of the City. The property located approximately 280 feet to the north is zoned Flood Hazard District and is a part of the Rapid City Greenway Tracts. Based on the submitted operations plan for the facility, the casino will operate inside the structure only and is located within a fully developed commercial district of the City. In addition, the General Commercial District is seen as the appropriate zoning district for on-sale liquor establishments, specifically when operated as an accessory use to another primary commercial use. It appears that potential negative impacts of the proposed on-sale liquor establishment will be mitigated to the

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

greatest extent possible.

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 west is zoned General Commercial District. Property to the south is zoned Light Industrial District and General Commercial District. Property to the east is zoned Light Industrial District. There are no residentially zoned properties within 500 feet of the subject property. Staff recommends that the facility operate in compliance with all requirements of the Rapid City Municipal Code and the submitted operations plan. Changes to the operational plan which expand or alter the on-sale liquor use on the property will require a Major Amendment to the Conditional Use Permit.

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 is one additional on-sale liquor establishment located in the suite adjacent to the suite of the proposed on-sale liquor establishment and is known as the Queen of Hearts Casino. The General Commercial District is seen as the appropriate district for an on-sale liquor use, specifically when the use is accessory to another primary commercial use. It does not appear that the proposed use will create an undue concentration of similar uses.

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 on East Boulevard in central Rapid City. The property is generally level and is fully developed with a single structure and parking.

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

Property in the area is zoned and developed with a mix of commercial and light industrial uses. Property adjacent to the south is railroad right-of-way. The properties to the west and the north are developed with car dealerships. Property to the east is zoned Light Industrial District. Property in the vicinity is developed with a mix of commercial and light industrial uses.

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

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

No additional fencing, screening, or landscaping is being proposed as a part of this request. Based on submitted plans, it appears that the existing landscaping on the property is legally non-complying. The applicant should note that future changes to the site may require additional landscaping as per Rapid City Municipal Code Chapter 17.50.300.

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

No additional vegetation, grading, or drainage facilities are being proposed as a part of this request. The Public Works Department has not noted any concerns with the existing grading and drainage improvements on the property.

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

Based on the proposed uses in the structure, a total of 24 parking spaces must be provided on the property. Two of the required parking spaces must be handicap accessible. One of the proposed handicap spaces must be van accessible. Submitted plans show that a total 26 parking spaces are being provided on the property. Two of the provided parking spaces are handicap accessible, with one of the provided handicap spaces being van accessible. All parking must comply with the requirements of the Rapid City Parking Ordinance.

Submitted plans show that sidewalk along the East Boulevard right-of-way is not being provided. The parking area west of the existing structure was originally developed without a property line sidewalk and, as such, is legally non-complying. Today, the development of parking facilities in compliance with the Rapid City Parking Ordinance and the existing East Boulevard right-of-way does not allow for the development of the required sidewalk. However, no expansion or additions to the existing structures are being proposed. As such, the property remains legally non-complying with regard to sidewalks. The applicant should be aware that any additions or expansions to the existing structures will require that sidewalks be provided.

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

East Boulevard is classified as a principal arterial street on the City's Major Street Plan, capable of accommodating high volumes of commercial, residential, and industrial traffic. Transportation Planning staff has noted that the square footage for the proposed casino is expected to generate a total of 11 trips per peak hour. A Traffic Impact Study is not required for the proposed use.

*7. Proposed signs and lighting:*

Submitted plans show that one additional wall sign is proposed on the property for the proposed casino. The applicant's submitted operations plan states that all signage will comply with the requirements of the Rapid City Sign Code. No electronic or LED signage is being proposed as a part of this Conditional Use Permit. All future signage must

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

comply with the requirements of the Rapid City Sign Code.

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 existing utilities do not comply with the requirements of the Infrastructure Design Criteria Manual. The applicant should be aware that any expansions or additions to the existing structure will require that the utility services for the property be brought into compliance with the requirements of the Rapid City Infrastructure Design Criteria Manual.

The Rapid City Fire Department has not noted any concerns with the proposed on-sale liquor use. 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 structure comprises approximately 17,125 square feet. The proposed casino is comprised of approximately 811 square feet. No expansions or additions to the existing structure are being proposed. Submitted plans show that all setback, density, and height 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 Conditional Use Permit 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 operations plan shows that the casino will operate daily from 8:00 am to 12:00 am. The submitted suite layout shows that the casino is a total of 811 square feet and with a total of 10 machines. The on-sale alcohol use must comply with the hours/days/holiday restrictions that apply for the type of license secured. The stipulations of approval of this Conditional Use Permit will serve as the tool to ensure that the proposed use will maintain parking and not create additional light or noise that may have an adverse impact on adjacent uses. The proposed on-sale alcohol use is an accessory

STAFF REPORT  
January 8, 2015

---

**No. 14UR022 - Conditional Use Permit to allow on-sale liquor in conjunction with a casino**      **ITEM 16**

---

to the proposed casino and is for the sale and service of beer and wine only. The provided on-street parking meets the requirements of the Rapid City Municipal Code. The landscaping and pedestrian circulation on the property remain legally non-complying on the property and must be brought into compliance with the requirements of the Rapid City Municipal Code upon the expansion or addition to the structure on the property. The proposed on-sale liquor use is for beer and wine only and is an accessory to the primary casino use. For these reasons, staff recommends that the Conditional Use Permit to allow an on-sale liquor establishment in conjunction with a casino be approved with the stipulations outlined above.

Notification Requirements: The first class mailings have been returned to Community Planning and Development Services for mailing. The sign has been picked up; however, as of this writing, staff has not confirmed that the sign has been posted on the property. Staff will notify the Planning Commission at the January 8, 2015 Planning Commission meeting if this requirement has not been met.