

**From:** [doclemley@aol.com](mailto:doclemley@aol.com) [<mailto:doclemley@aol.com>]

**Sent:** Wednesday, August 05, 2015 2:20 PM

**To:** cpweb; Laroco Robert

**Cc:** [patri@acv2architecture.com](mailto:patri@acv2architecture.com); [john@acv2architecture.com](mailto:john@acv2architecture.com); [teedub111@gmail.com](mailto:teedub111@gmail.com); [winterlaw@rushmore.com](mailto:winterlaw@rushmore.com)

**Subject:** CUP/Lost Cabin Beer

Dear Members of the Rapid City Community Planning and Development Services,

Lost Cabin Beer is seeking a CUP to establish a brewery. I own property in the vicinity and plan to also start a brewery. I do not want their application to negatively impact my plans in the future.

I grew up in Rapid City and graduated from Stevens High School in 1984. Currently I am a primary care physician who resides in Bozeman, Montana. Landstrom's Black Hills Gold Jewelry Manufacturing was founded by my grandfather Ivan Landstrom and that company has been in my family for three generations. Recently I sold the assets of Landstrom's to Riddle's Jewelry but the name is still held privately and exclusively in my ownership. Riddle's currently licenses the Landstrom's name from me and I have every intention to diversify and further the Landstrom's quality brand. The large 28,000 square foot brick building located in the Gap has been known as the home for Landstrom's since 1974. The building and land are held in my exclusive ownership. Prior to this Planning committee making a decision regarding the Conditional Use Permit for Log Cabin Beer LLC, it would be prudent to communicate to this committee the plans I hold for the Landstrom's building.

My plans are to develop the building and land into a commercial/retail/professional office complex. Without advertising, I have received inquiries from dentists, veterinarians, physical therapists, coffeeshops including Caribou Coffee, taco bars, Verizon Wireless, etc. My endeavor is to create a multi-business complex in the heart of Rapid City in the area commonly known as the Gap in my Landstrom's building. The intention is to help transform the Gap into a modern and eclectic commercial/light industrial business district. To spearhead the transformation process and help greatly in the success of this new development, the entire front 1/3 of the Landstrom's building has been allocated towards the creation and installation of a microbrewery owned by me and my partners called "Landstrom's Black Hills Gold Brewery." I believe strongly that visibility of my soon-to-be brewery will greatly help lead to the commercial success for all the businesses in the Gap. Currently, 10,000 square feet has been allocated specifically for "Black Hills Gold Brewery." A photo rendition of the facade is included. The plans for developing the building and creating the brewery are in the making. Me and my team aim to have a proposal to the city within 2 months, with hard bids going to contractors shortly thereafter. Plans are underway to begin breaking ground in December for the renovation of the building and brewery.

On Friday, July 31st I opened a letter sent to me from Lost Cabin Brewing regarding a Notice of Hearing for Conditional Use Permit for an On-Sale Liquor Establishment. Because I live in Bozeman, it is not realistic for me to attend this Hearing on such short notice, so I provide you with this letter and shall have representation present at the hearing from my architects and from colleagues associated in my project.

Speaking as sole owner of the Landstrom's building, and as owner/managing member of the business called Black Hills Gold Brewing LLC, and on behalf of my partners of Black Hills Gold Brewing LLC, we have no objection to allow Lost Cabin microbrewery into our general commercial district. I have owned and managed a number of businesses with variety over time and it is well recognized that competition is healthy and good. With that said, the team of Jesse Scheitler and Tom Silbernagel and their microbrewery business called Lost Cabin Beer, is welcomed. There is no objection.

However, as the sole owner of the Landstrom's building and as a owner/managing member/partner of Black Hills Gold Brewing, my team does have some concerns to communicate to this committee prior to making their decision.

The number one concern for me and my partners is should this permit be granted to Lost Cabin (which we hope it does), that the same gesture of goodwill will be recognized and reciprocated by Lost Cabin as well as the City Planning and Development when Black Hills Gold Brewing goes to apply for their permit. Application for our permit is expected to happen within the next 1-2 months. My partners and I trust there will be no ordinances, restrictions, or limitations on our ability to have another microbrewery or similar industry, different in style and characteristic, within close proximity. I challenge this committee to investigate further the ordinances to ensure there is no impediment for either these two businesses to be in close proximity of each other. In the '80's, South Dakota Gold Mfg. housed the building just east of Landstrom's across the large parking lot and the relationship was mutually beneficial. The same can happen in this instance just as well. Competition is good, and it is believed that Lost Cabin Beer will have a niche unique to them which is separate and apart from the niche to be created by Black Hills Gold Brewing, allowing ample room for both businesses to prosper just fine.

I am unaware of any ordinance or zoning issue regarding two alcohol establishments, or brewpubs, within close proximity to each other and challenge this committee to take into consideration the intended use of the Landstrom's building which has every intention to establish a microbrewery of its own under my ownership of me, my partners and investors. When casting your vote, please take into consideration these factors and variables for the intended use of the Landstrom's building.

It is additionally important to communicate to the City there is possibility the Landstrom's building will be mixed with upscale residential condominium complexes. For the time being, the building is being devoted specifically for commercial development. However, there exists an compelling option for developing the Landstrom's building into commercial mixed with residential. So, we communicate to the city that the possibility exists for my Landstrom's building to be mixed commercial and residential. Patri Acevedo and/or John Acevedo of AcV2 Architecture can illuminate to the details of this. I believe there is a city ordinance which takes into consideration alcohol being served within 500 feet of residential community. So I believe it to be important to communicate to the city the possibility exists for part of the Landstrom's building to be developed for commercial but also mixed with upper-end residential condo's.

The concern is whether there would be any encumbrances that would limit the ability for me and my partners to developing a business of similar industry, yet different in style and in characteristic. We trust that any favor granted to one should be in turn granted to the other.

If there are any questions regarding ordinances or zoning which need to be investigated by the Planning and Development Services committee, then it is respectfully requested for this committee to grant a continuance of 2 months to this issue to allow time for my team to meet with the City for a Courtesy Review. This would allow time sufficient to organize and develop planning adequate to maximize and optimize benefit for both Lost Cabin Beer and Black Hills Gold Brewing.

Again, competition is good and competition is healthy. On behalf my team at Black Hills Gold Brewing, we welcome the Lost Cabin permit but feel it necessary to inform the city to the upcoming changes involved with my Landstrom's building. As the committee renders this decision as well as upcoming future decisions, it is requested all variables become taken into consideration with fairness and equity to all interested parties.

It is the overall endeavor to transform the Gap into a thriving business district, making it unique and creative, modern and eclectic, beautiful to the eye, welcoming and supportive to local business. The aim is to facilitate the creation of an attractive business district, to give back to the community, create business and jobs, and support the overall Black Hills tourism industry. The Gap is on the move for something wonderful, with the sum of all business being greater than its parts.

Thank you for your time and consideration.

All the Best,

Dr. Robert Lemley

Landstrom's Golden Creations Ilc, Owner/Managing Member  
Landstrom's Black Hills Gold Brewing Ilc, Owner/Managing Member  
Landstrom's Original Black Hills Gold Creations, Owner/Director

