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2000-7

RESOLUTION ADOPTING CRITERIA FOR ISSUANCE OF ADDITIONAL CONVENTION CENTER LIQUOR LICENSES

WHEREAS, the 2000 Legislature of the State of South Dakota has passed HB 1237, which allows the issuance of twelve (12) additional convention facility on-sale licenses to hotel-motel convention facilities. HB 1237 was an amendment to SDCL 34-11 and 34-11.2. The amendment reads as follows:

That chapter 35-4 be amended by adding thereto a NEW SECTION to read as follows: In addition to the licenses provided by §§ 35-4-11 and 35-4-11.2, any municipality that is authorized by chapter 42-7B to allow legal games of chance may issue up to twelve additional convention facility on-sale licenses to hotel-motel convention facilities. A hotel-motel convention facility as used in this section is a facility that, in a bona fide manner, is used and kept open for the hosting of large groups of guests for compensation which has at least fifty rooms which are suitable lodging accommodations and convention facilities with seating for at least one hundred fifty persons. In a locally designated historical district, in a municipality that is authorized to conduct gaming by chapter 42-7B, any license created by this section shall be available to buildings subject to rehabilitation and restored according to the U.S. Department of the Interior standards for historic preservation projects codified in C.F.R. 67 as of January 1, 1994. rehabilitation project shall have at least thirty rooms that are suitable lodging accommodations.

WHEREAS, the City Commission of the City of Deadwood has held several public meetings to discuss, consider and take input from the public on the matter of the criteria for the issuance of the additional convention center liquor licenses; and

WHEREAS, the City of Deadwood has also sought and received input from James Fry, Director, Property and Special Taxes Division, South Dakota Department of Revenue.

WHEREAS, the City of Deadwood desires to establish criteria which would be in addition to the criteria and requirements provided in SDCL 35-4-11 and 35-4-11.2, as amended by HB 1237;

NOW THEREFORE, BE IT RESOLVED by the City Commission of the City of Deadwood that it adopts the following criteria to be used in considering applications for and issuing licenses pursuant to SDCL 35-4-11 and 35-4-11.2 as amended by HB 1237 of the 2000 Legislature:

- 1. All licenses shall be site-specific and are subject to renewal annually and are subject to non-renewal or revocation for failure after issuance to continue to meet the requirements of state law and the criteria set forth in this resolution.
- 2. The applicant must have received all prior required approvals under City ordinances required from the Planning and Zoning Commission, the Historic Preservation Commission, the City Commission, including plan review by the City of Deadwood building inspector prior to approval of the application for a convention center liquor license.
- 3. The applicant must provide satisfactory and adequate proof or evidence of financial ability or financing in place for construction of facilities necessary to comply with this criteria and state law.
- 4. Approval of the convention center liquor license shall be withdrawn and canceled if the building permit for the convention center facility is not requested and issued within three (3) months of the approval of the application.

- 5. The convention center liquor license will not be issued for use until completion of the convention center liquor license facility and issuance of a Certificate of Occupancy by the City of Deadwood Building Officer for the convention center facility.
- 6. Eighty per cent (80%) of the convention center facility must be completed within two (2) years from the date of the issuance of the building permit. The City Commission of the City of Deadwood may issue an extension for a period of time not exceeding six (6) months if completion is delayed by unforseen circumstances, acts of God, or other conditions or reasons which could not have reasonably been anticipated by the applicant.
- 7. State law requires rooms which are suitable lodging accommodations. If a room is usually and customarily rented as one unit, it shall be counted as one room without regard to the number of beds or bedrooms. Dormitory or bunk rooms shall be considered as one room. In addition, rooms shall meet all code requirements.
- 8. State law requires "convention facilities with seating for at least one hundred and fifty persons". This facility or room shall be a room with sufficient size, shape and features which are consistent with a convention meeting room and whose primary purpose is for allowing convention attendees or groups to hold meetings or gatherings for convention or group purposes, and shall not be used for other purposes more than thirty (30) days per year. The room must lend itself well to convention or group meetings. For example, a room used primarily for meetings of conventions or groups may be used on occasion for other purposes, provided that such room not

contain or include any permanent furniture and that any other fixtures, or personal property such as booths, equipment, restaurant facilities and other equipment cannot be easily removed to fit within the traditional and usual area and configuration of a convention or group meeting room. Such room may not be easily accessible to or by the general public (other than convention guests) and must be easily and adequately separated from other public areas where gaming and other similar activities take Such room shall have a minimum size requirement of one thousand fifty (1,050) square feet and shall meet all building, fire and life safety code and ADA code provisions, including exit and fire door requirements. Such room shall consist of one room which may be temporarily divided for the purpose of meeting this requirement, provided the room is in compliance with all building, fire and safety code and ADA provisions. Restrooms meeting ADA specifications must be provided on the same floor as the meeting Additionally, the meeting room shall have an automatic sprinkling system.

The above criteria shall apply to all new construction. For existing buildings, the criteria under this paragraph shall apply, provided that limited exceptions to such criteria may be made provided that the applicant intends on using and does in fact use the facility in a bona fide manner for the hosting of large groups of guests for compensation.

The above criteria shall apply to applicants who own historic buildings in the downtown historic district who qualify under the

rehabilitation and restoration project requirements of the 2000 amendment to SDCL 34-4-11 and 34-4-11.2 (HB 1237), provided that exceptions may be made to the above criteria for reasons dictated by limitations within the historic building or structure, and provided the applicant intends to use and does in fact use the facility in a bona fide manner to host large groups for compensation.

- 9. The fee for a convention center liquor license shall be One Hundred Thousand Dollars (\$100,000.00), Fifty Thousand Dollars (\$50,000.00) of which shall be paid at the time of the issuance of the building permit and the balance in the amount of Fifty Thousand Dollars (\$50,000.00) to be paid upon completion of the facility and issuance of the Certificate of Occupancy.
- within the Deadwood downtown historic district for applicants who qualify pursuant to the last two sentences of HB 1237. Such licenses shall be held or dedicated for a period of three (3) years in order to give historic property owners the opportunity to secure financing or investors for the purpose of rehabilitating and renovating their building to include at least thirty (30) rooms pursuant to SB 1237. This paragraph does not limit the total number of licenses which may be issued to historic buildings pursuant to the last two (2) sentences of SB 1237.
 - 11. The establishment of criteria pursuant to this resolution shall not preclude or prevent the City from adding criteria or amending this resolution.

Dated this 1st day of MAY

CITY OF DEADWOOD

Barbara Allen Mayor

ATTEST:

Mary Jo Nelson City Finance Officer